

**Komi Aluminium
Komi Aluminium Programme**

Public Consultation and Disclosure Strategy

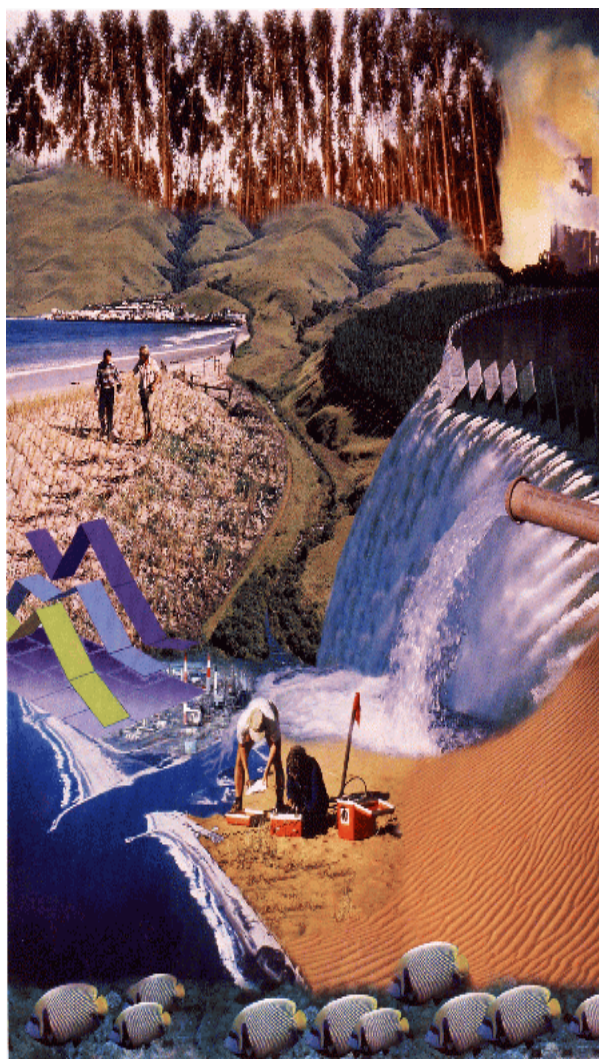
**PROPOSED KOMI ALUMINIUM PROGRAMME, KOMI
REPUBLIC, RUSSIAN FEDERATION**

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DOCUMENT CONTEXT

During the course of the environmental assessment (EA) process a range of documents will be produced in both Russian and English. In order for readers to immediately identify the context within which a document is presented, the following matrix has been developed as a listing of all the documents that will be produced. The document prefaced by the matrix is shaded in the matrix and marked with an arrow, so that it be seen where the document fits into the overall environmental assessment process.

Project phase	REQUIRED DOCUMENTS	
	English Version	Russian Version
1a Timan Bauxite Mine Audit	Audit and ESAP – Mine 2.5 Mtpa	
	PCDP - Mine 6.0 Mtpa	
	Site Selection Study for the Refinery	
	Site Selection Study for the Refinery	
1b Timan Bauxite Mine Assessment	Socio Economic Baseline Survey	Declaration of Intent – Refinery Act of Site Selection – Refinery
	Environmental Analysis – early works Refinery	Letter of Explanation for early works - Refinery
	ESIA & Updated ESAP - Mine 6.0 Mtpa	Expansion OVOS Mine – 6.0 Mtpa
2 Sosnogorsk/ Ukhta Refinery Assessment	Updated PCDP - Komi Al.	Investment OVOS – Refinery
	PCDP – Refinery	Construction OVOS - Refinery
	Refinery full ESIA and ESAP	
3 Sosnogorsk/ Pechora Smelter Assessment	Additional Socio Economic Baseline Survey	Declaration of Intent – Smelter
	PCDP - Smelter/ Updated PCDP - Komi Al.	Act of Site Selection – Smelter
	Smelter full ESIA and ESAP	Investment OVOS - Smelter
		Construction OVOS – Smelter

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1 INTRODUCTION AND BACKGROUND

SUAL Group, a vertically integrated company ranked among the world's top 10 aluminium producers and consisting of 19 businesses in various Russian regions, is proposing to establish an integrated aluminium development programme in the Komi Republic (Komi Aluminium Programme). A location map is presented in Figure 1.

The proposed development programme comprises three separate but related project proposals, namely:

- **Project 1: Expansion of the existing Middle Timan Bauxite Mine** – including the necessary associated infrastructure – from an authorised capacity of 2.5 million tons/year (Mtpa) to 6.0 Mtpa.
- **Project 2: Construction and operation of an Aluminium Refinery** near Sosnogorsk with a proposed alumina production capacity of 1.4 Mtpa.
- **Project 3: Construction and operation of an Aluminium Smelter** near the town of Pechora or Sosnogorsk (depending on the outcome of further feasibility investigations) with a proposed aluminium production capacity of 300,000 to 500,000 tpa.

The Programme is implemented by SUAL Group's member-companies: OAO Bauxite Timana (mine expansion) and ZAO Komi Aluminium (mine expansion, refinery and smelter construction) ("project developers").

The proposed Komi Aluminium Programme represents one of the most significant expansion developments currently being considered in the Russian Federation and is considered by the Komi Government as a key potential driver of economic growth and sustainable development in Komi Republic.

SUAL Group recognises the social and environmental significance of the proposed development and plans to maintain the principles of responsible business in further developing the programme. As one of the most important components of determining the feasibility of the programme, and in accordance with Russian regulatory and international lender essentially the International Finance Corporation (IFC) and the European Bank for Reconstruction and Development (EBRD) requirements, a separate Environmental Assessment (EA) for each of the three proposed projects is conducted. Public consultation is an important factor in deciding the scope of the environmental studies, and it serves to provide an opportunity for all stakeholders to provide comments and raise any concerns associated with the proposed development projects.

