



CAIRN ENERGY INDIA PTY LTD

**ANDHRA PRADESH PUBLIC CONSULTATION
AND DISCLOSURE PLAN**

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1. INTRODUCTION

Cairn Energy India Pty Ltd (CEIL) is holding a joint venture (JV) license for exploring oil and gas from the Ravva Oil Field offshore block (Ravva) in the Krishna-Godavari Basin off the east coast of India under a Production Sharing Contract (PSC) with Government of India. As per the PSC, CEIL is the Operator for this JV. The JV parties and their participating interests are CEIL (22.5%), ONGC (40%), Videocon Petroleum Ltd (25%) & Ravva Oil (S'Pore) Pte Ltd. (12.5%). CEIL, as the Operator of Ravva, is engaged in production and development of hydrocarbons from the known Ravva Field and also has the objective of finding further commercial reservoirs within the boundaries of the permit.

JV is committed to publicly disclosing its information about the project, potential impacts and compensation and mitigation measures following its own corporate commitment, international best practices as well as the International Finance Corporation's (IFC) guidelines on developing a Public Consultation and Disclosure Plan (PCDP). This document describes the JV's ongoing stakeholder engagement as well as the proposed consultation and disclosure programme to be undertaken through the project life cycle.

1.1 *Cairn Energy PLC's Group Public Consultation and Disclosure Programme*

Cairn Energy PLC is an Edinburgh based upstream Oil and Gas Exploration and Production Company listed on the London Stock Exchange. The Company has extensive exploration, development and production operations and further growth opportunities in South Asia, principally in India and Bangladesh. Cairn is seeking a corporate loan from the International Finance Corporation (IFC) to help finance a portion of the capital expenditure to develop its recent discoveries in India and Bangladesh.

Guidance on the development of stakeholder management plans is provided in the Cairn Energy PLC Group HSE Management System. Stakeholder identification and consultation has an important role in managing Cairn's business relationships at both a corporate and local level. A more detailed update on the engagement process specific to the Ravva operations have been described in section 2.

Consultation also plays an important role in the review and approval process by the authorities for projects in India and Bangladesh. The environmental clearance and approval process for larger projects, exceeding an investment of more than Rupees 100 crores (~ USD 22 million) requires public hearings and for the project proponents to respond to issues of concern raised by the local community. The land acquisition process under the Land Acquisition Act, also requires public notifications and communication to the project affected families.

2. STATUS OF CONSULTATION AND DISCLOSURE IN ANDHRA PRADESH

2.1 *Introduction*

This section provides a brief overview of the project, the legal framework for consultation and disclosure in Ravva Asset and a review of the stakeholder engagement under the project till date.

2.2 *Project Background*

CEIL holds a joint venture (JV) licence for exploring for oil and gas from the Ravva Oil Field offshore block (Ravva field) in the Krishna-Godavari Basin off the east coast of India under a Production Sharing Contract (PSC) with Government of India. The Ravva field is located in PKGM-1 block, which is a shallow water block with water depth ranging between 8 – 50 m. However the water depth at platform locations ranges between 9-15 mts. The platforms are located at a distance of 4.5 km to 9.0 km from the nearest coastline.

The JV is engaged in production and development of hydrocarbons from the known Ravva Field and also has the objective of finding further commercial reservoirs within the boundaries of the permit. The exploration and production activities in the block are summarized as follows.

2.2.1 Overview of Development in the Block

The Ravva Oil field PSC was signed on the 28th October 1994 between the Government of India and the Ravva Joint Venture. Since the first production through two wells in February 1993, the field has undergone several stages of development. Phase I of the PSC pertained to the re-development of the existing production areas of the permit area and drilling of 6 exploratory wells. These commitments were met in the period of activity from 1995 to 1998 at Ravva. Further to this CEIL acquired, processed and interpreted approximately 300 km² of Ocean Bottom Cable (OBC) seismic data in 2000. Two new infill wells, RF-5 and RC-4, were drilled in 2001-2002.

