

Annex L

Sourcing, Procurement and Recruitment Management Plan

Sourcing, Procurement and Recruitment Management Plan

Version 1.0

November 2014

Yara Dallo Potash Project, Danakil Depression, Ethiopia

Document Ref.	Prepared By	Reviewed By	Date Submitted to Yara Dallo BV for Review
0224244_V1.0_SPRMP	Janet Mkhabela	Alastair Gow-Smith Dieter Rodewald Mike Everett	November 2014

This report has been prepared by Environmental Resources Management the trading name of Environmental Resources Management Southern Africa (Pty) Limited, with all reasonable skill, care and diligence within the terms of the Contract with the client, incorporating our General Terms and Conditions of Business and taking account of the resources devoted to it by agreement with the client.

We disclaim any responsibility to the client and others in respect of any matters outside the scope of the above.



CONTENTS

	<i>LIST OF ACRONYMS</i>	2
	<i>DEFINITIONS</i>	1-1
1	<i>INTRODUCTION</i>	1-1
1.1	<i>POLICY STATEMENT AND OBJECTIVES</i>	1-2
1.2	<i>PURPOSE AND SCOPE</i>	1-3
1.3	<i>LINKAGE TO OTHER ENVIRONMENTAL AND SOCIAL PLANS</i>	1-3
2	<i>SUMMARY OF LEGAL AND OTHER REQUIREMENTS</i>	2-1
2.1	<i>NATIONAL LEGISLATION AND POLICY</i>	2-1
2.2	<i>NATIONAL GUIDELINES AND STANDARDS</i>	2-1
2.3	<i>IFC PERFORMANCE STANDARDS</i>	2-1
2.4	<i>INTERNATIONAL LABOUR ORGANISATION</i>	2-2
3	<i>OVERALL ACCOUNTABILITY AND RESPONSIBILITY FOR THIS PLAN</i>	3-1
4	<i>IMPACT MANAGEMENT</i>	4-1
4.1	<i>SUMMARY OF IMPACT MANAGEMENT</i>	4-1
4.2	<i>MANAGEMENT DURING CONSTRUCTION</i>	4-1
4.3	<i>MANAGEMENT DURING OPERATION</i>	4-6
4.4	<i>MANAGEMENT FOR DECOMMISSIONING AND CLOSURE</i>	4-6
5	<i>VERIFICATION AND MONITORING</i>	5-1
5.1	<i>COMMUNITY COMPLAINTS</i>	5-2
6	<i>REPORTING AND DOCUMENTATION</i>	6-1
6.1	<i>GOVERNMENT/AUTHORITY REPORTING</i>	6-1
6.2	<i>INTERNAL REPORTING</i>	6-1
6.3	<i>COMMUNITY REPORTING</i>	6-1
7	<i>SPRMP MANAGEMENT PLAN SUMMARY</i>	7-1

LIST OF ACRONYMS

Abbreviation	Full Definition
AoI	Area of Influence
SPRMP	Sourcing, Procurement and Recruitment Management Plan
ELCR	Environmental, Land and Community Relations Manager
HR	Human Resources
WkMP	Worker Management Plan
SME	Small And Medium Enterprises
ESHIA	Environmental, Social and Health Impact Assessment
CHSSMP	Community Health, Safety and Security Management Plan
GoE	Government of Ethiopia

DEFINITIONS

The following definitions are of relevance within this report:

- **Decommissioning** – is the process by which options for the final status of structures at the end of their working life are assessed for their dismantling, physical removal, disposal or modification (if beneficial usage of existing project infrastructure is a component of the closure scheme).
- **Employer** – the organisation Yara Dallol BV, which utilises the services of someone for remuneration or compensation in return.
- **Employee** – any person, excluding an independent contractor, who works for another person and who receives, or is entitled to receive, remuneration and refers to any other person who in any manner assists in carrying out or conducting the business of an employer and the term “employer” has a corresponding meaning.
- **Post-Closure** – is the phase after decommissioning and closure where activities are reduced to monitoring and maintaining specific areas to ensure that environmental and health and safety risks are controlled and minimized.
- **Recruitment** – the process of advertising, selecting and appointing a suitable candidate for a vacant position.
- **Local Supplier** – defined as a business enterprise, including sole traders, small and medium enterprises (SME), and corporations, principally owned by permanent resident(s) of Ethiopia with the primary business activity being undertaken within Ethiopia.
- **Community Supplier** – defined as a business enterprise, including sole traders, small and medium enterprises (SME), and corporations, principally owned by permanent resident(s) of the Danakil area of the Afar Regions with the primary business activity being undertaken within Danakil Area.

Yara International is a leading global fertilizer company with sales of fertilizer to about 150 countries globally. As part of Yara International's overall upstream strategy, the company is exploring for suitable raw sources that can be developed and used as a source to Yara International's global fertilizer production and directly as finished product in its product portfolio. To complement these upstream processes, Yara International has recently started a subsidiary company, Yara Dallol BV, which is involved in the exploration and mining development of potash concessions in Ethiopia. These concessions are located in the Danakil Depression, Afar National Regional State (ANRS), Ethiopia. Yara International, through its Ethiopian subsidiary, proposes to develop a potash mine – the Yara Dallol Potash Project (hereafter referred to as the Project) within three concession areas.