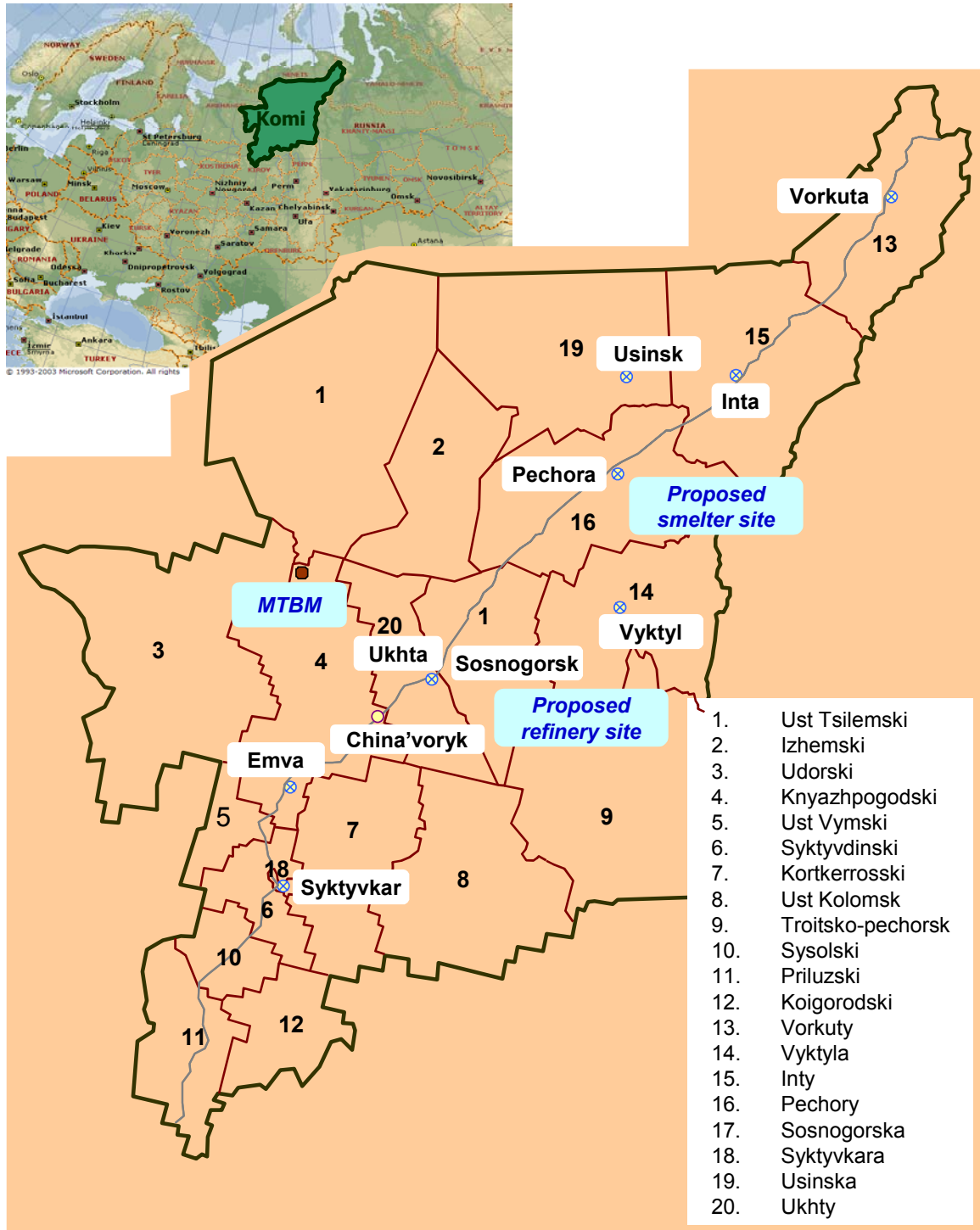


Figure 1: Location of the proposed development in the Komi Republic

The primary objective of public consultation and disclosure is to improve the quality of the information on which decisions are made and to ensure that the potentially affected stakeholders have had the opportunity to comment. In this manner, the public, technical specialists, the authorities and the developer work together to ensure informed decisions, which will ultimately produce a better project than if they had worked independently. In addition, public consultation ensures that all people's environmental and societal rights and responsibilities and serves are upheld.

The purpose of this strategy is to outline an approach that will implement best practice principles within the EA processes, prevent potential conflicts and build social trust and partnerships within the proposed Komi Aluminium Programme. The strategy will be implemented within the environmental assessment process of each of the three proposed projects that make up the Komi Aluminium Programme. The strategy is structured to present the context within which the strategy should be developed including Russian regulatory, IFC/EBRD and international best practice requirement and principles before presenting the overall consultation and disclosure strategy.

The approach contains a description of the key elements of the strategy, stakeholders, roles and responsibilities and an overall programme of public meetings. It is important to note that the strategy does not take the place of Public Consultation and Disclosure Plans (PCDP's) that are required and will be developed for each of the specific EA processes that will be undertaken for each of the projects.

2 CONTEXT

2.1 Russian regulatory requirements

2.1.1 The regulatory framework

The following Acts define the Russian legal requirements on public participation processes:

- Constitution of the Russian Federation, 1994;
- The State Law "On Environmental Protection", 2002;
- The State law "On Environmental Review", 1995;
- The State Law "On Information, Informatization and Protection of Information", 1995;
- State Law "On Guarantees of Indigenous People Rights", 1999;
- "Land Code", 2001;
- "Urban Planning Code", 1998;
- The State Law "On Local Governing in Russian Federation", 1995;
- "Regulation on Environmental Assessment of Economic and Other Activities in Russian Federation", 2000;
- "Construction norms and rules 11-01-95 Instruction on the order of developing, co-ordination, authorisation and the content of project documentation for the construction of enterprises, buildings and facilities", 1995. Cancelled in January, 2003 and introduced on the voluntary basis in May, the 2003;
- "Construction rules 11-101-95 The order of developing, co-ordination, authorisation and the content of the substantiation of investments for the construction of enterprises, buildings and facilities", 1995. Cancelled in January, 2003 and introduced on the voluntary basis in May, the

2003.

In accordance with Russian legislation, responsibilities for the organization of public involvement process are divided between the developer and the self-governance (local authority) structures:

- the developer defines the strategy of public involvement and appropriate techniques, drives the total process, provides information, answers the questions, covers all associated costs and has the responsibilities for the general result.
- Self-governance structures are responsible for organizing and facilitating public meetings/hearings, referendums, agreement commissions etc.

2.1.2 Public consultation and disclosure within the EA/OVOS¹ process

Public consultation and disclosure takes place within the EA process in the following three stages:

- **Preliminary assessment - Project notification, OVOS/Terms of Reference preparation and public discussion**
During this stage, the developer notifies the public about the project, and develops the ToRs for more detailed assessment. The draft ToRs are presented to and discussed with stakeholders prior to finalisation and undertaking of the detailed investigations.
- **Main stage – Environmental Assessment investigations and OVOS report preparation and public involvement:**
On the basis of the ToR (developed in the previous stage) an environmental assessment report is prepared. The draft form of this OVOS report is presented to stakeholders for their comment and input. All comments are collated and considered within the context of the EA. Where such comments have a bearing on project design, the same will be conveyed to the design team for incorporation in the design of the facility.
- **Concluding stage of the OVOS:**
The final report is prepared for submission and on which a decision can be made. Feedback is provided to the stakeholders on the final decision made on the project.

There are legal provisions regarding timelines for information dissemination and public consultation, including:

- Notification of public hearings should be done through the official mass media at least 30 days before the meeting;
- Access to draft documents² that will be discussed in the hearings should be provided 30 days before the meeting; and
- Feedback comment periods should be open for 30 days after public hearings.

In Russia, no clear guidelines on the recommended forms of public involvement and information dissemination exist in the regulatory framework and for this reason the project developers will follow

¹ The Russian language equivalent of an EIA is called an OVOS.

