

Table 10: Summary of Findings – Oil and Chemical Spill Contingency

ID	Aspect	Issue Description	Phase	Standard	IESC Recommendations prior to the December 2019 site visit	December 2019 Update	Significance
001	Revisions to operations management plans	Section 7.7 of the operations phase EMP contains a list of hazardous materials stored onsite. However, information is lacking on loading and unloading protocols for hazardous substances. Additionally, it is not clear how recommendations from an incident investigation will be implemented after submission of an incident report.	Operations	<ul style="list-style-type: none"> • IFC PS 1&3 • WBG EHS Guidelines • ADB-ES Principle 9 	Review and revise the operation phase management plans to ensure it has a comprehensive list of materials stored, develop written procedures for deliveries and dispatch of hazardous liquids, and add written instructions for responding to spills at all relevant locations within the site.	<p>There is no information on unloading and loading protocols for hazardous substances. The IESC recommends that loading and unloading protocols be included in the Occupational Safety and Health Management Plan under Section 19 'Control of Hazardous Materials'.</p> <p>Additionally, section 12 of the plan (Emergency response flowchart for Fire Outbreak, Hazardous Substances Spillage and Gas Pipe Leak) provides a basis for spill response but it lacks detail. For example, it is not clear how recommendations from an incident investigation will be implemented after submission of the incident report.</p>	Minor

5.12 Emergency Preparedness and Response

The Plant Emergency Preparedness & Response Management Plan (including Community Emergency Response) approved on August 31, 2018 provides a comprehensive description of the likely emergency situations, actions to be followed in the event of an emergency, and emergency response drills. It includes a wide range of potential incidents, including fire, collapse of equipment / structures, chemical spillage, worker injuries, water or gas pipeline leakage, electrical power supply cable damage, civil disturbance & bomb threat, and natural disasters.

The IESC was informed that to date the Project has not had any major environmental incidents. The only recorded incidents relate to minor injuries (cuts and bruises) and equipment-related issues.

In addition to monthly emergency drill exercises conducted by the site's emergency response team, plant wide emergency drills are regularly conducted at the Project site (drills conducted on January 2019, April 2019, November 2019). Reports from the emergency drills were reviewed by the IESC and no issues were identified.

Based on the IESC's review of the operations phase ERP, there were a number of opportunities for further improvement as follows:

- Section 11 (page 23 & 24) provides an overview of the community emergency response plan. The IESC notes that the Project's community liaison staff regularly meets the police and the hospital personnel as part of community engagement. However, it is not evident whether the Project has contacted local hospitals or government agencies involved in emergency response to understand their capacity to help in the event of an emergency.
- It is not evident whether the Project has shared its emergency preparedness and response plan with the potentially Affected Community and relevant government agencies and conducted the necessary training with the local community.

No other noteworthy deficiencies have been identified in the Project's Emergency Preparedness and Response Plan.

5.13 Occupational Health and Safety

The operations phase Occupational Safety and Health Management Plan (PPMS Document Reference: 3.02.01.010, First Issue, 2nd October 2018) describes the Project's operational phase HSE-MS, and is based on Sembcorp's corporate HSE-MS.

No significant issues were identified in the Project's occupational health and safety (OHS) performance during the IESC's monitoring visit in December 2019 and the IESC noted that the standards for OHS are very high. Examples of good practice include:

- effective use of PPE (no examples of people working without the appropriate PPE were noted);
- OHS training for Project personnel and visitors is very comprehensive and toolbox talks appear to be an effective mechanism for reinforcing OHS messages; and
- use of clear Lifesaving Rules, which focus on the key OHS risks (the rules are prominently displayed around the site and all personnel are trained in them).

In 2017, the Project won a safety award from the Royal Society for the Prevention of Accidents (ROSPA) for achieving 4 million man-hours without a lost time incident. As of November 30, 2019, the Project had achieved a total of 863,430 man-hours without a lost time injury (LTI).

Based on the IESC's review of the operations phase Occupational Safety and Health Management Plan (PPMS Document Reference: 3.02.01.010, First Issue, 2nd October 2018), there were a number of opportunities for further improvement as follows:

- Section 1 (Purpose) provides a generic statement that the HSSE requirements are based on local HSSE regulation and local and international standards and code of practice. However, it is recommended that reference is made to specific relevant regulations and a description of applicability and of the key requirements of each item.
- Section 10 (Safety Training) mentions safety training requirements with a HSSE training matrix provided in **Appendix B** of the OSH Management Plan. A second more detailed HSSE training matrix dated December 13, 2019 was also provided. However, no reference has been made to a comprehensive operational phase HSSE Training Plan which includes not just occupational health and safety training requirements but also environmental and social topics. The plan should explicitly state the training requirements for personnel with direct responsibility for the project's environmental and social performance will have the knowledge, skills and experience necessary to perform their work, including current knowledge of Myanmar's regulatory requirements and the applicable requirements of IFC Performance Standards 1 through 8.

It was noted that the Project uses Sembcorp's corporate Management of Change (MOC) procedure rather than a Project specific document. The IESC was informed that to date there have been no significant HSSE issues related to MOC.

5.14 Stakeholder Engagement

5.14.1 Stakeholder Engagement

Sembcorp has a Stakeholder and Community Engagement Policy and a Stakeholder Engagement Plan (SEP) for the Project (SCI- HSSEC-SMP-001, Rev No.1.3, dated 23 August 2018). The SEP is well written with objectives, key standards and legislation, stakeholder identification and mapping, planned stakeholder activities, a Project Management Team organisation chart, roles and responsibilities, monitoring, KPIs and reporting. It also includes the community grievance mechanism (described in **Section 5.14.4**).