As part of the environmental approval process for the Project a suite of environmental and social management plans is needed to address the issues identified in the Environmental and Social Impact Assessment (ESIA). Several management plans have been developed to address impacts identified in the ESIA and are implemented as part of an environmental management system for the proposed Yara Dallol Potash Project.

This Sourcing, Procurement and Recruitment Management Plan (SPRMP) has been created to guide the sourcing and recruitment of the direct and indirect workforce and the procurement of goods and services.

Yara Dallol BV will require up to a peak of approximately 1,000 direct and indirect employees during construction. This will be made up of skilled, semi-skilled and unskilled ⁽¹⁾ workers contractors. During operation Yara Dallol BV will require a maximum of 760 permanent staff. The workforce will potentially include 376 staff; 173 support staff and 208 product truck drivers.

It is assumed that to maximise local employment, wherever possible the workforce will be sourced from nearby villages to the Project after a training and selection process; and thereafter at a regional or national level. Given that levels of educational achievement and formal employment experience in relevant sectors are low within the Socio-economic Study Area (SSA), it is assumed that the majority of the available local labour may be unskilled or at most semi-skilled.

It is recognised that given the relative infancy of the mining industry within Ethiopia, and the specialized level of skill required in solution mining, some expatriate staff will also be necessary, skilled or semi-skilled staff drawn from other areas in Ethiopia. It is assumed that non-local staff would therefore represent a good proportion of the total Yara Dallol BV workforce.

(1) **Unskilled workers** – work which requires no special training or experience for performing the work adequately.

Nonetheless the Project will be a significant generator of employment during the construction and operation phases of the mine, especially in the context of the Afar region that has next to nil large scale industrial employers.

In addition to direct and indirect employment the Project will require the procurement of a range of goods and services. It is assumed that the majority of this procurement will be at a global, national and regional level due to absence of industrial scale suppliers of goods and services in the Socio-economic Study Area at present. It is assumed that the majority of procurement will be for specialized goods and services, which can currently be provided by few businesses in Ethiopia, thus requiring international sourcing. There is, however, still potential for a degree of procurement from small/medium vendors within Ethiopia which may be significant for the economy.

1.1 POLICY STATEMENT AND OBJECTIVES

1.1.1 Policy Statement

The development of this SPRMP has been guided by the Yara Dallol BV's company commitment as set out in their Health, Environment, Safety, Quality and Product Stewardship Policy, as set out in *Box 1.1*. This Policy is a high-level corporate statement of intent and establishes the principles to be followed in the management of environmental and health & safety issues.

Box 1.1 Health, Environment, Safety, Quality and Product Stewardship Policy Statement

COMPANY COMMITMENT

Yara Dallol BV's aim is to establish sustainable growth and the creation of shareholder and societal value. Yara Dallol BV affirms to their stakeholders, including employees, customers and the public, their commitment to continuously improve and reach standards of excellence in Health Environment, Safety, Quality and Product Stewardship through their operations.

1.1.2 Objectives

The objectives of this SPRMP are as follows:

- Eliminate discrimination from the recruitment and procurement process;
- Maximise opportunities for local suppliers to participate in the mine's supply chain;
- Where local suppliers and enterprises are part of the mine's supply chain, ensure that benefits derived from participation are long lasting and sustainable;

- Maximise opportunities for potentially affected people to gain employment or procurement opportunities ⁽¹⁾;
- Enhance the capacity of local residents to gain employment with the Project; and
- Ensure that hiring is transparent, and is conducted in a manner that provides opportunity to Afars and all Ethiopian nationals.

1.2 *PURPOSE AND SCOPE*

The SPRMP has been developed with the purpose of promoting benefits to locals from recruitment and procurement activities for the Project. A key element of this will be to promote equal opportunity and non-discrimination throughout the recruitment and procurement process. This will also be done within the context of meeting national and international requirements and standards, as set out in *Section 2*.

The scope of this SPRMP covers construction, operational and decommissioning phases of the Project. Management measures are applicable to all procurement practices and the recruitment of all Yara Dallol BV's employees and selection of contractors, including the recruitment of workers and procurement undertaken by third parties.

1.3 *LINKAGE TO OTHER ENVIRONMENTAL AND SOCIAL PLANS*

This SPRMP should be read in the context of the ES-MS (discussed in *Chapter 13* of *Part I* of the *ESIA*), which has been structured to provide a vehicle for the integrated management of the suite of management plans described in *Part III* which have been designed to address a broad range of social and environmental risks.

It is recognised that the ES-MS and associated plans are living tools that will be constantly updated to accommodate changing circumstances.

The SPRMP links with the Community Health, Safety and Security Plan (CHSSP), Worker Management Plan (WkMP) and the Integrated Mine Closure Plan (IMCP). Details of this link are described in *Table 1.1* below.

¹ Recognising that promoting employment of communities local to the Project is not an infringement of objectives to eliminate discrimination.

Table 1.1 *Details of Linkages between the SPRMP and Other Management Plans associated with the Yara Dallol Potash Project*

Management Plan	Overlap of the BMP with Content of Other Plans
SOCIAL MANAGEMENT PLAN	
Community Health, Safety and Security Management Plan (CHSSMP)	The delivery of benefits in the SPRMP is of relevance to livelihood considerations discussed within the CHSSP.
Worker Management Plan (WkMP)	The WKMP includes the screening and auditing of suppliers and contractors to meet OHS and labour standards. This will affect the procurement of goods and services. In addition it discusses the medical screening of potential employees, relevant to recruitment of staff.
CLOSURE PLAN	
Integrated Mine Closure Plan (IMCP)	The IMCP will discuss how to manage the retrenchment of workforce during the decommissioning phase.