Currently, within the Ravva oil field, there exist 25 wells (19 are producers and 6 are injectors), 8 well head platforms, interconnecting pipelines, a land terminal at Sursani Yanam (S'Yanam) (with oil and gas processing and water injection facilities), an offshore single point mooring (SPM) and export pipelines for transport of crude. The crude is transported by tankers. Presently the Ravva facilities produce approximately 50,000 barrels of oil per day (bopd) and 2.3 mmscmpd.

The Ravva Satellite Gas Development Project (RSGDP) was installed and commissioned during the period 2001-02. The project consists of one dedicated gas platform (R-H platform) consisting of three wells, sub sea pipeline (approximately 7 km) and onshore facilities within the existing Ravva terminal comprising of booster compressor and Gas Dehydration plant. Presently the RSGDP produces approximately 0.9 million standard

cubic meters per day (mmscmpd) which is delivered and sold to Gas Authority of India Ltd. (GAIL)

2.2.2 Proposed Infill Drilling Project

As per the recent production profile for the Ravva field, the field production is expected to decline from the last quarter of 2005. Additional infill wells are therefore required to extend the plateau production of 50,000 barrels of oil per day beyond 2005. Cairn is proposing to drill an additional 15 infill wells adjacent to the existing platforms so as to maintain the current production levels. The infill drilling/development campaign has been planned to commence in Q2-2006. The project cost for drilling up to 15 infill wells is estimated to be approximately Rs. 630 crores (US\$ 140 million). CEIL has obtained Environmental Clearance (EC) from the Ministry of Environment & Forests (MOEF) for the proposed infill well drilling programme.

The proposed project area is located approximately 40-km from Amlapuram town on the Coramandal Coast of Andhra Pradesh. The infill wells are planned to be drilled from the existing platforms using a mat supported jack up type of drilling rig. Either available slots on the platform are to be used or special clamp on slots to the existing platform will be used. The project envisages drilling up to fifteen (15) infill wells. It is expected that each well will take about 25 days for drilling followed by testing. No drilling activity will be undertaken in the Coastal Regulation Zone (CRZ) as specified in Coastal Regulation Notification, 1991 and amendments.

2.2.3 Onshore Transition Zone Exploratory Drilling Project

Ravva JV is also planning to drill two exploratory wells on the onshore area of the block to assess the extent of hydrocarbon potential in the block during the third quarter of 2006. This proposal envisages drilling of two exploratory / appraisal wells from any of the four potential locations identified. The wells are located in the land portion of the transition zone (TZ) area. The proposed locations are within the Coastal Regulation Zone (CRZ) area. Exploration and extraction of oil and natural gas is a permitted activity under the above notification.

The coastline wherein the proposed exploratory wells are being planned lies close to Chirayanam Village and is dominated by the large delta of Godavari River with prominent geomorphic features comprising ancient channels which presently represents abandoned streams, along with flood plain terraces, river mouth bars, old tidal flats, mud flats and minor mangrove swamps and spits.

The wells will be drilled with a mobile drilling rig using 'directional drilling' techniques to a target depth of 2500 m located in the seaward site close to the shore.

2.2.4 Project Impacts

Impact due to Infill project

The infill project is a development that will be done within the offshore production area. The impact due to the management of the drilling waste is expected to be minimal as environmental friendly drilling mud meeting the requirements of the MOEF will be used. Considering the spatial extent of the drilling and based on the monitoring results of the previous campaigns no permanent impact on marine life is expected. The project will not involve any new acquisition of land on a temporary or permanent basis.

Impact due to Transition Zone Exploratory Drilling Project

This project will involve permanent acquisition of approximately 5 Ha. of land for the two exploratory wells and a temporary acquisition of land for construction of the facilities. In the case of exploratory drilling the land is leased by the Government to the operator. The annual land lease rental charges are assessed and fixed by the Revenue department with due consideration of the land productivity, assessment of standing crop, trees and structures of commercial value. The land lease rental charges adequately compensate any loss of income due to non-cropping of the leased land. If the JV acquires the land permanently it will be done through the 'AP Industrial Infrastructure Corporation Ltd', Hyderabad, a Government of Andhra Pradesh enterprise.