The SEP, initially prepared in July 2016, updated in January 2018, was further updated on 23 August 2018 to adjust the plan for the operations phase. ENVIRON provided comments on the updated SEP, along with the other 6 operations phase plans (as described in **Section 5.2.2**), in a separate report (12 February 2019). According to Sembcorp, the committee of thirteen village heads was informed when the SEP for the operations phase was being prepared and the villagers in the thirteen communities were informed of the new SEP and Community Grievance Mechanism for the operations phase during the Public Stakeholder Engagement Meeting in November 2017.

The SEP is in place for the life of the concession (22 years), and PCo has committed to ongoing stakeholder engagement with the local communities and Project-Affected Persons (PAPs). As noted in the ESIA, PCo has engaged with multiple stakeholders including national and local governmental agencies and the local communities since 2015. As ENVIRON was informed, no minutes of any community consultation meetings and/or focus group discussions held by GOM with the 13 affected villages since the issuance of the ESIA were made available to Sembcorp by GOM. As a result, no minutes of these meetings were made available to ENVIRON.

In regards to PCo's own meetings with stakeholders, ENVIRON did receive a copy of the Project's Stakeholder Engagement Database during the 1st monitoring period, as well as Updated Stakeholder Engagement Databases (as of 30th June 2017, 15th October 2018 and 29th November 2019). In addition, ENVIRON did receive copies of the Stakeholder Engagement November 2017 Report, the November 2018 Report and the latest report, as of November 2019, which serve as meeting minutes, described below.

The Community Relations/Development Manager meets at least once per month with MOE, MONREC and EPGE, and he shares information with them on the local villages.

The SEP requires monthly dissemination of Project information to the 13 village leaders and quarterly face-to-face meetings. As was confirmed by PCo during all of ENVIRON's site visits (July 2017, January and August 2018, and December 2019), PCo has ongoing open communication with the village leaders through which project information is channeled to the village residents. In addition, the Community Relations Officer (CRO) meets frequently with villagers, on a random/unscheduled basis, and these meetings are recorded in the Updated Stakeholder Engagement Database, although we have received no further details of these meetings. During each site visit, ENVIRON, while visiting local communities with the CRO, has had the opportunity to participate in some of these scheduled and random/unscheduled meetings with local villagers. All villagers consulted exhibited a friendly and relaxed manner towards the CRO and towards ENVIRON.

In addition, the following Public Stakeholder Engagement Meetings have taken place:

- The First Public Stakeholder Engagement Meeting took place in September 2015.
- The Second Public Stakeholder Engagement Meeting took place in June 2016.

- The Third Public Stakeholder Engagement Meeting was held in November 2017, before COD (i.e., before 20 December 2017).
- The Fourth Public Stakeholder Engagement Meeting took place in November 2018; and information was presented in the local language at meetings held in eleven villages. Residents of all 13 local villages were invited and attended. Representatives of IFC, ADB and AIIB also attended the meetings. ENVIRON received and reviewed copies of the meeting presentation and the Stakeholder Engagement November 2018 Report (**Appendix 9**) prepared by Sembcorp/PCo after the meetings took place. The Stakeholder Engagement November 2018 Report provided the meeting schedules, locations, number of people who attended, summary of villager feedback/expectations and photos of each meeting.
- The Fifth Public Stakeholder Engagement Meeting took place in November 2019. The Stakeholder Engagement November 2019 Report (**Appendix 10**) provides the meeting schedules, locations, number of people who attended, summary of villager feedback/expectations and photos of each meeting
- The Sixth Public Stakeholder Engagement Meeting is scheduled for November 2020.

For each of the Public Stakeholder Engagement Meetings, Sembcorp representatives disseminate the agenda and meeting details to key stakeholders in the villages before the Public Stakeholder Engagement Meetings take place. Villagers then have adequate time to consider the agenda of the meeting and come up with meaningful questions for the Sembcorp representatives to address during the two-way dialogue meeting.

Topics that are of interest to the stakeholders are addressed during the meetings and can include:

- Employment opportunities, impact and mitigation;
- Procuring and recruiting from the local community;
- Air Quality: Impact & Mitigation;
- Wastewater Discharge: Impact & mitigation;
- Soil and groundwater quality;
- Community health and safety;
- Noise and vibration management & dust control;
- Activities and traffic safety management;
- Biodiversity Management Plan;
- CSR initiatives for the local community; and
- Engagement and Grievance Management.

5.14.2 Stakeholder Activities during ENVIRON's December 2019 Site Visit

December 4, 2019: Meeting with U Tin Lin Maung, the Myingyan District Police Chief

The discussion with U Tin Lin Maung, District Police Chief was intended to understand whether any issues/concerns have emerged from the project site considering there was a large number of foreign workers working at the site during the construction phase and the current security services provided. The Police Chief mentioned that for the safety of the Plant area, he generally co-ordinates with Sembcorp's representative. To date, no security issues have been reported. In case of any accidents, the HSE Manager of SMPC manages the issue and, as he is authorized by SMPC, he interacts directly with the Police. As SMPC's Plant is located in an Industrial Zone, an appointed officer from the Police Department is in-charge of the area. If any issue does arise, the Officer is usually contacted and informed of the issue. It was further mentioned that the normal protocol in case of any issue is that the security personnel sub-contracted by SMPC in the Plant reports to the HSE Manager and the HSE Manager then reports directly to the Police Department. However, to date, no issues have been raised and recorded from the Plant area. On enquiring what kind of cases are generally reported from the community, it was stated that the main cases in the township areas usually relate to fights between the youths after consumption of alcohol and small-time theft. (**Photo 19**).

December 4, 2019: Meeting with a male nurse at the Myingyan District Hospital

The discussion with the Male Nurse, District Hospital, was intended to understand whether any incidents/ cases have been referred to the hospital from the Project site. It was reported by the Male Nurse that to date no incidents/accident cases have been referred to the hospital by SMPC. Also, no major illness has been reported by SMPC Plant to date. The Medical Officer engaged by the Medical Centre of SMPC responded that only minor cases of fever, headache etc. have been noted onsite and records of the cases have been documented at the Medical Centre. (**Photo 20**).