A summary of the legal requirements and standards relevant to the SPRMP are presented below.

2.1 NATIONAL LEGISLATION AND POLICY

The following Ethiopian regulation informed the development of this SPRMP:

- Constitution of the Federal Democratic Republic of Ethiopia (1995);
- Labour Amendment Proclamation (No. 494 of 2006);
- Rights to Employment of Persons with Disability Proclamation (568/2008);
- Accession to African Human and People’s Rights Charter Proclamation (114/1998); and
- Civil Code (Civil Code Proclamation, No. 165/1960).

Some of the specific requirements of these are discussed in the Worker Management Plan (refer to *Annex M* in *Part III*). Specific requirements related to procurement and recruitment in relation to the national employment policy are discussed in the following sections.

2.1.1 National Employment Policy and Strategy

The National Employment Strategy and Policy of Ethiopia (2009) includes recommendations on Government involvement in mainstreaming gender concerns in employment generation, enhancing youth employment and promoting employment opportunities for persons with disabilities.

2.2 NATIONAL GUIDELINES AND STANDARDS

Within Ethiopia, the National Employment Strategy and Policy of Ethiopia (2009) sets out the key considerations pertaining to employment creation and labour administration in Ethiopia. The document includes recommendations on Government involvement in mainstreaming gender concerns in employment generation, enhancing youth employment and promoting employment opportunities for persons with disabilities.

2.3 IFC PERFORMANCE STANDARDS

The SPRMP has been guided by international good practice regarding recruitment and procurement.

Yara Dallol BV have committed to meeting the International Finance Corporation’s Performance Standards for Social and Environmental

Sustainability (*IFC Performance Standards*). In practical terms, this means that Yara Dallol BV and its contractors will satisfy the requirements of IFC Performance Standard 2 (Labour and Working Conditions).

IFC Performance Standard 2 requires that Yara Dallol BV do not make employment decisions on the basis of personal characteristics unrelated to inherent job requirements. The employment relationships will be based on the principles of equal opportunity and fair treatment including non-discrimination during recruitment and hiring, compensation (including wages and benefits), working conditions and terms of employment, access to training, job assignment, promotion, termination of employment or retirement, and disciplinary practices. These principles also apply to migrant workers. IFC Performance Standard 2 also requires that appropriate steps are taken to ensure the safety and well-being of workers engaged by third parties and in the primary supply chain.

It should be noted that IFC Performance Standard 2 stipulates that special measures of protection or assistance to remedy past discrimination will not be deemed as discrimination provided they are consistent with national law.

2.4 *INTERNATIONAL LABOUR ORGANISATION*

Ethiopia has ratified several of the International Labour Organisation's (ILO) conventions. Of relevance are the following:

- Right to Organise and Collective Bargaining Convention, 1949 (No. 98);
- Equal Remuneration Convention, 1951 (No. 100);
- Discrimination (Employment and Occupation) Convention, 1958 (No. 111);
- Minimum Age Convention, 1973, (No. 138);
- Vocational Rehabilitation and Employment (Disabled Persons) Convention, 1983 (No. 159);
- Abolition of Forced Labour Convention (No. 105); and
- Worst Forms of Child Labour Convention (No. 182) in 1999 and 2003 respectively

With respect to this Plan, Yara Dallol BV has the responsibility to provide an appropriate recruitment and procurement management plan and to structure and coordinate recruitment and procurement management procedures for the proposed Yara Dallol Potash Project.

Furthermore, the Yara Dallol BV Human Resources Manager has the responsibility for ensuring that specific recruitment and procurement responsibilities allocated to them are well organised and implemented. Yara Dallol BV has the responsibility to ensure that their assigned employees and contracted third parties are trained and aware of all required recruitment and procurement procedures.

Action specific responsibilities are provided in *Table 7.1* in *Section 7* of this Plan.

4 IMPACT MANAGEMENT

4.1 SUMMARY OF IMPACT MANAGEMENT

As with any project of this scale and nature, there are certain impacts that cannot be entirely eliminated, i.e. residual impacts after implementing mitigation measures. With respect to impact mitigation, the Project subscribes to the philosophy of impact avoidance (by changes to project planning and/or design) and impact reduction (to reduce impacts that cannot be avoided to acceptable levels). What follows, is a description of the potential residual impacts and the mitigation measures proposed to reduce them to acceptable levels. These mitigation measures essentially comprise the “management plan” to manage recruitment and procurement for the Yara Daddol Potash Project.

The following sections will:

- Identify potential impacts associated with each phase of the Project;
- Identify the objectives and targets related to the impacts;
- Describe the management measure(s) to minimise the impact; and
- Assign responsibilities for the management measures.

4.2 MANAGEMENT DURING CONSTRUCTION

4.2.1 *Potential Impacts*

The SPRMP arises from the need to manage, mitigate or optimise a number of impacts that are likely to result from the Project. The key impacts during the construction phase are associated with:

- Creation of employment opportunities and skills enhancement; and
- Procurement of goods and services.

4.2.2 *Objectives and Targets*

The objectives of the SPRMP in managing the identified impacts during construction are established in *Section 1.1.2*.

Table 7.1 identifies the specific targets and management measures associated with the identified impacts. Inclusive in the management measures is the identification of realistic targets, management actions and personnel responsible.