The drilling operation is expected to last for about two months and the waste from the operations will be temporarily stored in secured lined pits. The residue/ sediments after evaporation of the water will be disposed to government approved landfill site. The drill site will be restored to near original condition.

2.3 *Regulatory Framework Required for Consultation and Disclosure in Ravva*

2.3.1 Land Acquisition Act

At every stage of the land acquisition process, there are provisions for an adequate flow of communication by virtue of publication of various notifications, declarations, notices etc in the Government Gazette, local press, local areas etc. This ensures provision of timely and reasonable opportunity to all the interested persons to claim rights and compensation.

The Land Acquisition Act, 1894 (LAA) initially stated that a notification for land acquisition would have to be issued under Section 4(1) indicating the intention of the Government to acquire land or other property in official gazette. However, the 1984 amendment requires the Section 4 (1) notification to be also published in two local newspapers, of which at least one should be in a regional language. In addition to the public notice, the substance of such notification made by the Collector has to be made available at convenient places in the locality where the land is situated.

Compensation for the land acquired will be decided by the appointed authority for this purpose and has to be paid on the basis of market value as on the date of notification under Section 4 (1). Further, in addition to the market value of land as stated above, the LAA requires payment of an extra sum equivalent to 30% of the market value of the land.

This additional sum is called 'solatium' and is meant to compensate for the involuntary nature of the acquisition.

This notification gives the affected/interested parties an opportunity to file objections before the District Collector. In case any objection is filed, the District Collector has to arrange for an oral hearing and thereafter submit a report to the concerned Government department. If the Government after reviewing the objections and responding to it, wishes to go ahead with the land acquisition, it has to make a declaration under section 6 of the Act. The declaration under section 6 has to be published in a similar manner as Section 4(1).

LAA contemplates temporary land acquisition also for a few years. The local revenue authorities are empowered to verify, assess and determine the compensation/rental payable for the period of land acquisition.

2.3.2 Environment (Protection) Act 1984, Amendment 1997

Oil and gas projects subject to the investment criteria require prior clearance from Ministry of Environment and Forests (MoEF), Government of India. Projects requiring environmental clearance are subjected to environmental public hearing as part of EIA process and have been made mandatory as per notification SO 318 (E) dated 10 April 1997. As per the notification, the environmental public hearing process precedes the grant of Consent to Establish. The District Collector is responsible for conducting the Public Hearing. The State Pollution Control Board issues a notice for environmental public hearing which needs to be published in at least two newspapers widely circulated in the region around the project, one of which should be in the vernacular language of the locality concerned with details such as date, time and place of public hearing.

The project developers applying for environmental clearance of projects, are required to provide to the concerned State Pollution Control Board / District Collector's office copies of the executive summary containing the salient features of the project, environmental and social impacts due to the project activities and the mitigation measures to minimise the impact through the implementation of appropriate environmental management programs. The executive summary is to be provided both in English as well as local language. A 30 day notice period is to be given and the concerned persons are to be provided access to the Executive Summary of the Project at the places such as

- District Collector Office;
- District Industry Centre;
- Office of the Chief Executive Officers of Zila Parishad or Commissioner of the Municipal Corporation/Local body as the case may be;
- Head office of the concerned State Pollution Control Board and its concerned Regional Office; and
- Office of the concerned Department of the State Government dealing with the subject of environment.

Suggestions, views, comments, and objections of the public should be invited within thirty days from the date of publication of the notification. All persons including bona fide residents, environmental groups and others located at the projects site/sites of displacement/sites likely to be affected can participate in the public hearing can also make oral/written suggestions to the State Pollution Control Board.

On receipt of application of Environmental Public Hearing and Consent to Establish, the SPCB constitutes Public Hearing Panel comprising of members representing:

- State Pollution Control Board
- State government department dealing with the subject
- District Collector or his nominee
- State government department dealing with the Environmental matters
- Members of Municipality/Panchayat
- Senior Citizens/Prominent citizens from local area

The proceedings of the Public Hearing are recorded by the Regional Officer, State Pollution Control Board and the minutes are approved by the Public Hearing Committee panel members. The minutes are available to the public on request at the State Pollution Control Board office.