December 4, 2019: Meeting with a fisherman, villagers and the Village Head of Tha Pyay Thar Village

A meeting with a fisherman from Tha Pyay Thar village, was undertaken during the site visit. On enquiring on the trend of fishing adopted by the fishermen in the river, it was mentioned that fishermen were mainly found downstream of the river and usually use medium sized boats of 20 feet in length to undertake fishing activities. It was further stated that the fish catch over the years has witnessed a decrease in number due to some fishermen using battery and shock method as a fishing practice, which has also been confirmed in the media. Fishermen from 12 miles away come to the area for fishing activities and usually use the battery & shock method which is a popular method amongst them as a fishing practice. The method has been practiced regularly and gained popularity amongst the fishermen from outside the village in the last 4-5 years. A Committee of the Tha Pyay Thar Village has been formed to keep a note on these fishermen. From 2014 to date (2019), 20 such boats have been seized by the Committee.

It was also mentioned during the discussion that about 7-10 days prior to the meeting, five (05) people comprising of one (01) foreigner, one (01) Burmese person, two (02) persons from Hpet Taw village and one (01) person from another village visited the Tha Pyay Thar village and met with a monk who directed them to the concerned fisherman. The visitors enquired about the decline in the fish stock and fishing activities undertaken downstream of the discharge area. They were interested to know if SMPC was responsible for the fish decline of the fish stock in the river. The fisherman mentioned that he told the visitors that the fish decline was due to the practice of the battery & shock method and not by the SMPC plant. Thereafter, the visitors suggested that if the local population was to find out of any issue that was affecting the water or the fish catch, the people should directly get in touch with them so they can act promptly and they concluded the discussion by providing the fisherman with their contact details.

As part of stakeholder engagement activities, the fisherman mentioned that SMPC has engaged with the fishing community once in the past and at present, there are 17 fishermen in the area.

The meeting also included the Village Head of Tha Pyay Thar Village, wherein SMPC's role in engagement and community development activities were discussed. The Village Head mentioned that every once or twice a month, SMPC visits the concerned village to undertake stakeholder engagement with the local community members. For community development activities, the community members usually contact the Community Relations Officer (CRO) directly. A SMPC representative responded that some of the suggestions provided by the community are in fact in the planning stage at the moment, in addition to those already developed (see **Section 5.15**). In reference to grievances, the Village Head mentioned that no issues have been raised by the local community, however, all community members have the CRO contact number and directly contact him in case of any concerns/issues. (**Photo 21**).

December 5, 2019: Consultation with PAP no. 1 in Seik Nyan Village

The compensation amount received by the landowner, was for five (05) pillars of the elevated river water supply pipeline; and the land area sold comprised of 0.6 acres. For the negotiation of land sold, PCo's CRO visited the landowner a few times to discuss and measure the land area. The landowner is satisfied with the compensation amount received.

According to the landowner, the family used a portion of the compensation funds to apply for an electricity connection to the house. The family was also able to purchase a refrigerator, a flat screen television and a rice cooker due to the compensation received and the electricity connection. A portion of the compensation amount received was donated for the electricity connection to the water treatment plant installed by Sembcorp in the village; and the remaining amount of compensation was used for personal consumption.

Onions and beans are the main crops cultivated by the landowner. Around 0.6 acres are still cultivated with beans in the link bridge area. The family grows rice for their own consumption.

The landowner provided an overview of the village's conditions:

From the village, around two people had contributed their land for the link bridge area and ten people contributed for the whole project. The time of compensation awarded was beneficial as it coincided with the Government allowing electricity to be supplied to the population of the village. Most of the population that received compensation used a part of their money to apply for the electricity connection to their houses. The remaining population of the village used their own funds to apply for the supply of electricity. In the village, most of the population that cultivate rice, do it for their own consumption while onions and corn are usually cultivated on a commercial basis. Floods occur three months per year from July to September. Whenever flood relief initiatives are undertaken by the Government, Sembcorp provides support to these initiatives.

December 5, 2019: Consultation with PAP no. 2 - in Seik Nyan Village

The compensation amount received by the landowner, was for one (01) pillar of the elevated river water supply pipeline and the land area sold was only a small portion of his 0.40 acre land plot. The compensation paid was used to purchase the electricity connection to his house. His land is used for the cultivation of beans, along with corn (animal feed for cows) in small quantities. Sembcorp/PCo visited the landowner 4-5 times before the land was purchased in May/June 2018. (**Photo 31**). The landowner mentioned that the Water Treatment Plant installed by Sembcorp nearby had helped the villagers as it is built on a higher elevation, so during rainy seasons, people were benefitted with drinking water.

December 5, 2019: Consultation with PAP no. 3 - in Ma Yoe Kone Village

The compensation amount received by the landowner, was for eleven (11) pillars of the elevated river water supply pipeline; and the land area sold comprised of 2.5 acres. The compensation amount was used to re-invest in her farmlands (remaining 12 acres). The landowner still has 2 acres of land left in the water supply pipeline area wherein onions are currently being cultivated. In addition to onions, the family produces beans, chilis, corn (for animal feed), mangoes and bananas, all for both personal use and for sale. The landowner mentioned that Sembcorp/PCo's CRO visited her house many times for the land purchase and compensation related matters. The landowner expressed satisfaction with the compensation amount received. (**Photo 32**).

5.14.3 Public Disclosure

As described above, Sembcorp organizes Public Stakeholder Engagement Meetings on an annual basis in the local language and all stakeholders including PAPs and other members of the 13 local villages are invited to attend. During these meetings, Sembcorp and PCo publicly disclose updated Project information including the topics listed above in **Section 5.14.1**.

In addition, ADB requires public disclosure of all findings including the monitoring results at all phases of the Project. Going forward, Sembcorp and PCo have agreed to include monitoring results in their presentations to be provided at the annual Public Stakeholder Engagement Meetings.