*Creation of Employment Opportunities and Skills Enhancement*Employment

Yara Dallol BV will ensure that the economically active population of the villages in the SSA receive equal access to opportunities in terms of local recruitment, training, small business development, procurement and community outreach programmes. This will be achieved through the implementation of the follow measures:

- Yara Dallol BV will develop engagement and hiring offices in Bada/ Berahale / Adakuwa and / or Semera to disseminate information about potential job opportunities and procurement contracts. These can be used to engage stakeholders, collect CVs and update the human resources and supplier database.
- Yara Dallol BV will develop and implement a Recruitment Policy for application during construction and operations phases. The core components of the policy will include the following:
 - Targets for maximising local (Dallol / Berahale Woreda), regional (Afar) and national (Ethiopian) employment. The local employment guidelines will be written into all contractor agreements.
 - The disclosure of employment requirements and associated skills requirements in the SSA. These will be presented in the local languages. All employment requirements will be advertised in a timely manner.
 - Specify that there is no requirement for applicants to make payments for applying for, or securing, employment on the proposed Project.
 - The development and maintenance of a human resources database of previous local (Dallol / Berahale Woreda-based) staff from other nearby company operations. A section of the database will comprise of a contact list of local labour from the SSA which Yara Dallol BV and its contractors can refer to whenever labour is required.
- Yara Dallol BV will provide all its contractors with the requirements related to hiring for inclusion in tendering documents related to human resources database, aspirational hiring targets, auditing arrangements, and (where relevant) training and skill development requirements.

Skills Development and Training

- Yara Dallol BV will develop and implement a Training Policy and relevant programs. The policy will be developed in partnership with relevant Ethiopian Universities (for example Semera University). The policy will:
 - Undertake a comprehensive training needs assessment to understand skills levels in the SSA.
 - Consider the particular training needs of the youth and women when developing training programs.
 - Identify the skills gap and initiate mechanisms to train local people to meet the company's needs.
 - The Yara Dallol BV Community Liaison Officer (CLO) will consult and collaborate with women's groups and networks to ensure that the Training Plan takes into account the needs of women and that they are able to fully benefit from training opportunities.
 - Yara Dallol BV will encourage its contractors to provide proactive training programs to local and regional candidates to provide a potential pool of trained workforce prior to the start of construction.
- Develop internal Yara Dallol BV training 'certification' or reference letter provisions to assist retrenched or not selected employees achieve employment elsewhere.

Procurement of Goods and Services

In order to enhance this impact, the following mitigation measures will be implemented:

- Prior to the commencement of construction, Yara Dallol BV will develop and implement a Procurement Plan. The Plan will be designed to encourage capacity building and competition amongst suppliers in the Project supply chain. The main objective of the policy will be to maximise (where possible) local purchasing, by directly working with local enterprises and by incentivising the Project's contractors to contract locally. To the extent possible, Yara Dallol BV will unbundle certain contracts to allow a number of small businesses to provide goods and services rather than the supply being held by one large (foreign) contractor.
- Yara Dallol BV will maintain a contact database of all relevant local businesses that could be used as potential suppliers.
- Yara Dallol BV will identify local procurement opportunities by implementing the following:

- Undertake an audit of local / regional businesses and their potential capacity to provide goods and services locally. These opportunities will relate to materials necessary for Project construction, the supply and construction of labour camps, as well as other materials necessary for the Project (e.g., concrete and light steel products, quarry material and food items).
- The audit of local businesses will also identify business development needs and where applicable, relevant training and capacity building initiatives will be established.
- This audit will identify the specific development needs of the youth and women, and focus on delivering pertinent training and skills development to allow the youth and in particular women to participate in the provision of goods and services to the Project.
- Yara Dallol BV will improve communication of the procurement programme, in the following manner:
 - The Procurement Plan and associated programmes will be communicated to the population of the broader SSA and region in a transparent and culturally appropriate manner.
 - Disseminate information regarding procurement opportunities through an appropriate means as early as possible.
 - When advertising procurement opportunities, the Project will clearly define the requirements for the goods or service.
 - Local procurement will be promoted through events such as local /regional / national supplier trade shows. There will be coordination with the Ministry of Mines and Regional Bureaus on local procurement priorities and opportunities. A small medium enterprise (SME) electronic portal can be created to facilitate the communication of contract opportunities and management training materials to SMEs from the mining sector.
 - Provide quality and safety standards required by the Project for provision of goods and services to potential suppliers as requested.
 - All contractors throughout the life of the Project will be required to include broader Project Area businesses (local/regional/federal) in their procurement plans and to stipulate Project requirements for local involvement in tender documents.
 - The Project contract and legal documents will be adapted to suit the level of local businesses. This will be undertaken whilst still maintaining the integrity of Yara Dallol BV's operating principles.