² The following documents must be discussed: (1) Draft OVOS ToR in the stage I; (2) draft Environmental Assessment documents on stage II.

the best practice principles in public consultation and disclosure. This implies meeting and exceeding the above requirements through especially a commitment to ultimately formulating a social agreement with stakeholders that may be affected by the proposed projects. The social agreement is described in more detail in Section 3.

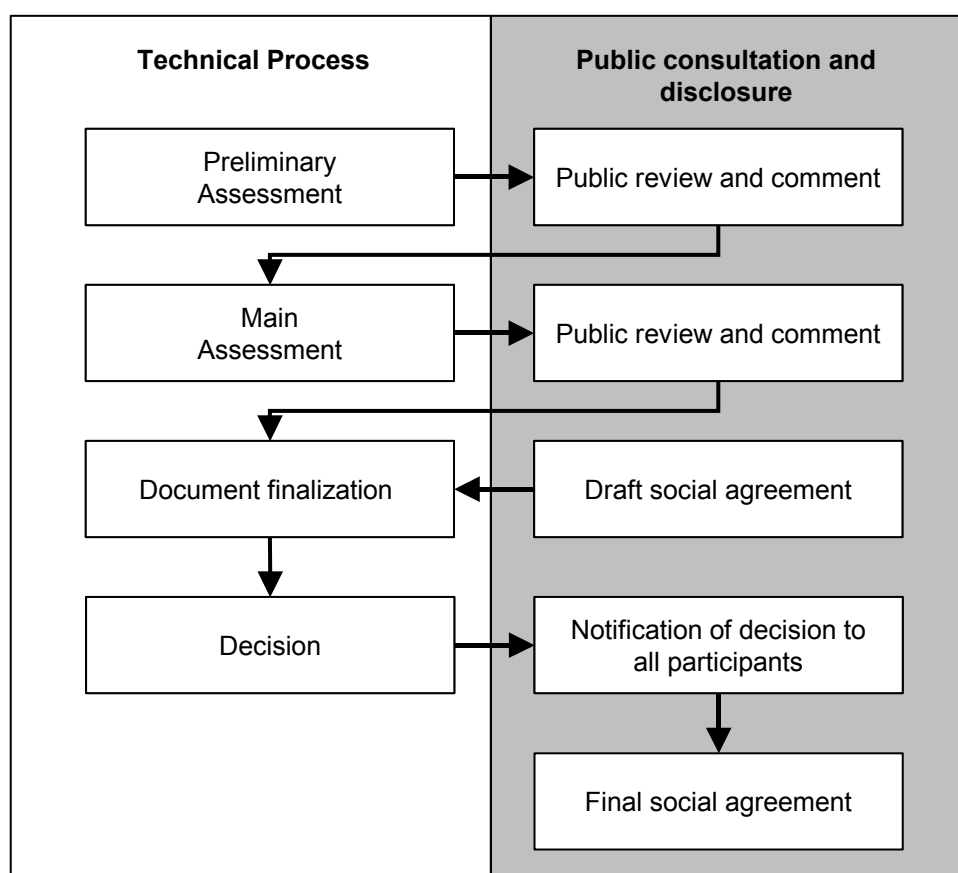


Figure 2: Schematic illustration of the relationship between the public consultation and disclosure and technical processes within the overall EA/OVOS process (note that the requirement of a social agreement is not obligatory but rather considered to be good practice in concluding an environmental assessment).

2.2 IFC/EBRD Requirements

As potential sponsors, the requirements of the IFC and EBRD must be upheld. Both the IFC and the EBRD require investment projects to be categorized and in both instances the projects within the proposed Komi Aluminium Programme have all been categorised as Category A projects. Category A projects invoke stringent Environmental and Social Impact Assessment (ESIA) and accompanying public disclosure requirements for both the IFC and EBRD.

2.2.1 Specific Requirements

OP 4.01 Environmental Impact Assessment

IFC's policy on environmental assessment (EA) states that all projects proposed for IFC financing require an EA (including social assessment) to ensure that they are environmentally and socially sound and sustainable. A full Environmental and Social Impact Assessment (ESIA) must be completed a

minimum of 60 days prior to loan approval and be disclosed in the World Bank Group Info Shop. The ESIA must include:

- An comprehensive Environmental and Social Action Plan (ESAP);
- A Preliminary
 - Health and Safety Plan;
 - Spill Prevention Plan;
 - Waste Management Plan;
 - Water Erosion Management Plan;
 - Social Mitigation Plan
 - Reclamation and Closure Plan; and,
- A detailed Public Consultation and Disclosure Plan.

The EBRD policy (April 2003) is similar to the IFC policy in scope and content, but also requires the affected public receive feedback on how their comments have been taken into account and the final decision. In addition, Category A projects must report annually to the affected public on the environmental status of the project and implementation of the commitments within the ESIA. Typically, one document can be created that satisfies requirements for both EBRD and IFC. EBRD places sets of ESIA documents in its Business Information Centre in London and in the relevant Resident Office (i.e. Moscow).

OP 4.04 Natural Habitats

This policy affirms IFC's commitment to promote and support natural habitat conservation and improved land use, and the protection, maintenance, and rehabilitation of natural habitats and their functions in its project financing. IFC does not support projects that involve significant conversion or degradation of critical natural habitats.

OP 4.11 – Management of Cultural Properties

This World Bank Group policy is designed to assist in preservation of cultural properties. The management of cultural property in a country is the responsibility of the host government. However, before proceeding with any project that may entail destruction of a cultural property bank staff must (1) determine what is known about the cultural aspects of the proposed project site and, if necessary, (2) conduct a brief reconnaissance survey of the proposed project area.

Additional policies:

Additional IFC policies that may apply to the Komi Aluminium Programme include:

- IFC/MIGA Policy Statement on Forced Labor and Harmful Child Labor;
- OD 4.30 Involuntary Resettlement;
- OP 7.50 Projects on International Waterways;
- OP 4.10 Indigenous Peoples (forthcoming);
- OP 4.37 Safety of Dams;
- OP 4.09 Pest Management; and,
- OP 4.36 Forestry.

Additional EBRD requirements that may apply to the Komi Aluminium programme include:

- EU environmental and safety standards; and
- ILO standards regarding
 - Forced labour
 - Harmful child labour
 - Discriminatory practices

Assessment and Management of Cumulative Impacts (DRAFT 2001)

The successful management of cumulative impacts is essential to the sustainability of IFC projects. In conjunction with the EA process, it is necessary to consider cumulative impacts of existing, proposed, and anticipated projects.

Hazardous Materials Handling Guidelines

These guidelines apply to facilities and activities involving the transportation, production, handling, storage, and disposal of hazardous materials. The key requirements of these guidelines are screening, management, preventative plans during operations, response plans in the event of an accident, and community involvement.