While project monitoring results were not included in their presentation given at the November 2018 Public Stakeholder Engagement Meeting, monitoring results were included in the presentation given at the Fifth Public Stakeholder Engagement Meetings that took place in November 2019.

Recommendations:

Sembcorp and PCo to ensure that project monitoring results are included in all future annual Public Stakeholder Engagement Meeting presentations and the related Stakeholder Engagement Meeting Reports prepared by Sembcorp/PCo after the meetings take place.

5.14.4 Community Relations

ENVIRON met with the Community Relations and Development team during the December 2019 site visit. The Community Relations and Development team accompanied ENVIRON on the visits to two communities near the elevated river water supply pipeline (i.e. Tha Pyay Thar and Seik Nyan Villages). The Project's CRO continues to make weekly visits (three visits per week) to the affected villages. In advance of these visits, he informs the village leaders and they together open the suggestion boxes and review any grievances/suggestions submitted. If the village leader isn't available, they discuss by phone the contents, if any, of the suggestion boxes. The CRO also supports the Community Relations/Development Manager in the planning and implementation of community investment projects under the Community Development Plan (CDP).

In ENVIRON's opinion, the Community Relations/Development team is adequately staffed for the work required and its community relations activities, including weekly visits to affected villages, with random/unscheduled interactions with lay villagers, are adequate. ENVIRON reviewed the Project's report of actions taken and results achieved under the SEP Key Performance Indicators (KPIs) for 2019. The Project exceeded the KPIs: 421 engagements were conducted (goal was 365) and the Project closed out 100% of grievances (goal was to close out 80% of grievances).

5.14.5 Community Grievance Mechanism

Sembcorp's Community Grievance Mechanism (CGM) is incorporated into the Project's SEP and includes detailed procedures. Sembcorp has a Community Grievance Management Policy, which provides guidance for the implementation of the Project's CGM procedures. In addition, a framework for a grievance mechanism for PAPs is included in the Resettlement Framework (see section on Land Acquisition & Resettlement). The Project's CGM is managed by PCo and is supported by Sembcorp's Group Community Relations Department, and since 2017 has included an external grievance committee component. PCo's external grievance committees, established in November 2017, involve the leaders of all 13 villages. There are, in essence, thirteen separate community grievance committees, one for each village, and the village heads are members for their respective villages, along with a representative of EPGE and PCo's CRO, Community Development, HR, HSSE Managers and GAD Officer (optional). These thirteen community grievance committees and their members are all included in the Project's Grievance Committee.

The Grievance Committee Procedures included in **Appendix E** to the Stakeholder Engagement Plan for the Operation Phase (August 2018) have been updated and include the roles and responsibilities of both the internal and external Grievance Committee members. However, the Grievance Committee Organization Chart included in Section 9.5.2 of the Grievance Committee Procedures does not include the Grievance Committee for 13 Villages as members of the Project's Grievance Committee.

Upon review of the most recent Community Grievance Database (**Appendix 11**, 2018 - 2019), ENVIRON only saw mention in 4 of the 11 grievances posted of the Village Heads being involved in grievance resolution, and we do not see the role of the external Grievance Committees.

Recommendation:

- The Grievance Committee Organization Chart included in Annex E of the Grievance Committee Procedures should be revised to include the Grievance Committees for 13 Villages as members of the Project's Grievance Committee. The current organization chart, a bulleted list with Committee members, should be revised into a standard organization chart with reporting lines (a figure) and it should include all members of the Grievance Committee including the Grievance Committee for the 13 Villages; or, if this is no longer accurate, the organization chart included in Annex E should be updated to reflect the current organization structure.
- If Village Heads and/or the external Grievance Committees are involved in grievance resolution, they should be mentioned in the Outcome section for the grievances included in the Community Grievance Database.

The same variety of methods through which stakeholders could lodge grievances that were available during the construction phase are available now that the Project is in its operations phase, and they include:

- Face-to-face meetings with the relevant Project representatives;
- Written communication (e.g. email, letter) directed to relevant Project representative or left in suggestion boxes, which enable anonymous submission of grievances, and can be found in the villages and at the plant site office. Villagers may choose to speak to their village tract leader or relevant village representative to help facilitate a written complaint; and
- Telephone call placed to a relevant Project representative.
- Input written grievances in the suggestion box placed in or near their village vicinity

All grievances are recorded in the stakeholder database. This includes a summary of the grievance,

the resolution or agreement on proposed actions (between the Project and the complainant), and monitoring actions taken in response to the grievance. The grievance log and grievance close-out form are stored in the stakeholder database.

During previous ENVIRON site visits, suggestion boxes were observed outside of several villages. However, no suggestion boxes were observed during ENVIRON's December 2019 site visit to the homes of PAPs located in Seik Nyan Village and Ma Yoe Kone Village and the school in Tha Pyay Thar Village. ENVIRON's time was limited and we did not visit any other villages.

Sembcorp/PCo provided ENVIRON with a copy of its Community Grievance Mechanism database, which has been updated to 8 November 2019, and includes 31 grievances from May 2017- November 2019. According to the Community Grievance Mechanism database, 10 grievances were submitted in 2018, and only 1 grievance was submitted in 2019; and each line item identifies the category for which the grievance has been submitted. However, the database does not include separate worksheets for recording grievances submitted by the PAPs and grievances submitted by other Community Persons (CP), (see **Appendix 9**).

Table 11 below provides a summary of the 11 community grievances submitted during this monitoring period (from August 2018 to November 2019; 7 grievances were submitted by PAP and 4 by CPs, all grievances have been closed.