Further, while granting No Objection Certificate (NOC) by State Pollution Control Board and environmental Clearance by MoEF, the proceedings of the Public Hearing are considered and incorporated as appropriate, while stipulating conditions for the implementation of the project.

2.3.2 International Finance Corporation

OP4.01 for Environmental Assessment (EA) requires project developers to consult project affected groups and local non-government organisations (NGOs) about the project's environmental aspects and take their views into account. These consultations need to be initiated as early as possible after environmental screening and before terms of reference for the EA are finalised and once after the draft EA report is prepared. These groups also need to be consulted throughout project implementation.

IFC requires the project sponsor to provide project affected groups and local NGOs relevant material and information in a timely manner, prior to consultation and in a language that is understandable, for meaningful consultation. The information provided is in a summary form describing project's objectives, components and potential impacts after the preparation of the draft EA report. This information needs to be made available at a public place accessible to these stakeholders. The summary of the EA report in English is made available to the members of IFC's Board of Directors.

Cognizance has also been taken of IFC's new Policy and Performance Standards on Social and Environmental Sustainability (in particular the section on community engagement contained in Performance Standard 1 – Social and Environmental

Assessment and Management System), which are expected to come into effect in the first half of 2006.

2.4 *Review of Stakeholder Engagement Completed to Date*

Identification of stakeholders and their inclusion in the decision making process is an integral aspect of project viability and success. Continuous stakeholder engagement is an ongoing process throughout the project life cycle.

Stakeholders for this project have been identified as internal stakeholders, comprising the project owners at various levels, and external stakeholders, comprising the outside community, which have direct or indirect as well as high to low interest in the project.

2.4.1 Stakeholders

Internal stakeholders have direct stakes in the project and are the project owners. They have both high influence and high interest in the project. These include:

- Joint Ventures
- Cairn Group
- CSR Team
- Ravva Asset Team

The external stakeholders identified in the project include, amongst others:

Local Community

- Panchayats
- Other local residents/villagers
- Women
- Marginal communities

Regulatory Authorities

- Ministry of Environment and Forest (MoEF).
- State Pollution Control Board
- State Department of Environment and Forests and Shore Area Development Authority
- Port Management
- Ministry of Petroleum and Natural Gas

District & Local administrative bodies:

- District Collector/Magistrate
- DRDA/ Zilla Parishad/Block Development Offices

Others

- International Finance Corporation (IFC)

- NGOs
- Media
- Local MLAs and other politicians
- Contractors, vendors / Sub contractors for Cairn

2.4.2 Status of Stakeholder Engagement

There are ongoing JV CSR activities focused on community development in the project area, and these are being managed by the Administrative Officers (AO) of the plant. JV has held many direct consultations with the affected community members. The Installation Manager (IM) and the AO in the plant have regular interface in the villages neighboring the plant.

CEIL, as operator has developed close working relations and regular communication channels with the district administration, which is a key stakeholder. A District Committee was established in 1998 to implement welfare programmes in the district and improve coordination with different government departments. Meetings are organized every quarter under the Chairmanship of the District Collector and attended by Chief Finance Officer of the district and representatives of the District administration (depending upon the projects implemented in the district through the funds provided by the JV). The IM and the AO represents the JV in these meetings.

As a part of its external communication commitment Cairn has been frequently interacting with the local community on issues related to women and marginal communities to understand their specific issues and perceptions. The following are some of the consultations that are ongoing in the asset:

- Public Hearings for specific projects undertaken
- District Administration Committee meeting for implementation of projects, update on the ongoing, evaluation and monitoring.
- Monthly meetings of a committee comprising of the Revenue Development Officer (RDO), Mandal Development Officer (MDO) and represented by IM and AO of the JV for discussing the progress of community development and welfare project implementation.
- Regular meetings with the local community members, local village representatives etc.
- Regular meetings with statutory authorities such as State pollution control Boards, MOEF, DGMS, Ports, etc.