- The procurement of goods and services will not discriminate on any grounds e.g., gender, age, ethnicity, religion, or any such demographic or cultural traits. Women, youth and other vulnerable groups will be eligible for the contracts and this will be clearly communicated.
- Procurement targets will be defined in consultation with potential suppliers and key authorities and included in contractors' contracts.
- The Project will prefer to procure miscellaneous basic goods and services of suitable standards from the local market wherever possible during the construction phase.
- Yara Dallol BV will encourage capacity building of local staff and suppliers, in the following manner:
 - Through a tendering process, Yara Dallol BV will invite recognised Ethiopian and international organisations, institutions or Non-governmental Organisations (NGOs) to prepare and implement a programme for training, promoting and supporting entrepreneurship and small business development.
 - Yara Dallol BV will, in collaboration with the Ministry of Trade and Ministry of Labour and Social Affairs and other relevant organisations, promote training of local and regional suppliers to deliver goods and services.
 - Yara Dallol BV will monitor the performance and effectiveness of the policy (and associated programmes) as well as ensure that it is aligned across the Project team, and contractors and performance reports will be produced quarterly.
 - Yara Dallol BV will provide contractor requirements related to procurement for inclusion in tendering documents related to supplier database, aspirational local/regional procurement, and auditing arrangements.
 - The numbers of local businesses used at all levels will be tracked on an on-going basis and annual forecasts will be developed outlining the targets for local procurement to ensure that over time a greater percentage of local businesses are used. Updates on procurement will be developed and communicated to the local communities.

4.3 *MANAGEMENT DURING OPERATION*

4.3.1 *Potential Impacts*

The impacts during operation will be similar to those identified in *Section 4.2.1*.

The scale and extent of these impacts are likely to be smaller than during the construction phase although some recruitment and on-going procurement will be required to operate the mine.

4.3.2 *Objectives and Targets*

The objectives of the SPRMP in managing the identified impacts during operation are established in *Section 1.1.2*.

Table 7.1 identifies the specific targets and management measures associated with the identified impacts. Inclusive in the management measures is the identification of realistic targets, management actions and personnel responsible.

4.3.3 *Management Actions*

The management actions identified in *Section 4.2.3* will also be applicable to the operational phase. In addition, the following actions will be undertaken:

- On-the-job and formal training (in partnership with relevant organisations) will be provided to local and regional contractors or Yara Dallol BV staff for up-skilling to allow transition of staff into operational phases.
- Training plans will be developed according to each employee's work agreement and relevant to their job description.

4.4 *MANAGEMENT FOR DECOMMISSIONING AND CLOSURE*

4.4.1 *Potential Impacts*

The decommissioning and closure of the mine will result in the termination of many procurement contracts and retrenchment of employees associated with operations.

This may cause positive impacts associated with income generating opportunities to cease. As a worst case scenario, consequence of the loss of income conditions may return to baseline or worsen including reduced access to services and infrastructure, reduced standards of living and increased food insecurity and nutritional shortages.

In addition, impacts associated with influx and conflict are anticipated to lessen.

4.4.2 *Objectives and Targets*

The objectives of the SPRMP in managing the identified impacts during decommissioning and closure include:

- Recognise and manage impacts of retrenchment through a relevant retrenchment management policies / plan;
- Recognise and manage impacts of decommissioning on local and community suppliers and develop policies/plan to reduce these impacts as far as possible;
- Conduct early and on-going consultation and engagement with workforce and suppliers regarding retrenchment and the conclusion of supply contracts; and
- Provide support to retrenched workforce through training and capacity building (reskilling) or transfers.

4.4.3 *Management Actions*

- Yara Dallol BV will establish a retrenchment plan and processes for implementation related to completion of construction and operations phases. This plan will include timely stakeholder engagement efforts to discuss with local stakeholders prior to retrenchment.
- In the years preceding decommissioning and closure, Yara Dallol BV will seek to reskill employees, such that they have broader skills that can be applied to other Projects and potentially other industries.
- Over the life of mine, Yara Dallol BV will encourage and support in alternative livelihoods development (in collaboration with relevant partners). This action is expected to reduce the reliance of the local population on employment and economic opportunities linked to the proposed Project.

In order to verify the management measures, Yara Dallol BV will require several monitoring systems as part of its overall Environmental and Social Management System (ES-MS). These will include the following:

- **Human Resources Documentation Review System** - this will track the presence and update of Human Resources documentation including internal guidance, policies etc. through a document control, numbering and titling protocol. It will allow documents to be tracked, reviewed and updated as required.
- **Local Employee Plan** - this will track the current and future company employment roles within the organisation and the number that are held by local employees. Where non-Afar employees fulfil a position the plan will detail the training and coaching requirements for each non-Afar job role to be provided to local employees and a preliminary schedule for its implementation where feasible.
- **Human Resources Candidate Database** - this will track the name, contact details, skills, educational attainment, language capabilities, geographic origins, interests and availability of candidates who express an interest to work for Yara Dallol BV. The system will record when a candidate is hired or ceases their interest in employment with Yara Dallol BV. It is assumed that the Yara Dallol BV Human Resources Information System will serve this function.
- **Human Resources Employee Database** - this will track the data about employees working for Yara Dallol BV including wages, benefits, working hours, eligibility for overtime etc. The database will also record information on the origins of employees (home village in the local area, Afar, Ethiopian, expatriate), their respective positions, training received, annual appraisals, personal protection equipment (PPE) given, and date of fitness to work health screening.
- **Contractor Database** - this will be used to record the range of primary and secondary contractors for the Project. The database will record a summary of their scope of work, business origins, the results of biannual auditing programmes, details of the origins of their employees (home village in the local area, Afar, Ethiopian, expatriate), their respective positions, training received, PPE given, and date of fitness to work health screening. The database will also identify any gaps that require addressing, and assess the success of previous actions to address gaps in the timeframes identified.
- **Supply Chain Database** - this will be used to monitor the primary supply chain and record results of risk assessments for incidents of child and / or forced labour and significant safety issues.