Table 11: Grievances Registered from August 2018 – November 2019 and Status of Resolution

No	Date Submitted	PAP/CP	Nature of Grievance	Grievance Description and Resolution	Outcome	Status	Date Closed
1	20181001	PAP	Land	<p>Translated to Simple English</p> <p>The PAP received cash support from the Lenders and EPGE on 27 August 2018 for 7 pillars based on the results from the Land Registration Department. However, there are a total 11 pillars installed on her land. The number of pillars were verified with the Land Registration Department and they issued an official letter for 11 pillars. Based on the official letter, the PAP received a cash compensation for the shortage of 4 pillars.</p>	After approval for the Land Ownership from Land Registration Department (Myingyan Township) and Local Authorities, the PAP received cash compensation.	Closed	20181010
2	20181124	PAP	Others	<p>At the Fourth Public Stakeholder Engagement Meeting held in November 2018, a farmer said there was three electric poles installed on his farm but only one fertilizer bag was provided. He asked SMPC to provide another two fertilizer bags and it was provided as requested.</p>	Farmer was satisfied.	Closed	20190213
3	20181124	PAP	Others	<p>At the Fourth Public Stakeholder Engagement Meeting held in November 2018, the farmer said there was five electric poles installed on his farm but only three fertilizer bags were provided. He requested to receive 2 more fertilizer bags. Another issue is the stone foundation on his farm was destroyed by Sembcorp's contractors when the pipelines were buried. He wanted Sembcorp to re-build the stone foundation and it was rebuilt as requested.</p>	Farmer was satisfied.	Closed	20190312
4	20181213	PAP	Others	<p>The farmer said there were six electric poles installed on his farm but only four fertilizer bags were provided. He asked to receive 2 more fertilizer bags from SMPC to make up for the shortage and it was provided.</p>	Farmer was satisfied.	Closed	20190213
5	20181124	CP	Others	<p>The farm owner informed via her village head that her land near the riverbank was covered in nets by SMPC to prevent further erosion of the riverbank into the river. However, the covered area (estimated at 30' x 30') cannot be used to farm due to the net covering installed by SMPC. Therefore, the PAP requested for cash compensation and it was provided.</p>	Land owner was satisfied	Closed	20190315
6	20181126	PAP	Others	<p>At the Fourth Public Stakeholder Engagement Meeting held in November 2018, the farmer said his land was totally destroyed due to Sembcorp water pipe burial works and the land was not levelled after the works were completed. The land was levelled by Sembcorp after that issue was highlighted.</p>	Land owner was satisfied	Closed	20190312

No	Date Submitted	PAP/CP	Nature of Grievance	Grievance Description and Resolution	Outcome	Status	Date Closed
7	20181125	CP	Others	<p>At the Fourth Public Stakeholder Engagement Meeting held in November 2018, the villager said that he would like to know Government's Labor Law and how can Sembcorp help.</p> <p>Sembcorp accepted this request and made arrangements to fulfil it. Sembcorp's CSR Executive delivered one set of the Myanmar Government Labor Laws (total of three books) to the Village Head for all villagers.</p>	Villager was satisfied	Closed	20181213
8	20181123	CP	Others	<p>At the Fourth Public Stakeholder Engagement Meeting held in November 2018, the village head said that the Sate Nyan village entrance bridge that was reconstructed by the Sembcorp's contractor when the discharge/intake pipes were buried, was not good enough and the village head requested that this new bridge be repaired. The request was fulfilled.</p>	Villagers were satisfied	Closed	20190312
9	20181126	CP	Others	<p>At the Fourth Public Stakeholder Engagement Meeting held in November 2018, the villager said a Cable run was installed in her farm over 2 years ago and she received compensation for 2 years only. She wants the company to remove the cable as the agreed 2 years is over. However, later on the same villager wrote a letter to SMPC and described that she is satisfied with the negotiations (the Village Head was present at the negotiations and he signed off on the negotiations)</p>	Villager is satisfied	Closed	20190109
10	20181219	PAP	Others	<p>The PAP said one electric pole (208) was installed on his farm and no fertilizer bag was provided (however, he received compensation for that pole from another PAP). He asked to receive one fertilizer bag and this was fulfilled.</p>	Farmer was satisfied.	Closed	20190213
11	20191108	PAP	Others	<p>The SMPC CRO arranged for a meeting on 20191108 with SMPC HSSE Tin Maung Thein, and the Village Head and Villagers (2 Farmers attended). The Farmers wanted compensation for the flooded crops.</p>	Farmers were compensated for flooded crops.	Closed	20191218

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001	Management Plan	SEP to be updated.	Construction/Operations Ongoing	<ul style="list-style-type: none"> • Management Plan • IFC PS1 • ADB ES Principle 4 	<p>The SEP should be updated to include</p> <p>(i) a revised organization chart that includes the Community Relations/Development Department and its reporting lines; and</p> <p>(ii) revised roles and responsibilities, to reflect the division of responsibilities between the Community Relations/Development Manager and the recently hired CRO.</p>	<p>As of January 2018, the SEP was updated to include a revised organization chart that includes the Community Relations/Development Department and its reporting lines.</p> <p>As per the updated SEP, all responsibilities fall under the Community Relations/Development Manager.</p> <p>As of August 2018, the SEP was updated for the Operations Phase and included a new requirement for monitoring Key Performance Indicators (KPIs). The actions taken and results achieved against the KPIs for 2019 were provided to ENVIRON for our review.</p>	Issue Closed
002	Stakeholder engagement	Stakeholder engagement with the 13 village leaders and PAPs.	Construction/Operations Ongoing	<ul style="list-style-type: none"> • Management Plan • IFC PS1 • ADB-SPS Paragraph No.54 	PCo should continue to engage in frequent and open communication with the village leaders and in face-to-face communication with the individual PAPs; and the PCo should keep detailed records of these meetings, including meeting minutes.	<p>The Stakeholder Engagement November 2017 Report evidences the amount of detail that is now documented for the Public Stakeholder Engagement Database, providing details on the Stakeholder Engagement Meetings.</p> <p>ENVIRON reviewed the further updated Stakeholder Engagement Database during our Fifth Monitoring Assignment, and can confirm that it includes sufficient detail.</p>	Issue Closed
003	Public Disclosure	During the ESIA process in Myanmar, the project owner's obligation to produce copies of	Pre-Construction	<ul style="list-style-type: none"> • ADB-ES Principle 6 • IFC PS1 	Sembcorp to advise ENVIRON and the Lenders if copies of its Project presentation were distributed in the 13 local villages	Copies of the Project presentation were distributed during the public meetings that took place to develop the ESIA.	