2.2.2 Public consultation:

Both the IFC and EBRD require project sponsors to meaningfully consult with stakeholders on the preparation and results of the environmental and social assessment and disclose the results of the environmental assessment process to the public. The project developers have committed to comply with these requirements, which translate into open, direct and culturally appropriate communication with individuals and groups who may be affected by its projects. This means upholding the following principles:

- Written and oral communications in local languages and readily understandable formats;
- Easy accessibility by relevant stakeholders to both written information and to the consultation process;
- Use of oral or visual methods to explain information to non-prepared people;
- Respect for local traditions of discussion, reflection, and decision-making;
- Care in assuring that groups being consulted are representative, with adequate representation of women, vulnerable groups, indigenous, ethnic or religious minorities, and separate meetings of various groups, where necessary; and
- Clear mechanisms to respond to people's concerns, suggestions and grievances.

A key component for disclosure of the IFC and EBRD is a 60-day minimum disclosure period required for all projects prior to a decision by the Board.

For each of the three projects within the Komi Aluminium Programme the project developers will consult relevant stakeholders at least twice:

(i) During scoping and before the terms of reference for the ESIA are finalized (local language summary of project's objectives, description and potential impacts proactively disseminated in culturally appropriate manner in advance of consultation).

(ii) Once a draft report is finalized (local language non-technical Environmental and Social Assessment Summary proactively disseminated in culturally appropriate manner in advance of consultation)

2.2.3 Disclosure

Once the consultation has been documented and the ESIA up-dated it is then released to the Info Shop and locally (readily accessible to local stakeholders) for a minimum of 60 days before it is submitted to the Board. This document must include all supplements and addenda to the ESIA and the responses to the public consultation process. In addition, a non-technical ESIA report summary in the local language

shall be proactively disseminated to local stakeholders³

2.2.4 On-Going Consultation

IFC also requires consultation as an on-going process to be carried out during the construction and operation phases of the project.

2.3 **International 'Best Practice'**

In defining international best practice it is instructive to reflect on the core values and principles that have been developed by the International Association for Public Participation (IAP2)⁴. The core values and principles have been derived from the membership of IAP2, which consists of more than one thousand members operating in some 22 countries around the world. These are presented below:

2.3.1 Core Values

- The public should have a say in decisions about actions that affect their lives.
- Public participation includes the promise that the public's contribution will influence the decision.
- The public participation process communicates the interests and meets the process needs of participants.
- The public participation process seeks out and facilitates the involvement of those potentially affected.
- The public participation process involves participants in defining how they participate.

- The public participation process provides participants with the information they need to participate in a meaningful way.
- The public participation process communicates to participants how their input affected the decision.

2.3.2 Principles

Following from the Core Values, the best-practice principles apply to public participation, as well as conflict and dispute resolution processes. These principles ensure that the views of all participants are fairly heard and considered, that the process needs of participants are met and that the process is defensible. The project developers endorse the principles, which are listed below.

- Consultation is inclusive (consultation takes place with all sectors of society, and affords a broad range of stakeholders the opportunity to become involved, bearing in mind that it is not practically possible to personally consult with every individual in the project area).
- The opportunity to comment is announced in various ways over a period of time (for example, by way of letters addressed to stakeholders personally, advertisements, documents left in public places, radio announcements, personal visits to previously disadvantaged communities).
- Information is sufficient to allow meaningful contributions, and is accessible (in a language that stakeholders can understand and written in a non-technical way).
- Participation according to ability and interest level (highly technical documents are presented to technically minded people; such documents are simplified for lay people).
- Information is presented in various ways (for example, by way of discussion documents, presentations at meetings and workshops, visual displays, print and broadcast media).
- Special efforts for previously disadvantaged communities and vulnerable groups.

³ Although the IFC's policy does not explicitly require whole ESIA to be translated into the local language, good practice dictates that this get done so that the ESIA is locally accessible.

⁴ IAP2 was established in 1990 as a non-profit corporation to advance the practice of public participation.

- Enough time is allowed for comment, but time is not wasted on options that are no longer viable.
- There are various opportunities for comment, at various stages in the process.
- There are various ways for stakeholders to comment (written submissions, comment sheets, e-mail, faxing, briefing meetings, workshops, public meetings, personal contact with members of the EA team).
- Stakeholders have ample opportunity to exchange information and viewpoints (for example, at workshops and public meetings).
- Stakeholders receive ongoing feedback and acknowledgement, and the opportunity to verify that their issues have been considered, and if not receive an explanation for this.
- Transparency, honesty and integrity on the part of all involved in the process.
- Stakeholders are supplied at an early stage with information that assists them to understand their roles, rights and responsibilities in the process.

3 APPROACH

3.1 Overview

For most environmental assessment processes, the capacity of stakeholders to engage constructively with the public participation process is low. This low capacity tends to be a function of the following:

- Companies do not have a clear understanding of public participation principles and benefits. As a result, communication and information with stakeholders is limited.
- Self-governments (local authorities) who carry the responsibility for mediating public dialogue often lack the skills and experience to facilitate the process.
- NGOs have little experience in the decision-making process of companies and thus do not fully appreciate how best to engage in constructive dialogue with companies.

In the context of the Komi Aluminium Programme, stakeholders' capacity is believed to be relatively good for the following reasons:

- The project developers can draw upon several years of experience in public involvement with projects relating to the Middle Timan Bauxite Mine. In general terms the public consultation on these projects has been positively presented and received. That experience can be used to good effect in developing a suitable strategy for the proposed programme.
- The Komi Government is implementing the concept of social agreements on different issues (including development projects). These bi-lateral agreements are entered into by the company and stakeholders and define the principles that must be upheld in conducting the required environmental assessments.
- Local administrations (self-governance) have some formal experience in conducting of public hearings, although their experience in dealing with complicated public consultation processes requiring conflict resolution is probably limited.
- There is a range of competent and experienced NGOs that will most likely participate in the environmental assessments. The range includes:
 - Greenpeace Russia - focusing on environmental issues,
 - The Memorial- focusing on human rights;
 - The "Save the Pechora" Committee (network organization affiliated to Socio-Ecological Union);
 - Komi Kotyr/Voityr (focusing on national cultural development and indigenous people).

3.2 Key elements of the strategy

Given the above, the strategy presented here is based on the principle of addressing possible weaknesses and capitalising on the strengths of the social environment in which the public consultation and disclosure will occur. To this end the strategy has two key elements namely:

- An overall public participation and consultation framework.
- A complementary capacity building programme that will serve to grow capacity amongst all stakeholders to drive and participate effectively in, the public participation and consultation process (Fig. 1). The project developers, the IFC and EBRD are committed to supporting efforts aimed at building capacity amongst the various stakeholders participating in the EA process.
- The formulation of a social agreement at the conclusion of the process.

3.2.1 Public consultation and disclosure framework

The public consultation and disclosure framework presented in this document aims to provide a mechanism through which people from a diversity of perspectives are provided an opportunity to raise issues, and to have these issues considered during and after the environmental assessment process. At the same time, it is important to recognise that the consultation and disclosure framework is not designed to force consensus amongst stakeholders, but rather to create a forum within which stakeholders can express their views without threat of sanction.