- **Worker Feedback System** – the worker feedback system will log all grievances, training needs, issues and concerns raised by workers during engagement sessions. The system will also include areas to record information on measures to address issues, timeframes, personnel responsible and any subsequent feedback that is required.
- **Stakeholder Engagement Database** – this will be used to track and record the dates, minutes and attendance at engagement activities.

5.1

COMMUNITY COMPLAINTS

Community complaints and concerns will be captured and addressed through External Yara Dallol BV's Feedback and Grievance Mechanism (refer to *Stakeholder Engagement Programme in Annex C of Part II of this ESIA*). The procedure has been designed to provide a simple, fair and transparent process for all external parties to provide feedback and to raise grievances.

6 *REPORTING AND DOCUMENTATION*

6.1 *GOVERNMENT/AUTHORITY REPORTING*

Yara Dallol BV will comply with any Ethiopian Government reporting requirements relating to sourcing, procurement and recruitment management.

6.2 *INTERNAL REPORTING*

Yara Dallol BV will develop an internal reporting programme relating to sourcing, procurement and recruitment management. Internal management reports will be published at least annually.

6.3 *COMMUNITY REPORTING*

On the basis of annual internal reporting, a summary report suitable for understanding by any average non-technical community audience will be developed and disclosed on an annual basis. This report will focus upon graphical representation of information, and in particular outcomes of any community complaints and those actions taken to remedy significant impacts. This will be undertaken in non-technical languages and in suitable local languages in a culturally appropriate manner.

Table 7.1 Management Measures for Construction, Operation, Decommissioning and Closure

Phase			Impact	Objective	Mitigation/Management Measures	Monitoring Measure	Responsibility
Construction	Operation	Decommissioning and Closure					
✓	✓		Employment Generation	Develop and implement a recruitment policy for application during construction, operations, decommissioning phases that will be applicable to Yara Dallol and all contractors.	The Policy will set targets for maximising local (Dallol / Berahale Woreda), regional (Afar) and national (Ethiopian) employment. The local employment targets will be written into all contractor agreements.	<ul style="list-style-type: none"> Target included within policy Human resource statistics and achievement of target percentages 	• HR Manager
✓	✓				The Policy will ensure the disclosure of employment requirements and associated skills requirements in the SSA in the local languages and the employment requirements will be advertised in a timely manner.	<ul style="list-style-type: none"> Target included within policy Records of notices, advertisements and radio campaigns disclosing employment requirements 	• HR Manager
✓	✓				The policy will specify that there is no requirement for applicants to make payments for applying for, or securing, employment on the Project.	<ul style="list-style-type: none"> Target included within policy Review of grievance reports Records or evidence of publicising this requirement in notices and advertisements 	• HR Manager
✓	✓				The policy will include the requirement to engage marginalised and vulnerable groups during recruitment process. Specific outreach techniques will be developed when advertising positions.	<ul style="list-style-type: none"> Marginalised and vulnerable people's statement included within policy Evidence of engagement with vulnerable groups and engagement materials 	• HR Manager
✓	✓				Policy is reviewed and updated bi-annually.	<ul style="list-style-type: none"> Presence of updated policy 	• HR Manager
✓	✓			Ensure that the economically active population of the villages in the SSA receive equal access to opportunities in terms of local recruitment, training, small business development, and procurement.	Develop engagement and hiring offices in Bada/ Berahale / Adakuwa and / or Semera to disseminate information about potential job opportunities and procurement contracts.	<ul style="list-style-type: none"> Presence of hiring offices in Bada/ Berahale / Adakuwa and / or Semera Offices are staffed full time 	• HR Manager
✓	✓				Implement the recruitment policy.	<ul style="list-style-type: none"> Proof of engagement and outreach materials 	• HR Manager
✓	✓			Develop a Human Resources Database which Yara Dallol BV and its contractors can make use of when hiring.	Develop and implement a HR Database to record skills and interest of applicants when there are no advertised positions available. This will include a record of previous local (Dallol / Berahale Woreda-based) staff from other operations (G&B, Allana, Stratex), as well as potential new employees.	<ul style="list-style-type: none"> HR Database developed Monthly reports provided to Management on recruitment summarizing key database statistics Review update and use of HR Database for hiring of new employees Percentage of candidates hired from local area that are registered on HR Database 	• HR Manager
✓	✓				The HR Database will include a template document that records the names, contact details, education and skills, work experience of interested candidates; records the eligibility of local Danakil origins or Afar ethnic status A section of the database will comprise of a contact list of local casual labour from the SSA.	<ul style="list-style-type: none"> Presence of template document and complete HR Database 	• HR Manager
✓	✓			Ensure all contractors comply with Yara Dallol BV's requirements related to hiring.	Provide all contractors with the requirements related to hiring for inclusion in tendering documents, including hiring targets, auditing arrangements, and (where relevant) training requirements.	<ul style="list-style-type: none"> Presence of requirements in tender documents and final contracts 	<ul style="list-style-type: none"> HR Manager Contractor(s)