ID	Aspect	Issue Description	Phase	Standard	IESC Recommendations prior to the December 2019 site visit	December 2019 Update	Significance
		the findings, as well as recommendations in the local language, and distribute them.					
004	Public Disclosure	ADB requires public disclosure of all findings, including the monitoring results at all phases of the project.	Construction/ Operations Ongoing	<ul style="list-style-type: none"> ADB-ES Principle 7 IFC PS1 	Sembcorp to provide details on how they share Project monitoring results with stakeholders.	<p>While it does not appear that Project monitoring results were shared with stakeholders during the November 2018 Public Stakeholder Engagement Meeting, monitoring results were included in the November 2019 meeting presentation.</p> <p>Sembcorp should develop a communication plan to strategically dispel misconceptions of A) Noise; and B) the impacts of wastewater disposal in the river."</p> <p>Sembcorp conducted river water sampling on January 28,2020 with the participation of local villages (refer to Appendix 5C for the participation records).</p>	Minor
005	Community Grievance Mechanism	While the community grievance mechanism is well structured and detailed, most timeframes for actions are too long.	Construction/ Operations Ongoing	<ul style="list-style-type: none"> Management Plan IFC PS1 ADB-SPS Paragraph 59 	The time frames for all actions should be reviewed. The acknowledgement of receipt of a grievance and also responses on Level 1 and 2 grievances to the claimant should be shortened from 10-14 days to one week.	As of January 2018, PCo had reduced its time for acknowledgement of receipt of a grievance from 10- 14 days to one week.	Issue Closed
006	Community	The Project's	Construction/	<ul style="list-style-type: none"> Management 	PCo to ensure that its new external	As of January 2018, the detailed	Minor

ID	Aspect	Issue Description	Phase	Standard	IESC Recommendations prior to the December 2019 site visit	December 2019 Update	Significance
	Grievance Mechanism	community grievance mechanism is part of the SEP. Since the PCo personnel process the grievances, this does not fully meet the criteria set in the ADB 2009 SPS Paragraph 59.	Operations Ongoing	• t Plan ADB-SPS Paragraph 59	<p>grievance committee, to be established within two months, involves all 13 village leaders, is managed by an individual from outside of PCo/Sembcorp and that its procedures are in compliance with the ADB 2009</p> <p>SPS Paragraph 59 requirement for managing complaints from the local communities.</p>	<p>Grievance Committee procedures did not include roles and responsibilities for the 13 external grievance committees and explain how they will interact with Sembcorp/PCo's grievance committee to resolve grievances.</p> <p>The Grievance Committee Procedures included in Appendix E to the Stakeholder Engagement Plan for the Operation Phase (August 2018) have been updated and include the roles and responsibilities of both the internal and external Grievance Committee members. However, the Grievance Committee Organization Chart included in Section 9.5.2 of the Grievance Committee Procedures does not include the Grievance Committees for 13 Villages as members of the Project's Grievance Committee.</p> <p>The Grievance Committee Organization Chart included in the Grievance Committee Procedures should be revised to include the Grievance Committees for 13 Villages as members of the Project's Grievance Committee.</p> <p>Records of grievance resolution in the Community Grievance Database should include mention of the Village Heads and members of the Grievance Committees for the Villages, when they are involved.</p>	

5.15 Community Development

The Updated Community Development Plan (CDP, SCI-HSSEC-SMP-002, Revision No. 1.3, dated 23 August 2018), for the Operations Phase is based on the results of a needs assessment of the 13 villages and aims to develop projects in the 13 villages within the Project's area of influence with the goal of improving the quality of life in the villages. The CDP is well written and includes a plan scope and objectives; applicable standards including the ADB Safeguard Policy Statements (2009), the IFC Performance Standards (PS1, 2012), and Sembcorp's corporate policies, including its Corporate Social Responsibility Policy and Framework; community baseline assessments; a CDP Plan **Table 2.4** (i.e., Table of Projects); implementation of the CDP; an organization chart; roles and responsibilities; monitoring, KPIs and reporting.

The CDP, which is included in the Project's Operations Phase ESMP, is intended to be a living document, to be updated periodically when CDP projects are selected and approved throughout the life of the Project. The Operations Phase CDP was initially prepared in February 2018 and updated in August 2018. ENVIRON provided comments on the updated CDP and the other 6 operations phase plans, in a separate report (12 February 2019). ENVIRON's comments on the updated CDP included the following: "As ENVIRON understood, the Construction Phase Community Health Management Plan (CHMP, SDC-HSSEC-SMP-015) was to be incorporated into the Operations Phase Community Development Plan (CDP), but the CDP only includes high-level community socioeconomic baseline data; and tables of village water sources and healthcare facilities are included in **Appendix A**. The Community Health baseline studies on all 13 villages that were included in the CHMP should be included in the CDP and health-related programs with benefits (beyond water) should be considered. The CDP should be signed, and for confidentiality purposes, a budget does not need to be included". Health-related KPIs have been included in the CDP.

Medical Services. As ENVIRON was informed, the PCo Medical Officer twice per year visits the villages and conducts health camps. In 2019, he held health camps in the 13 villages by providing free consultations. A total of 1,511 people attended the health camps that were held over a period of 13 days in 2019.

Skills development training for local communities. Sembcorp/PCo is partnering with a local technical school and providing skills training (i.e., English language classes) to local residents.