Public participation goes beyond information dissemination and should be structured towards building trust and developing partnerships with stakeholders affected by the developments. All stakeholders consider as equal parties within the partnership. Finally, given that there will be a differing stakeholder groupings for each of the three projects a separate consultation and disclosure plan will be created and implemented for each of the three projects, but all will be rooted in this strategy. The above principles will be promoted using a variety mechanisms including, but not limited to, the following:

3.2.1.1 Public meetings

Public meetings are the cornerstones of the public consultation and disclosure process and will be held in each of the major centres potentially affected by the three projects. These centres include China'york and Yemva for the mine expansion, Ukhta⁵ and Sosnogorsk for the refinery and Pechora for the smelter. In addition there will be ongoing dedicated meetings with relevant authorities and key stakeholders in Syktyvkar.

3.2.1.2 Open houses

The principle of an open house will be used to supplement the public meetings. The open house principle is one that involves no formal presentations but in which presenters are available to discuss various items with stakeholders. An open house makes it easier for people who are unaccustomed or unwilling to speak in front of large groups to engage in one-on-one dialogue with a member of the EA team. As far as logistics allow the principle will be to hold an open house either immediately before or immediately after the public meeting.

3.2.1.3 Focus group discussions

Focus group discussions are especially powerful when clarifications are required from the community, or when the developer will need to assess the population's opinions on a particular issue. Focus group meetings will also be held, as far as logistics allow, when specifically requested by a given interest group.

3.2.1.4 Newspaper articles and publications in popular media

Articles will be written on an ongoing basis and forwarded to popular media to promote the EA the principles of participation and inform stakeholders of key steps in the process. Local newspapers will be used extensively for project-related communication, as these are widely available and indeed read in confidence by most adults in the area. A two-weekly to monthly "information letter" to the local population will be published in local newspapers, which will provide ongoing communication. Topics that will be described in these information letters will include, *inter alia*:

⁵ Note that although the refinery will be established in Sosnogorsk, it will be necessary to continue public meetings in Ukhta.

- General presentation of SUAL, of the project developers, and of the different companies that will manage the Project preparation, construction and operation.
- Presentation of the lenders EA and Russian regulatory process requirements, including envisaged time frames, opportunities for comment and so forth.
- Descriptions of the mining, refinery and smelter industrial processes highlighting resource use and pollution implications and what can be done to manage these aspects so as to minimise or prevent environmental/social impacts.
- Summaries of the outcomes of the EA's including major impacts, impact significance, mitigation and so forth.
- A description of post EA activities including developing and implementing Environmental Management Programmes during construction and operations.

3.2.1.5 *Radio and television interviews and announcements*

All public meetings and open houses will be advertised on local radio and television stations in the two weeks prior to the public meetings. The press will also be invited to attend the meetings and where required interviews will be given on the EA and public consultation and disclosure process. Local television is also perceived to be a reliable source of information by local people.

3.2.1.6 *Internet*

A dedicated web site is being maintained by SUAL Group including all public documents in downloadable format in English and Russian languages. The web address is: http://www.sual.com/business/komi_aluminium/ecology/. An e-mail address will also be provided to which comments and issues can be sent in either English or Russian. For disclosure purposes, all reports will also be placed on the IFC webpage and EBRD will provide a notice on its website and a link to the SUAL website (<http://ifcln001.worldbank.org/> and <http://www.ebrd.com/projects/index.htm>). That said it is well recognised that people in the area still experience difficulties in accessing the Internet, and for this reason, internet access is viewed simply as a complementary function to the other mechanisms described here.

3.2.1.7 *Brochures and information sheets*

Throughout the process brochures and information sheets will be developed and distributed to stakeholders. The purpose of the brochures and information sheets will to provide further information on the projects, the practitioners and the developers and these will be written in easily accessible language to be taken away and read and digested in the stakeholder's own time.

3.2.1.8 *Reading rooms and information centres*

Reading rooms and information centres will be established in Syktyvkar, Yemva, China'voryk Ukhta, Sosnogorsk, and Pechora in the municipal administrations of the relevant towns and villages. These will be forwarded all project documentation so that local people can have access to that documentation. The reading rooms and information centres will also be sent articles of interest to develop a broader understanding of the programme, the projects and the environmental assessment and public consultation and disclosure processes. Finally, an issues register will be available in the reading rooms and information centres as a mechanism for recording comments and issues. The reading room and information centre details are presented in Table 1.

Table 1: Reading room and information centres

	NAME	ADDRESS	TELEPHONE
City of Ukhta	Mr. Petr Novoselchenko , Deputy General Director of ZAO Komi Aluminium	Prospekt Lenina 26 b, Ukhta, 169300	+82147 67342
	Ms. Maria Kotova Ecologist, MTBM		+82147 13204
	Ms. Svetlana Strekalova Library of Domestic Reading (Visitor's Center)	Ul. Mira, 5 Ukhta, 169300	+82147 33546
City of Syktyvkar	Ms. Tatiana Evdokimova Institute of Biology, Komi Scientific Center, Russian Academy of Sciences	Ul. Kommunisticheskaya, 28 Syktyvkar, 167982	+8212 241247
City of Emva	Ms. Natalia Kravchuk City of Emva Administration (Visitor's Center)	Ul. Dzerzhinskogo, 81, Emva, 169200	+82139 21033
	Mr. Anatoly Shevelev Head of Knyazhpogost District Environmental Protection Committee	Ul. Dzerzhinskogo, 110 Emva, 169200	+ 82139 24977
City of Sosnogorsk	Elena Melekhina Sosnogorsk District Administration (Visitor's Center)	Ul. Zoi Kosmodemyankoi, 17 Sosnogorsk, 169500	+ 82149 54907
EBRD	36 ul. Bolshaya Molchanovka Stroenie 1 121069 Moscow	Alexender Filkene	095/501 7871111
IFC	36 Bld. 1, Bolshaya Molchanovka Str, Moscow, 121069	Elena Ivanova	097 095 4117555
Komi Aluminium	69 Pyatnitskaya St, Moscow, 115054	Yegor Yurkin	(095) 5040749
Ecoline EA Centre	Of.408, 32/75, Valovaya str., Moscow,	Marina Khotuleva	(095) 23610 27

This information is repeated in Russian in Appendix 1.

3.2.1.9 *Technical support to schoolteachers*

This includes provision of information, teaching aids such as pictures, documentation, information sheets and so-forth. Special attention will be given to the two Sosnogorsk town schools "with environmental orientation" and the school #1 and Cross-school Educational Enterprise in Emva (Mezhshol'ny Uchebny Combinat).

3.2.1.10 *Appropriate local language*

All documents that will be distributed in Komi Republic will be distributed in Russian. In addition selected documents (e.g. project information sheets) will be translated into Komi in recognition of the Komi people as important participants in the process.