CEIL has implemented a number of community development projects in the villages. Some of the initiatives include:

1. Education:
 - Adult education classes in the village Sursani Yanam
 - Support classes for children going to regular schools,
2. Health:
 - Village medical clinic services initiated on charity basis

- Cancer and diagnostic camp
- Ophthalmic camp etc
- 3. Environment:
 - Mangrove plantation and coastal area erosion protection program through tree plantation
- 4. Employment Opportunities:
 - Local community members with appropriate skill sets were given direct and indirect employment opportunity.
 - Awarding of miscellaneous contracts (like vehicles, minor civil works and water pumping etc.) to the local people.
 - Wages to school teacher/ nurse provided
 - Income Generation and Skill trainings for women in the village
 - Capacity building trainings for the villagers - Micro Vendor Development
- 5. Basic Infrastructure:
 - Public water supply scheme for S'Yanam village
 - Construction of cyclone home in the village
 - Construction of veterinary clinic in the village
 - Improving and augmenting existing road to provide all weather road to connect S'Yanam village to the high way
 - Bus shelter
 - Play ground /Park facility in the village

3. PUBLIC CONSULTATION AND DISCLOSURE PROGRAMME

This section provides the detailed consultation and disclosure plan for the Ravva operations, along with a tentative time schedule. As the PCDP has been developed as a process oriented document, it is a “live document” and is amenable to changes and updates as the project progresses and as requirements from the PCDP undergoes change. However the broad principles and objectives will remain as outlined in the following sub-sections.

3.1 Key Principles for Public Consultations and Disclosure Programme

This section outlines the key principles applied in the development of the PCDP. These principles are in conformity with IFC guidelines suitably modified to align with the cultural specificities of the impact area. The principles are:

- All concerned stakeholders will be consulted, as appropriate and be involved in a two-way communication with the project sponsors.
- The consultation will be preceded by providing all required relevant and accurate information.
- Consultations will be a continuous process to allow the participants to know whether their concerns are being addressed by the project sponsors.

- Supply of information and consultation with different stakeholders will be through a language and medium they are comfortable with.
- In certain cases, like for example the land acquisition process, where the government is the main provider of information, the project sponsors will supplement the governmental information and ensure that the affected people understand the whole process.
- There will be a specific and transparent mechanism for recording of grievances and a feedback mechanism to know the action taken by the project sponsors.
- Roles, responsibilities and accountability procedures have been clearly delineated, with a commitment to make available adequate personnel and resource for effective implementation of PCDP.

3.2 Stages of Consultation

Consultation with the affected (if any) community and the key stakeholders is an ongoing process. However, there are distinct stages when key issues/points need to be discussed with the key stakeholders. These include:

- Scoping
- Environmental Assessment
- Construction (if any)
- Operation phases of the project
- Project closure and decommissioning and
- During on going monitoring and evaluation throughout the life of the project

3.3 Information Requirement

For a public consultation to be effective, it is important that relevant and comprehensive information is disseminated to all the stakeholders. The following are the key information/documentation that will be disclosed:

- This Public Consultation and Disclosure Plan (PCDP)
- A Summary of Project Information (SPI) containing the main elements of the project, its sponsors, project costs, location, a description of the project and a brief summary of environmental and social impacts and the proposed mitigation of measures.
- An Environmental Impact Assessment, which has been prepared for obtaining environmental clearance for the project. The EIA report details the potential environmental impacts of the proposed project and an environment management plan which will be made available to all the stakeholders and kept at designated places for easy accessibility to the public.
- A Resettlement Action Plan, containing an explanation of the extent and location of any land and other assets to be acquired; detailed information on land acquisition process, the principles used for determination of compensation amount, the amounts

due as compensation, method and procedure for transference of compensation money.

- Other relevant Action Plans such as community development plans, corrective action plans; closure plans, etc. addressing community development, rehabilitation and other measures proposed by the project authorities.
- Information on the grievance redressal mechanism.

3.4 Medium of Providing Information

Given the low literacy rates it will be a challenge for CEIL to be able to effectively communicate information to all project affected groups, and other stakeholders. Documents and reports (Executive summary of EIA report and Resettlement Action Plan) in English and Telegu will be placed in the Administrative office of the S'Yanam facility, the District Collector office at Kakinada, and the regional office of the Andhra Pradesh State Pollution Control Board. These documents will be provided to relevant government departments / interested parties on request.