Sembcorp/PCo has informed the community through letters to their village heads as well as through a general announcement. All applicants who have completed high school are selected for the program. This will be an ongoing program; however, the 2020 course has been skipped due to COVID-19 restrictions. There is a cap of 100 participants for the program.

During the Summer 2019, there were three classes:

- Class 1: Sarkhaar with 40 students;
- Class 2: Tha Pyay Thar with 41 students; and
- Class 3: Gyoke Pin with 19 students.

Appendix 6 includes the 21 community investment projects for the period from August 2018 to November 2019 that were approved for development in the thirteen local villages. At the time of ENVIRON's site visit in December 2019, all 21 planned for this time period were completed; and **Appendix 7** includes the community investment projects planned for 2020. All construction work for the projects is contracted to a local contractor who engages four local sub-contractors.

The CDP demonstrates PCo's sincere intentions to respond to the project requests made by the local communities and focuses on community infrastructure improvements (education and health) and not routine CSR activities, however, there is one area for improvement, as mentioned below.

Recommendation:

The CDP should be updated to include the Community Health baseline studies on all 13 villages that were included in the Construction Phase CHMP.

Table 13: Summary of Findings – Community Development

ID	Aspect	Issue Description	Phase	Standard	IESC Recommendations prior to the December 2019 site visit	December 2019 Update	Significance
001	Community Development Plan	CDP needs to be updated for the Operations Phase	Construction/ Operations Ongoing	<ul style="list-style-type: none"> • IFC PS1 • IFC PS4 	<p>PCo should update its CDP and add all health-related components of the Construction Phase CHMP. The Community Health baseline studies on all 13 villages that were included in the CHMP (Tables 1 and 2) were not included in the Operations Phase CDP and health-related programs with benefits beyond water and healthcare facilities were not included.</p>	<p>As of August 2018, the CDP was updated for the Operations Phase and some but not all health-related components of the Construction Phase CHMP were included. The Community Health baseline studies on all 13 villages that were included in the Construction Phase CHMP (Tables 1 and 2) should be included in the Operations Phase CDP.</p> <p>Also, the updated CDP included a new requirement for monitoring Key Performance Indicators (KPIs). The actions taken and results achieved against the KPIs for 2019 were provided to ENVIRON for our review.</p> <p>The Community Health baseline studies on all 13 villages that were included in the Construction Phase CHMP (Tables 1 and 2) are still outstanding and should be included in the Operations Phase CDP.</p>	Minor

5.16 Community Health

The purpose of the Community Health Management Plan (CHMP) (SDC-HSSEC-SMP-015, Rev C, 20 July, 2016) was to manage and mitigate the residual impacts to community health during the Project's construction phase, as identified in the Project's ESIA and the SDCI Health, Safety, Security and Environment Plan (HSSE Plan) (ref: SDCIM/JEM-HSSE-Myanmar-A001). The CHMP included objectives; Myanmar laws and regulations for Community Health and the IFC Performance Standards; a Community Health baseline study on the seven villages included in the initial ESIA (September 2015); health care facilities in relation to these seven villages; community health risks and receptors and stakeholders; mitigation and management measures; and monitoring and semi-annual reporting. The CHMP was updated to include a Community Health baseline study on the six additional villages that were included in the second revision to the ESIA (August 2016).

As ENVIRON learned during the July 2017 site visit, PCo had engaged an NGO to provide some training on AIDS/HIV/TB prevention.

ENVIRON had recommended in our Third Monitoring Report that the CHMP be updated to include an organisation chart, defined roles and responsibilities and an initial budget. ENVIRON then recommended that efforts be made to include this information in the operations phase CHMP, which we understood was to be included in the operations phase CDP.

During this fifth monitoring period, ENVIRON reviewed the Operations Phase CDP and can confirm that some segments of the Construction Phase CHMP were incorporated into the CDP, including high-level community socioeconomic baseline data, and tables of village water sources and health-care facilities. However, the Community Health baseline studies on all 13 villages that were included in the CHMP (**Tables 1 and 2**) were not included in the Operations Phase CDP.

5.17 Workers' Accommodation

The Project's Workers Accommodation Management Plan (WAMP, SDC-HSSEC-SMP-016, REV C, 20 July 2016), for the construction phase, was based on local regulations and IFC Guidelines, and was approved prior to financial close; although we were unable to find any reference to workers accommodation camps in the ILO Guide to Myanmar Labour Laws. The WAMP was prepared by SDCI's and JEM's HR and HSSE Managers, but still referred to only SDCI's commitments to comply with the plan; and it did not state that it was applicable to JEM's workers' accommodation camp or the subcontractors' camps (i.e., Bedok and Min Dhama). As stated in the WAMP, the purpose of the plan was to set out SDCI (Myanmar) Co., Ltd.'s approach to ensure that the construction workers of the Project had suitable accommodation in terms of health and safety throughout the Project's construction period and to ensure that the workers' accommodation had minimal impacts on the local communities and the neighbouring environment. The WAMP is no longer in effect since all construction work has been completed and the three workers' camps have been closed, with camp details provided below:

During the January 2018 site visit, PCo confirmed to ENVIRON that Bedok, JEM and Min Dhama were made aware of the requirements included in the Workers Accommodation Management Plan, and their need to comply with this plan.

ENVIRON was informed that the three temporary workers camps were closed on the following dates:

- Bedok: 1 May 2018;
- JEM: 1 July 2018; and
- Min Dhama: 1 August 2018

Now that the Project is in the Operations Phase, workers from outside the area are staying in rental houses.