Phase			Impact	Objective	Mitigation/Management Measures	Monitoring Measure	Responsibility			
Construction	Operation	Decommissioning and Closure								
✓	✓		Skills Development and Training	Gain an understanding of skills available in the SSA.	In collaboration with the local and regional Government and Traditional Leaders, undertake a comprehensive training needs assessment in the SSA.	<ul style="list-style-type: none"> Completion of training needs assessment Analysis report of needs assessment including detail on participant background (where they are from, ethnicity, gender, age, etc) 	<ul style="list-style-type: none"> HR Manager Environmental and Social Manager 			
✓	✓			Identify the skills gap and initiate mechanisms to train local people to meet the company's needs.	In partnership with relevant Ethiopian Universities (such as Mekele or Semera) or other national or international organisations develop and implement a Training Programme. The programme will aim to address the gaps highlighted by the needs assessment, as well as consider particular training needs of the youth and women.	<ul style="list-style-type: none"> Education and skills training programme implemented Number of people attending training courses and details on age, ethnicity and gender Number of employees hired from the SSA who have previously received training Maintain records and auditing of financing provided to partner organizations 	<ul style="list-style-type: none"> HR Manager Environmental and Social Manager 			
✓	✓			Develop a training policy to ensure ongoing training and upskilling of employees.	Provide on-the-job and formal training (in partnership with relevant organisations) to local and regional contractors or Yara Dallol BV staff for up-skilling to allow transition of staff into operational phases.	<ul style="list-style-type: none"> Record training achievements and needs of staff through annual appraisals Percentage of employees who receive certification of training 	<ul style="list-style-type: none"> HR Manager 			
✓	✓							Develop internal Yara Dallol BV training 'certification' or reference letter provisions to assist retrenched employees achieve employment elsewhere.	<ul style="list-style-type: none"> Number of reference letters/ certifications issued Percentage of employees leaving the company with reference letters 	<ul style="list-style-type: none"> HR Manager
	✓							For operational jobs, training plans will be developed according to each permanent employee's work agreement and relevant to their job description.	<ul style="list-style-type: none"> Record of individual training plans for each employee Record outcomes of implementing training plans 	<ul style="list-style-type: none"> HR Manager
✓	✓			Procurement of goods and services	Encourage contractors to train local and regional people.	Yara Dallol BV will encourage its Contractors to provide proactive training programs to local and regional candidates to provide a potential pool of semi-skilled workforce prior to start of construction period.	<ul style="list-style-type: none"> Record of training given by contractors Number of beneficiaries recorded Number of beneficiaries who have obtained employment or contracts following training 	<ul style="list-style-type: none"> HR Manager Contractor(s) 		
✓	✓		Stimulate and sustain local business and stimulate capacity and competition amongst suppliers in the Project supply chain.		Develop and implement a Procurement Policy and Plan prior to the commencement of construction. The Policy will set targets for local purchasing through working directly with local enterprises and by incentivising the Project's contractors to contract locally.	<ul style="list-style-type: none"> Presence of Procurement Policy and Plan Target included within policy Percentage of procurement contracts and spend on local and Afar and Ethiopian businesses 	<ul style="list-style-type: none"> HR Manager 			
✓	✓							Procurement targets will be defined in consultation with potential suppliers and key authorities and included in contractors' contracts.	<ul style="list-style-type: none"> Proof of engagement with key authorities Target included within policy Target included in contracts 	<ul style="list-style-type: none"> HR Manager Environmental and Social Manager
✓	✓							Procurement efforts will be communicated to the local community.	<ul style="list-style-type: none"> Target included within policy Proof of engagement such as notices, advertisements, radio announcements, etc. 	<ul style="list-style-type: none"> Environmental and Social Manager
✓	✓							All contractors will be required to include broader Project Area businesses in their procurement plans and to stipulate Project requirements for local involvement in tender documents.	<ul style="list-style-type: none"> Target included within policy Percentage of procurement contracts and spend on local businesses 	<ul style="list-style-type: none"> HR Manager Contractor(s)