3.5 Place & Method of Consultation

The place and methodology for consultation should be decided keeping in view the appropriateness of the place for specific stakeholders, the ease and comfort in free expression of their views, and acceptability of the place. The place and method of consultation for various groups of stakeholders has been chosen in the following manner:

3.5.1 Government, Media, NGOs & Politicians

These meetings will be conducted in their offices or the administrative office of the Ravva facility. The meetings with district administration will be organized in the District Collector's office or at any other venue decided by the District Collector. At regular intervals, JV will organize media briefings as well as NGO meetings to interact with wider groups to either communicate a specific message or inform about project progress or issue.

3.5.2 Residents of Affected Villages

The meetings will be organized in the Panchayat office, school building or community hall. However, while deciding the venue, it will be ensured that it is accessible to all social groups in the village. Information dissemination through discussions in the village meetings will be supplemented through leaflets, posters and individual verbal and written communications in local language. In addition and if required, special consultation sessions will be held in Panchayat office and community halls with vulnerable groups.

3.6 Representative Institution

The project related briefing meetings will be held with the RDOs and MDOs to disseminate timely information on the progress of the project and implementation of any community related programs. This forum will also be used for receiving grievance and communicating the redressal measures

The project sponsor will organize separate consultation sessions with the government officials from the relevant departments such as the local Pollution Control Board for Environmental protection and relevant local government departments as appropriate.

CEIL official of different levels will be present for the consultation sessions as appropriate. Installation Manager, Administrative Officer, Ravva will be present in consultations with the public in general, while the DGM - Production will be present in key consultations, such as public hearings.

3.7 Record of Consultations

All records of public consultation sessions will be maintained and made available to interested parties on request at the Administration office of the Ravva facility. The record of consultations will include:

- Location and dates of consultations (meetings, workshops, FGDs, etc.)
- Names and profile of people consulted
- Implementation of community projects
- Communities issues discussed and concerns raised
- Responses of interested parties to issues/concerns raised
- Details of outstanding issues and next steps.

3.8 Response

A response will be provided to all relevant and concerned queries and grievances raised in the meetings at the following meeting or else reasons will be explained for delay with possible time frame for redressal. A record of all the grievances received and the mechanism adopted for their redressal will be maintained. All written complaints and queries will be responded to in writing within 30 days of receipt of the letter.

3.9 Periodicity of Public Consultation

The frequency of the public consultations will depend on the intensity of the impact. Media and NGOs, consultations will be less frequent, and will be held as and when necessary.

3.9.1 Pre- Construction Phase

Consultations at this stage should be held monthly to apprise the affected people regarding

- Update on progress with project development and likely immediate impacts
- Land acquisition process;
- Compensation amount;
- Land purchase assistance;
- CSR programmes; and
- Other rehabilitation assistance.

3.9.2 Construction Stage

In the construction phase, meetings will have to be organized on a monthly basis to understand people's concerns about any outstanding issues related to land acquisition, labour camps, security issues, pressure on local resources like water and fuel wood and construction related impacts and mitigation.

3.9.3 Operation Phase

The meetings in operation phase are being held monthly in a forum represented by the RDO / MDO and JV officials. These meetings review progress made in community development initiatives and operation related issues.

With other stakeholders such as the government officials and district administration, the project proponents will maintain a regular process of dialogue and information sharing at least biannually.

3.10 Tasks for an Effective PCDP

A step-by-step task list is provided to guide the effective implementation of the PCDP.

3.10.1 Task 1: Preparation of a Summary of Project Information

A Summary of Project Information (SPI) containing the main elements of the project, its sponsors, project costs and location, a description of the project and a brief summary of environmental and social impacts (based on detailed studies) and the proposed mitigation of measures will be prepared by the project proponents.

3.10.2 Task 2: Stakeholder Analysis

CEIL will prepare a Stakeholder Management Strategy, which will identify the key stakeholders. This identification will be analyzed to assess the degree of influence of the stakeholder groups and their specific interest in the project. Based on this analysis, a stakeholder-specific engagement strategy will be designed.