5.18 Local Recruitment and Procurement

The Project's Local Recruitment and Procurement Management Plan for the construction phase (LRPMP, SDC-HSSEC-SMP- 017, REV C, 20 July 2016) addressed the hiring of labour and capacity building for the local workforce. The LRPMP included objectives; legal and regulatory requirements, Sembcorp's policies and procedures, and the applicable IFC Performance Standards (PS1 and PS2); provisions for recruitment and procurement; monitoring measures and reporting; and roles and responsibilities. The LRPMP REV C referenced above, applied to the construction phase only and to all employment, procurement, contracting and acquisition activities associated with the Project regardless of the value. However, it is recognised that there were some products, goods or services that could not be sourced locally (within local communities or even within Myanmar). In that case, this plan was not applicable.

The Project's Local Recruitment and Procurement Management Plan for the Operation Phase (LRPMP, for the Operations Phase, First Issue, 26 February 2018) has been reviewed by ENVIRON.

5.18.1 Local Recruitment and Procurement for the Operations Phase

Upon our review of the Project's LRPMP for the Operations Phase, it is noted that the one regulatory provision for local content in the Myanmar legislation is the Myanmar Foreign Investment Law of 2012 (the Myanmar Regulation). One of the core objectives of the LRPMP for the Operations Phase is to meet the Project's local content obligations in respect to agreements and other legislative and regulatory requirements, which include:

- a) Appoint, when appointing citizen skilled workers, technicians and staff, at least 25% of citizens within the first 2 years from the commencement date, at least 50% within second two years, and at least 75% within third 2 years, however, the time limit may be extended as deemed to be suitable by the commission; and
- b) Arrange to provide training and courses for the citizen employee to be appointed under section a) for the progress of competency.

A detailed listing of all training and courses taken by each employee during 2018 is included in **Appendix 12**.

However, the Myanmar Regulation does not include minimum requirements for local hires. Sembcorp has committed to give priority to the hiring of local residents, provided all employment applicants subject themselves to typical interview and skills testing requirements. This policy does not immediately entitle local residents to employment without due assessment of their capacity to safely and effectively undertake a specific role.

Local is defined under the LRPMP for the Operations Phase as including all thirteen communities within the Project's AOI, as mentioned in the Revised ESIA (August 2016), and having been expanded from six communities during the construction phase. According to the LRPMP for the Operations Phase, inhabitants are considered local as long as they were present in the local area before the first quarter of 2016 when construction was scheduled to commence, and local businesses are those owned by local inhabitants. As ENVIRON was informed by PCo's HR Manager, as of November 2019, the Project employed 21 local workers from villages within the Project's DAI, which is 17.65% of the Project's total workforce.

KPIs were not established for the Operations Phase Labor Recruitment and Procurement Management Plan.

However, ENVIRON has since been advised by SMPC that KPIs will not be established due to the specialised nature of the operations and SMPC will hire from the national workforce including from the local community where feasible since they need to hire only skilled labor for the Operations Phase. As of November 2019, the Project's total national workforce, including the Yangon workforce, security team and EPGE was 119, representing 96.64% of the total workforce; foreign skilled workers (4) made up only 3.36% of the total Project workforce.

Recommendation

As mentioned in ENVIRON's comments on the OESMPs (12 February 2019), Sembcorp should revise the LRPMP and include a plan number, Table of Contents, and budget. Once the LRPMP is revised, it should be signed.

PCo's HR Manager confirmed that the six Sembcorp policies and procedures included in section 2.1 of the LRPMP and listed below will be in effect throughout the operation phase:

- Procedure Manual for Material Procurement. Doc. No.: SDC-QP-207. on the procurement of material;
- Staff Requisition. Doc. No.: HR_S_SR. on the management of headcount;
- Use of Employment Agencies. Doc. No. HR_S_UEA. on the use of employment agencies;
- Probation and Confirmation. Doc. No.: HR_S_PC. on probation period;
- Offer of Employment. Doc No.: HR_S_OE. on priority to existing employees for job vacancy; and
- Employment of Temporary Employee. Doc. No: HR_S_ETE. on employment of temporary employee.

5.18.2 Workers' Training and Capacity Building

Safety training is provided to each new employee; there are two training sessions per week for 1.5 hours per training, in accordance with the HSSE Training Plan. Based on the nature of a workers' job responsibilities, there is specialised safety training as well. In addition, first aid training (five-days) is provided to workers by the Red Cross.

Please refer to **section 5.20.1** of this report for further information on HSSE training.

Refer to **section 5.24**, Labour & Working Conditions for additional labour information, and for ENVIRON's observations and recommendations for closing additional gaps in the Project's compliance with PS2.

5.19 Project Influx

Project induced in-migration (PIIM) caused by an influx of in-migrants during construction was identified as a potential impact of the Project. The Influx Management Plan prepared for the construction phase (SDC-HSSEC-SMP- 018, REV C, 20 July 2016) presented the different measures to mitigate the adverse impact from migration of construction workers and opportunistic migrants during the construction phase. The key objectives of this Plan were to identify management strategies and actions that aim to:

- discourage in-migration into the Project's Area of Influence (AoI) that would otherwise not occur if the Project did not exist;
- strengthen Project security to protect the Project against negative PIIM impacts;
- stage the in-flow of migrants and plan Project access routes, so as not to encourage the emergence of in-migrant hotspots in other parts of the Myingyan area;
- manage, to the extent possible, the footprint of in-migrants who settle within the Project's AoI;
- ensure delivery of Project benefits among existing residents and PAPs in a way that does not encourage in-migrants;
- plan and communicate Project and EPC contractor management policies that mitigate PIIM; and
- identify which strategies will be purely Project-led strategies, and those which will require collaboration with local authorities.

As ENVIRON was informed, the Project's workers were recruited through contractors and/or subcontractors and there was no influx of job seekers. No influx of camp followers was observed during any of ENVIRON's site visits to date (November 2016, July 2017, January 2018, August 2018 and December 2019).

The small informal settlement located outside the Project perimeter has been there since before construction for the Project commenced and does not appear to be increasing in size. However, a few new houses were observed between the small informal settlement and the road leading to the highway to Myingyan.

The IESC has not identified any issues relating to influx management.