3.2.1.11 *Hotline*

Finally a contact phone will be permanently available for anyone wanting to find out how to participate in the process or to access information or raise comments or concerns. The information is available now at:

e-mail address: info@komial.ru

telephone number: (82 147) 67342

3.2.2 Capacity building programme

As described, an important element of the public consultation and disclosure strategy is the capacity building program. The capacity building programme is program aims to increase the capacity of all stakeholders in EA, community building, conflict resolution and other issues relevant to the Komi Aluminium Programme. To a very large extent the mechanisms described above for promoting the public consultation and disclosure process will also be used to build capacity. For example any brochures or documents that have been developed to describe elements of the Russian EA system will be sourced and made available at public meetings together with the brochures and information sheets described above.

Informative material will also be placed on the web site and newspaper and popular media articles and interviews extended to include elements of capacity building. That said the major capacity building mechanisms will be formalised workshops in which the various topics relevant to the environmental assessment process will be presented and opportunity provided for discussion and comment.

It is also intended to have a “school’s programme” aimed at building environmental capacity in students to participate in environmental assessment processes. The school’s programme will identify all of the learning institutions within the communities of concern and engage with the principals of those schools to gain buy-in to the process of including their students in the EA process for broader information dissemination. The channel “from children to the parents” will be used whereby mostly older students will be targeted (14-17 years old). A specific information package will be developed/adapted for this audience.

3.2.3 Commitments by the project developers

SUAL Group aims at developing a transparent corporate policy with special emphasis on collaboration with all stakeholders in the regions in which it operates. As such the project developers will adhere to a number of guiding principles, including:

3.2.3.1 *Transparency and early involvement:*

The company will proactively provide information about its development plans and will ensure that sufficient information is provided to stakeholders in order to ensure that they are fully informed about the nature of development proposals in a culturally appropriate manner. Project options and alternatives will be discussed at all stages of project preparation before final decisions are made.

3.2.3.2 *Corporate social responsibility:*

The company will develop corporate social and environmental policies that will follow ‘responsible business’ models and that will be underpinned by the principles of sustainable development in the Komi

Republic. .

3.2.3.3 Normative conformity:

The company's activities will comply with Russian regulatory requirements and those of international funding agencies including the IFC and EBRD.

3.2.3.4 Social trust and partnership building:

The key element of the Strategy is the development of a Social Agreement between all interested parties: the developer, municipalities, local communities and interested NGOs. This approach is not legally required, but experience has shown that social agreements are powerful tools for building relationships with stakeholders.

3.2.4 Schematic Strategy Structure.

Schematic Strategy Structure is presented in Figure 3.

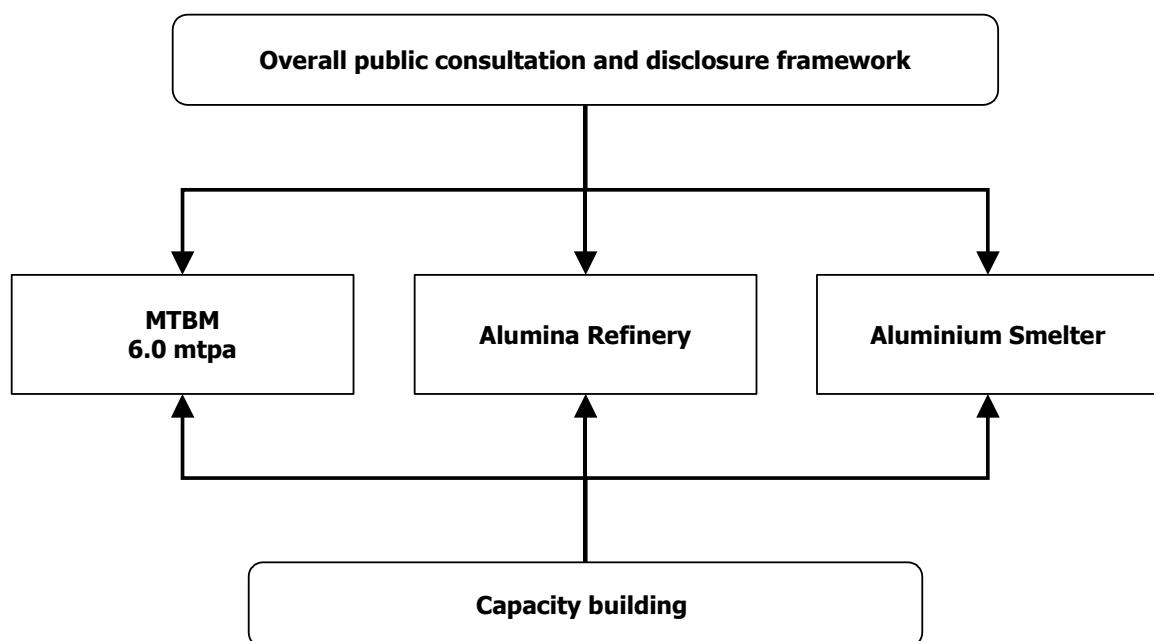


Figure 3: Structure of the Public Consultation and Disclosure Strategy for the Komi Aluminium Programme Development.

3.3 Stakeholders

There are a number of individuals and organisations who will be affected (either positively or negatively) by the proposed Komi Aluminium Programme and/or may have an interest in the consequences of the proposed development(s). These "interested and affected parties" will form the principal stakeholders in the public participation process. The various groups are described in more detail below in the following

sections.

3.3.1 Local communities

The local population that may be affected by a proposed activity is a priority target group and it is especially important to involve such communities in public dialogue to identify concerns, views, needs and preferences, and to assist in the process of finding solutions to identified problems. The planned public involvement activities will focus on affected local people. Those people who do not live within the zone of project direct impacts but live close to the proposed project site will be informed about the planned development and will also be afforded the opportunity of participating in the process. It is acknowledged that some interest may be drawn to the project by the involvement of international finance institutions and posting information on the SUAL website, and all comments made during the consultation process will be reviewed and taken into account.

Various methods and instruments of information dissemination and feedback collection will be applied to draw local community members into project development including: i) public visitor centres; ii) 'hot lines'; iii) publications in local and regional press. Special meetings (conferences ('skhod')) . As described earlier, communities from Chin'avoryk, Emva, Sosnogorsk, Ukhta, Kerki and Pechora will be targeted for direct involvement in the consultation and disclosure process. Additionally it will be necessary to involve communities in Syktyvkar due to the importance of this project to the Komi Republic.

3.3.2 Non-governmental (public) organizations (NGOs)

All NGOs expressing interest in environmental and social aspects of the proposed developments will be targeted for involvement in the consultation and disclosure process. As a minimum, the following organisations are likely to have an interest in the proposed project:

- Greenpeace Russia. Greenpeace has a special interest in the Timan Bauxite mine and were active participants in the EA process on the proposed increase in capacity to 2.5 Mtpa. Greenpeace are currently leading a campaign to promote public involvement and opinion in development proposals.
- "Save the Pechora" Committee. The "Safe Pechora" Committee is a network organization having a main office in the city of Pechora and branches/members in Ukhta, Sosnogorsk, Syktyvkar and Usinsk.
- "The Memorial". The Memorial is the Komi branch of a human-rights (all-Russian) NGO based in Syktyvkar. They are known to be interested to participate in discussing on the proposed aluminium programme. The branch of "Memorial" is operating in Ukhta as well.
- Association of small business development. This association should be involved on the community development/SME support activities.
- "Komi-Kotyr/Komi-Voityr"⁶ – the network NGO dealing with national culture development. This NGO is has branches in Emva and Ukhta

3.3.3 Self-governance structures (local authorities)

The key self-governance structures are:

- Knyazhpogost District Administration (for the mine expansion);

⁶ The organization uses both names

- Sosnogorsk District Administration and/or Ukhta Municipal Administration (for the refinery);
- Sosnogorsk District Administration or Pechora Municipal Administration.