3.10.3 Task 3: Preliminary Information Dissemination on Project and Consultation

Once the key stakeholders have been identified, information has to be provided to all stakeholders regarding the project design, the environmental and social impacts and the proposed mitigation measures. The PIS will be directly shared as required with interested parties, government officials and the district administration. The EIA summary will be placed at designated place and consultations will be held with the local people to elicit their views and incorporate them into their planning process. People's concerns, wherever possible, will be incorporated in the final project designs.

3.10.4 Task 4: Providing Information Regarding Land Acquisition and Other Related Issues

Information to affected people:

The Land Acquisition process requires notifications regarding acquisition to be publicly disclosed. At every stage of the land acquisition process, there are provisions for adequate flow of communication by virtue of publication of various notifications, declarations, notices etc in the Government Gazette, local press, local areas etc. This ensures provision of timely and reasonable opportunity to all the interested persons to claim rights and compensation.

The Land Acquisition Act, 1894 (LAA) requires that notification for land acquisition be issued under Section 4(1) indicating the intention of the Government to acquire land or other property in official gazette and also publication in two local newspapers, of which at least one should be in a regional language. In addition to the public notice, the substance of such notification has to be made available at convenient places in the locality where the land is situated. The LAO in providing specific information to the people affected persons, especially those who are losing land and incomes, will be related to the process of land acquisition, the exact amount of land to be acquired from each household with, wherever possible, dimensions marked on the ground, the procedures to be followed to claim compensation, the designated people to contact in order to claim the compensation and the necessary steps to be taken to lodge complaints and grievances.

3.10.5 Task 5: Information and Consultation on CSR Activities

The RDO/MDO forum will discuss with the local communities on specific project planning, implementation and monitoring of the selected projects.

Periodic consultations will be held to obtain feedback from the people regarding the effectiveness of the ongoing skill training programs in the village.

3.10.6 Task 6: Information and Consultation on Grievance Redressal & Dispute Settlement Mechanism

In order to establish an effective and operational grievance redressal mechanism, a fortnightly consultation schedule will be developed. The consultation schedule will ensure that any queries or grievances shall be addressed within a period of two weeks at the next consultation session.

The following table describes the Action Plan for Public Disclosure of different documents.

Table 3.1 Action Plan for Public Consultations and Disclosure
(Note – the contents of this table are indicative only and require further discussion)

Sr No.	Strategy	Target	Dissemination Methods	By Whom	Feedback Mechanism
1	Disseminate LA Act in local simplified language	Affected families and local communities	Leaflets/ small group meetings	Land Acquisition Officer (LAO)	Approach LAO
2.	Identify and inform affected families about land acquisition, processes	Affected families and local communities	Notices in local languages and group meetings	LAO	Approach LAO
4	Disseminate information about the project, the findings of the EA, the Environment Management Program (EMP) PCDP, Community Development Plan, etc and seek suggestions and seek suggestions	Affected families/ Villagers /Local Administration	Executive summary, “Guide to Land Acquisition and Compensation (GLAC)” Leaflets to be placed at the pre decided locations	JV AO /	Approach JV AO
6	Disseminate information about compensation process, place and schedule of payment	Affected families and local communities	Written notices/	LAO	Approach LAO
7	Disseminate information about CSR activities	Affected families and local communities, partner NGOs	Brochures/ meetings	RDO/MD O, JVAO	Approach RDO/MDO forum and JVAO
8	Disseminate information Grievances Redressal Cell (GRC)	Affected Project affected people/ local communities, & Local administration	Meetings and written communications	JV AO	Approach JVAO / RDO/ MDO

3.11 Resources

The present Ravva asset organizational structure for CSR and Land acquisition would be used to manage PCDP, with some redefining of roles and responsibilities as deemed necessary.

3.12 Asset Team

The Asset Manager (AM) will lead the process and has the overall responsibility of liaison with all government authorities to ensure that all project related permits, clearances, land acquisition etc. happen in a timely manner. The AM will also coordinate with other stakeholders like IFC and the other JV partners, who have stakes in the project. The DGM production will ensure that the PCDP is implemented in its spirit. The CEIL Environment and CSR group, who report to the Director (Stakeholder Management) will provide assistance to the asset as required.