Phase			Impact	Objective	Mitigation/Management Measures	Monitoring Measure	Responsibility
Construction	Operation	Decommissioning and Closure					
✓	✓				The procurement of goods and services will not discriminate on any grounds e.g., gender, age, ethnicity, religion, or any such demographic or cultural traits.	<ul style="list-style-type: none"> Review of grievance reports Percentage of procurement contracts and spend on women-owned businesses 	<ul style="list-style-type: none"> HR Manager
✓	✓				Monitor the performance and effectiveness of the policy (and associated programmes) as well as ensure that it is aligned across the proposed Project team.	<ul style="list-style-type: none"> Quarterly performance reports 	<ul style="list-style-type: none"> HR Manager
✓	✓			Identify local procurement opportunities to promote the use of local/ regional businesses/ suppliers	Undertake an audit of local / regional businesses and their potential capacity to provide goods and services locally; and maintain a Supply Chain Database of local business information.	<ul style="list-style-type: none"> Audit undertaken Presence of Supply Chain Database that includes data on where goods and services are procured Annual update of Supply Chain Database 	<ul style="list-style-type: none"> HR Manager Environmental and Social Manager
✓	✓				Unbundle certain contracts to allow a number of small businesses to provide goods and services rather than the supply being monopolised by one large (foreign) contractor.	<ul style="list-style-type: none"> Presence of smaller contracts Percentage of procurement contracts and spend on local and Afar and Ethiopian businesses 	<ul style="list-style-type: none"> HR Manager Contractor(s)
✓					Procure miscellaneous goods and services from the local market wherever possible during the construction phase.	<ul style="list-style-type: none"> Record of goods and services sourced locally 	<ul style="list-style-type: none"> HR Manager
✓	✓				Track the numbers of local businesses used at all levels on an on-going basis and develop annual forecasts outlining the targets for local procurement to ensure that over time a greater percentage of local businesses benefit from procurement.	<ul style="list-style-type: none"> Percentage of procurement contracts and spend on local businesses Annual targets for local procurement 	<ul style="list-style-type: none"> HR Manager
✓	✓				Provide contractor requirements related to procurement for inclusion in tendering documents related to supplier data base, aspirational local/ regional procurement, and auditing arrangements.	<ul style="list-style-type: none"> Presence of requirements in tender documents Requirements clearly incorporated into contracts 	<ul style="list-style-type: none"> HR Manager
✓	✓			Identify business development needs, relevant training and promote capacity building of local staff and suppliers.	Through the audit, identify the specific development/ training needs of the youth and women, which would allow them to participate in the provision of goods and services to the Project.	<ul style="list-style-type: none"> Audit undertaken Needs assessment outcome Recommendations on training priorities for women and youth 	<ul style="list-style-type: none"> HR Manager Community Liaison Officer
✓	✓				Develop and implement relevant training and capacity building initiatives based on the outcome of the needs identified in the audit.	<ul style="list-style-type: none"> Presence of training and capacity building initiatives Proof of training / capacity building provided and number of beneficiaries Number of beneficiaries that have obtained contracts and / or provided goods and services following training 	<ul style="list-style-type: none"> HR Manager Community Liaison Officer
✓	✓				Through a tendering process, invite recognised Ethiopia and international organisations, institutions or Non-governmental Organisations (NGOs) to prepare and implement a programme for training, promoting and supporting entrepreneurship and small business development.	<ul style="list-style-type: none"> Proof of tender process Presence of support programme Number of beneficiaries Number of different programmes provided 	<ul style="list-style-type: none"> HR Manager Community Liaison Officer
✓	✓			Improve communication of the procurement programme to the broader SSA, in a transparent and culturally appropriate manner.	Disseminate information regarding procurement opportunities, in a timely manner, as early as possible.	<ul style="list-style-type: none"> Number of procurement and tender notifications listed in key local areas and with local government Advertisements and other means of notification such as radio 	<ul style="list-style-type: none"> HR Manager Community Liaison Officer
✓	✓				When advertising procurement opportunities, the Project will clearly define the requirements for the goods or service.	<ul style="list-style-type: none"> Number of procurement and tender notifications listed in key local areas and with local government 	<ul style="list-style-type: none"> HR Manager Community Liaison Officer
✓	✓				Provide quality standards required by the Project for provision of goods and services to potential suppliers as requested.	<ul style="list-style-type: none"> Inclusion of quality standards in tender documents and contracts 	<ul style="list-style-type: none"> HR Manager

Phase			Impact	Objective	Mitigation/Management Measures	Monitoring Measure	Responsibility
Construction	Operation	Decommissioning and Closure					
✓	✓				Adapt Project contract and legal documents to suit the level of local businesses. This will be undertaken whilst still maintaining the integrity of Yara Dallol BV's operating principles. Make tender forms and contracts available in Afarigna and Amharic as well as English.	<ul style="list-style-type: none"> • Presence of adapted contract and legal documents • Presence of Afarigna and Amharic contract templates • Evidence of use of Afarigna and Amharic contracts 	<ul style="list-style-type: none"> • HR Manager
✓				Promote local procurement through events such as local /regional / national supplier trade shows.	Coordinate with the Ministry of Mines and Regional Bureaus on local procurement priorities and opportunities and small medium enterprise (SME) electronic portal to facilitate the communication of contract opportunities and management training materials to SMEs from the mining sector.	<ul style="list-style-type: none"> • Proof of engagement with the Ministry of Mines • Presence of SME electronic portal 	<ul style="list-style-type: none"> • HR Manager • Community Liaison Officer
✓	✓	✓	Impacts associated with loss of employment	Ensure the retrenchment process is transparent.	Develop a retrenchment plan and processes for implementation related to completion of construction and operations phases.	<ul style="list-style-type: none"> • Presence of retrenchment plan • Records to demonstrate effective implementation • Grievance records 	<ul style="list-style-type: none"> • HR Manager
		✓		Ensure stakeholders understand the retrenchment process.	Undertake substantial timely stakeholder engagement with local stakeholders prior to the implementation of the retrenchment plan.	<ul style="list-style-type: none"> • Proof of engagement 	<ul style="list-style-type: none"> • HR Manager • Community Liaison Officer
	✓	✓		Reduce the reliance of the local population on employment and economic opportunities linked to the proposed Project.	Develop a programme to reskill employees so that they have broader skills that can be applied to other Projects and potentially other industries, refer to Community Health, Safety and Security Management Plan and Worker Management Plan (refer to Annex J and M respectively in Part III of this ESIA).	<ul style="list-style-type: none"> • Livelihood Diversification Plan included in the Community Health, Safety and Security Management Plan (refer to Annex J in Part III of this ESIA). 	<ul style="list-style-type: none"> • HR Manager • Community Liaison Officer
	✓	✓			Encourage and invest in alternative livelihoods development (in collaboration with relevant partners), refer to Community Health, Safety and Security Management Plan and Worker Management Plan (refer to Annex J and M respectively in Part III of this ESIA).	<ul style="list-style-type: none"> • Livelihood Diversification Plan included in the Community Health, Safety and Security Management Plan (refer to Annex J in Part III of this ESIA). 	<ul style="list-style-type: none"> • Community Liaison Officer