The village administrations in the affected areas are especially important and these include at least the Chin'avoryk, Kerki, Emva city Administrations. These Administrations should play the coordination role in the public involvement processes and especially in conflict prevention/conflict resolution. To ensure an effective process the capacity of these local authorities should be strengthened.

3.3.4 Other authorities

Bauxite Timana and Komi Aluminium will contact and consult with federal level state control agencies involved in granting permits at early stages of project development to identify the most significant environmental aspects of a proposed project.

3.3.5 Research, educational and cultural institutions

Academic/research institutions play an important role in the formulation and presentation of public opinion in the Republic of Komi. The Komi Scientific Centre of the Ural Department of Russian Academy of Science (KSC) is a key role-player. Some of the divisions of the KSC are involved in technical work that could have a bearing on the proposed projects including background studies and/or monitoring work.

Similarly, educational and cultural institutions play an important role in forming public opinion and in the identification of public issues and concerns. These institutions are centres of social life in many settlements. They are helpful for informing socially passive community members particularly through the flow of information from children to their parents. Schools and libraries are especially important, where, from the soviet times and earlier, libraries traditionally played the dominant role in the cultural life of Russian society. It is especially true in the provincial area (Knyazhpogost district, City of Pechora and Sosnogorsk and Ukhta municipalities). Libraries in these and other settlements will be used for posting the documents for public consultation and disclosure.

The development of a school's programme was described earlier where information will be disseminated amongst schools with a view to students encouraging both younger people and their parents to participate in the EA process.

3.3.6 Religious groupings

Religious groupings have become increasingly important in the spiritual life of Russian society and the Russian Orthodox Church is especially influential in the region. Disseminating information through church structures will also promote the spreading of information, especially to those people who keep from social activities in other spheres. The public participation programme will identify all of the churches operating in the communities of interest and through the priests, aim at ensuring that the concerns of the church are represented in the EA.

3.3.7 Small and medium enterprises (SME) and SME-supporting structures

An important element of (sustainable) economic development is the development of small and medium business sector. The proposed Komi Aluminium Programme development is likely to impact directly on small and medium business through various procurement needs. At the same time, indirect impacts may further stimulate the development of SMEs (e.g. service development). As a result, enterprises and organizations supporting SME development are likely to actively engage in public involvement activities.

The business associations or SME supporting structures in the districts (Knyazhpogostski and Sosnogorski districts, Pechora and Ukhta municipality) will be identified through the EA process. SME supporting structures in Syktyvkar (Association of small business development) are seen to be especially important because of their wide connections with local SME and will be similarly targeted for involvement in the public consultation and disclosure process. This will happen through direct invitation as well as further focus group discussions with the same.

3.3.8 Indigenous people

A key aspect of the social state of the Komi Republic is the recognition of the interests of the native people – the Komi. There are organisations in the Republic whose aim is to strengthen national morale. One of these organizations, Komi Voitr, aims to promote the involvement of local population in public dialogue. No area of densely located settlements of native people keeping traditional livelihood have been identified however, in areas that would be affected by the Komi Aluminium Programme.

The local population is mostly non-native but there are several Komi families living in Chin'avoryk. They identify themselves as Komi but do not maintain a traditional livelihood. There is no evidence of reindeer pastures and temporary settlements of indigenous peoples maintaining traditional land use practices (reindeer-breeding) around the existing mine vicinity.

The Federal Law "On Guarantees of the Rights of Small-Numbered Indigenous Peoples of the Russian Federation" sets out the following definition of small-numbered indigenous peoples of the Russian Federation. Those peoples that are not included on the official list of small-numbered indigenous peoples are not subject to special care of the Russian government. Since the Komi are not a minority group in the Komi Republic, (they are among major ethnic groups of the North and Siberia) they are not considered one of the "small peoples under Russian legislation. IFC and the international community recognise the Komi People as an indigenous group. However in this case as there are no direct impacts and for the reasons outlined above, the Policy OP 4.20 does not apply to the project. Nevertheless, Komi people will be treated as an additional vulnerable group or ethnic minority for the project and EA and a special effort made to encourage their participation in the public consultation and disclosure process.

3.3.9 Other civil society structures

Other civil society structures that may be interested in discussion of project outcomes will be identified during project preparation and public involvement activities but will include:

- Environment and social agencies of government;
- Elected representatives;
- Media (local newspapers, radio stations TV);
- Leaders of local cooperatives community based organisations, women and youth organisations.

3.3.10 Mass Media

The communications with mass media is crucially important for the effective information disclosure. The communication plan is currently being developed.

3.3.11 Grievance Mechanism

Despite best practice in the public consultation and community relations programme, it is likely that there will be times that the developer and stakeholders disagree. For this reason it is necessary to define a mechanism for resolving such disputes as and when they arise. Such a mechanism must ensure that disagreements are recorded and considered fairly and appropriately. In order to do so the following grievance mechanism will be implemented as part of the public consultation and disclosure process.

- A register of grievances will be held by the public participation team, with a copy to the developer
- Receipt of grievances will be acknowledged within two working days of receipt of the grievance;
- Grievances can be submitted verbally as well as in writing, but responses to the receipt will be submitted in writing so that there is a permanent record of the grievance and the response;
- The grievance will be reviewed by the public participation team and appropriate action taken or implemented;
- The public participation team will produce a report of grievances received, actions taken and outstanding issues on a regular basis;
- Relevant details of grievances, with outcomes, will be made available to the stakeholders involved in a timely manner
- All grievances together with the response to the grievance will be presented in the EA documentation

3.4 **Transparency of decisions**

SUAL Group recognizes the need to be transparent and take decisions on the project based on feedback from stakeholders in order to improve the project, lessen impacts and maximize benefits for all stakeholders. The public participation process will be delivered in an open and transparent manner. As a key element to that exercise the organization should ensure that the communication to all stakeholders is adequate, consistent and unambiguous. In fulfilling this role, the project developers commit to the following:

- To treat all stakeholders with respect.
- To make all stakeholders aware of their environmental rights and responsibilities.

- To provide sufficient time for stakeholders to review and comment on documents.
- To contribute to the identification of issues.
- To study material arising from the environmental assessment process.
- To provide comments and inputs on public documents.
- To provide meaningful information to stakeholders in an easily understandable format.
- To inform stakeholders well in advance of milestones and the nature of comment required from stakeholders in each case.
- To inform stakeholders as to when decisions will be made, about what aspects, and by whom.
- To advise stakeholders on how their concerns have been addressed and, if not, why not.
- To inform stakeholders where accountability for decisions rests.
- To provide stakeholders with ongoing feedback and acknowledgement for their time and effort.
- To provide a grievance mechanism.