3.12.1 Field Team

The field team in Ravva is headed by a Installation Manager (IM). Reporting to the IM is an Administrative Officer (AO). The IM reports to the DGM production based in Chennai.

The AO, along with his administrative responsibility in the plant also plays a role in liaising with the District Collector (DC). He will also be responsible for ensuring that the information relevant for DC is adequately disclosed to the community in order to meet the objectives of the PCDP.

AO has been managing the CSR programmes of the company and working with local villagers in their implementation. He is responsible for coordinating with the RDO/MDO, and for community consultations. He will also ensure that community responses and feedback are considered and will inform all relevant interested parties on the community development Programme.

3.13 Grievance/Dispute Redressal Mechanism

The Grievance Procedure supports the long-term goal of building strong and effective relationships with all those directly impacted by JV activities. The Grievance Procedure has the following specific objectives:

1. To facilitate timely feedback from local communities about JV and Contractor/Subcontractor performance in order to support JV's commitment to continuous improvement;
2. To ensure effective and timely resolution of grievances thereby reducing the risk of escalation of conflicts and avoiding unnecessary costs;

3. To ensure careful documentation of grievances and remedial actions to enhance accountability and to reduce liability.

The Grievance Procedure has the following six steps:

Step 1 - Receive Grievance:

Grievances can be provided to the JV either verbally through the AO or another identified individual, or in writing. Where possible the AO, or other individual authorized to receive a grievance, will resolve the issue immediately and report its resolution to the Asset Manager.

Step 2 - Preliminary Assessment:

The Asset assesses the grievance to identify the underlying cause and to rate the severity of the grievance according. The grievance rating determines who in the asset should manage and be aware of the grievance. An internal investigation into the cause of the grievance is undertaken where this is required.

Step 3 - Acknowledge Grievance:

Within 10 working days of receipt of the grievance the asset will send a letter to the Complainant to acknowledge the grievance. The letter will provide information as to steps that will be undertaken to resolve the grievance and the expected time for its resolution. The letter will also give the telephone number of the individual (usually the AO) who can provide information on the progress of resolution of the grievance.

Step 4 - Investigate and Resolve:

The asset will, where necessary, investigate the underlying cause of the grievance and to action any changes required to internal systems to prevent reoccurrence of a similar grievance. In parallel and where necessary, the asset shall hold meetings or other appropriate communication with the complainant with the aim of reducing any tensions that may resulted and prevent them from escalating.

Step 5 – Close-out:

Once the investigation has been completed, the results will be communicated to the Complainant. The asset will seek to confirm that its actions have satisfied the Complainant by asking them to sign a Statement of Satisfaction.

Step 6 - Follow-up:

The AO and the IM will monitor the satisfaction of complainants and Project personnel with the way that the grievance was resolved and initiate further investigation into any grievances that have not been signed-off as resolved by the Complainant.

Detailed information booklets on the GR mechanism will be provided in the AO's Office to ensure that all are aware of the process and is able to access it whenever they feel the need. The effectiveness of the GR mechanism will be one the crucial monitoring indicators.

3.14 Monitoring and Evaluation

Provision will be made for regular monitoring and evaluation of the public consultation process and 'lessons learned' will be taken into account to improve performance. The local level PCDPs is 'live documents' which will be updated periodically (every one to two years) to record consultation undertaken, issues raised, actions taken, to describe any changes to the consultation process and to outline the schedule for on-going interaction.

3.15 References

- Cairn Energy Group HSE Management System – Procedure D2 - Guidelines for Stakeholder Management
- International Finance Corporation. 1998. Policy on Disclosure of Information.
- 'Doing Better Business through Effective Public Consultation and Disclosure: a good Practice manual'. IFC, 1998
- 'Investing in People: Sustaining Communities through Improved Business practice. A Community Development Resource Guide for Companies'. IFC, 2000.
- 'Draft Policy and Performance Standards on Social and Environmental Sustainability'. IFC, 22nd September 2005.