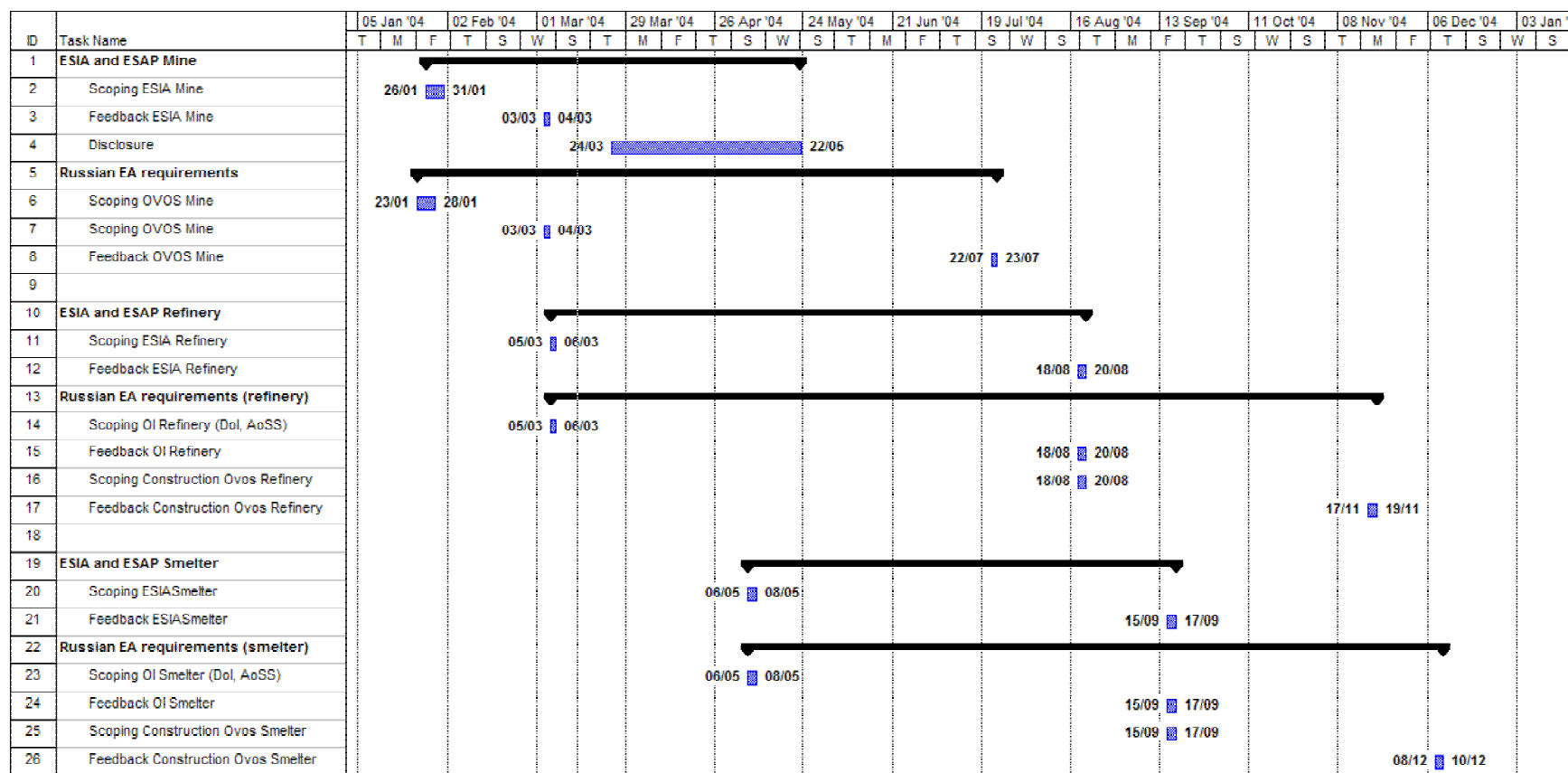


Figure 4: The public consultation and disclosure programme for the proposed Komi Aluminium Programme showing the various public meetings that are planned to be held during the EA process.

3.5 Overall programme

The public consultation and disclosure programme is presented in figure 4.

In general terms the lender's requirements (ESIA and ESAPs) will be concluded first and the Russian OVOS requirements completed partly in parallel and partly subsequent to the ESIA and ESAP. Given that principle, the public meeting programme required to support the various EA requirements of the Komi Aluminium Programme are shown in Figure 4 together with the dates on which the public meetings are planned take place.

4 CONCLUSION

The public consultation and disclosure strategy that has been presented here serves to define the principles and overall programme that will be used in developing public consultation and disclosure plans (PCDPs) for the individual projects that make up the proposed Komi Aluminium Programme. The PCDPs will serve to ensure that the public consultation and disclosure requirements of the various Environmental Assessments that will be conducted, will meet and exceed the requirements set by the Russian Federation and the international lenders.

SUAL Group recognises that a key success factor in a venture of this magnitude is developing and maintaining a relationship with the various stakeholders who could be affected by or interested in, the project that will make up the programme. To that end the strategy presented here is viewed not just as a requirement for the various EA's but also as a foundation for a long and positive relationship with the stakeholders who will participate in the process.

APPENDIX 1: RUSSIAN CONTACT INFORMATION FOR READING ROOMS AND INFORMATION CENTRES

	Ф.И.О., должность	Адрес	Телефон
г.Ухта	Новосельченко Петр Николаевич Заместитель Генерального директора ЗАО «Коми Алюминий»	169300, г. Ухта, Проспект Ленина, д. 26 б	(82147) 67342
	Котова Мария Васильевна Ведущий специалист по охране окружающей среды ОАО «Боксит Тимана»		(82147) 13204
	Стрекалова Светлана Юрьевна Библиотека семейного чтения (Общественная приемная)	169300, г.Ухта, ул. Мира, 5	(82147) 33546
г.Сыктывкар	Евдокимова Татьяна Васильевна , Институт биологии КНЦ УрО РАН	167982, г. Сыктывкар, ГСП-2, ул. Коммунистическая, 28	(8212) 241247
г.Емва	Кравчук Наталия Ивановна Администрации г. Емва (Общественная приемная)	169200, г. Емва, ул. Дзержинского, д. 81	(82139) 21033
	Шевелев Анатолий Васильевич Руководитель Княжпогостского районного комитета по охране окружающей среды	169200, г. Емва, ул. Дзержинского, д. 110	(82139) 24977
г.Сосногорск	Мелехина Елена Валентиновна Администрация Муниципального Образования «Сосногорский район» (Общественная приемная)	169500, г.Сосногорск, ул.3ои Космодемьянской, д.17	(82149) 54907