



## **Public consultation plan**

**for the Kuranah titanium-magnetite deposit site development project  
in Amur oblast**

**Moscow**

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## **1. Introduction**

The Kuranah deposit site is located in Tundinskiy district on the north-west of Amur oblast. The district where the deposit is located has a low population density and few settlements. The right to develop the Kuranah deposit belongs to the company “Olekminskiy Rudnik” (OR), 74 % of which in its turn belongs to British company Aricom plc.

The deposit development and ore processing project was designed by the Russian design institute VNIPIpromtehnologia and is currently going through the process of approval by state authorities.

Part of the Kuranah deposit development project includes the provision of environmental impact assessment (EIA) documentation, which is prepared in accordance with international requirements on environmental protection, stated in the “Equator principles” of the World Bank and International Finance Corporation (IFC).

One of the main international requirements is taking public interests into account during project planning and operation, beginning from the earliest stages and continuing through the whole life of the project. The company OR aims to comply with international standards and good practice in the field of environmental protection and social issues in its activity. This plan is prepared to make provision for public participation in considering environmental and social aspects of the proposed project, and taking public opinion into account during the decision making process.

This document defines:

- Russian requirements and practice in the field of public consultation and information disclosure;
- international requirements in the field of public consultation and information disclosure;
- the process for identification of the potential stakeholders and interested parties;
- forms and methods of public consultation and measures for plan implementation;
- outline program of consultation.

## **2. Russian Public Participation and Information Disclosure Requirements**

The following acts regulate information disclosure and public participation procedures in a decision-making process:

- The Constitution of the Russian Federation, 1993;
- The Federal Law on Environmental Protection, 2002;
- The Federal Law on Environmental Expertise /Due Diligence, 1995;
- The Federal Law on Information, Informatization And Information Protection, 1995;
- The Federal Law on Rights of Indigenous Peoples in the Russian Federation, 1999;
- The Land Code, 2001;
- The Federal Law on Local Authorities in the Russian Federation, 1995
- The Regulation on Environmental Impact Assessment of Planned Economic and Other Types of Activities in the Russian Federation, 2000.

The fundamental law, which ensures the right of a citizen to access information, is the Constitution of the Russian Federation. State and local authorities shall provide everyone an opportunity to get acquainted with acts and papers closely related to one’s rights and freedom (unless otherwise specified by the legislation), including the right to appropriate environmental conditions and reliable information on them.

In accordance with the Law on Environmental Protection, citizens have the right to participate, according to the applicable procedure, in making economical and other decisions that may have adverse environmental impacts. The citizens and non-governmental organizations can exercise their right by means of initiation or participation in the public environmental due diligence process or participation in the process of environmental impact assessment (OVOS in the Russian abbreviation).

Participation in the OVOS process is the most commonly used form of public participation. According to the existing legislation, during the environmental impact assessment process, the proponent of economic activities has to do the following:

- to enable public participation in discussion of the OVOS issues;
- to inform the community about planned activities at all stages of the project development;
- to allow and record comments and proposals from community representatives;
- to provide public consultation on the project when necessary;
- to provide access to the OVOS materials from the moment that they are compiled, until the decision on the implementation of the project is made.

The procedure of public participation in the environmental impact assessment process is determined by the OVOS Regulation. According to the regulation, public participation should take place at all stages of the project development:

1. Stage of notification and drawing up of the Requirements Specification for the environmental assessment process.

At this stage the proponent publishes a summary of proposed activities and introduces the Requirements Specification draft to the public for consideration. The proponent allows and records comments and proposals from the community representatives within 30 days of the date of publication of the information.

2. At the stage of the environmental impact assessment process, the preliminary draft of the EIA document is introduced for public consideration, and the decision about conducting public consultation is made. If public consultation is deemed necessary, the relevant information should be provided to the general public at least 30 days before the public meeting. The public meeting procedure is specified by local authorities together with the proponent. The local authorities also conduct the public meeting sessions. Comments and proposals are allowed from the citizens and non-governmental organizations within 30 days of completion of the meetings.

Rights of the public to the provision of information can be limited, according to Russian requirements, and legislative rules on state and commercial secrets. Information comprising a state secret is defined by Federal law on State secrets and appropriate by-laws. Definition of a commercial secret is determined by the Civil Code of the Russian Federation.

According to Russian legislation, further public consultation is not required during the operational phase of the project.

It should be noted that in accordance with Russian requirements, real public consultation begins only at the stage of considering the draft EIA Report, and finishes after the EIA process is complete, which is not sufficient in terms of international requirements.

### **3. World Bank and International Finance Corporation requirements**

The requirements for public consultation are contained in number of documents. In accordance with the “Equator Principles” for categories A and B projects, the borrower consults with social groups which can be affected by the project development, including indigenous people and nongovernmental organizations (NGO). EIA documents and the Environmental Management Plan take account of issues raised during such consultations.

In accordance with Operational Policies OP 4.01 of the World Bank and International Finance Corporation (IFC), the project sponsor also should conduct consultation on environmental issues with groups of the population and local NGOs which are affected by the project, and take their opinions into account during the EIA process. The project sponsor should organize such consultation at the earliest stages of the project. The basic requirement is for two stages of consultation – at the start of the process and at the draft EIA stage. The second stage corresponds with Russian requirements on public consultation.

For initial consultation, the project sponsor produces a summary of the project aims.

The draft of the IFC's new Sustainability Policy and Performance Standards in the field of sustainable social and environmental development includes IFC Standard "Social and environmental assessment and management system", which also contains requirements on public consultation and taking account of public interests.

In accordance with this standard, the proponent should conduct a public consultation process depending on the extent of adverse effects and risks for the public. The proponent will undertake a process of consultation in a manner that provides the affected communities with opportunities to express their views on project risks, impacts, and mitigation measures, and allows the proponent to consider and respond to them. Effective consultation should begin early in the social and environmental assessment process. Additional consultation should take place if material additional risks and impacts arise. The consultation process should be undertaken in a manner that is inclusive, culturally appropriate, and adapted to the communities' needs and decision-making processes. Special attention will be paid to the risks and adverse impacts of project activities on vulnerable or disadvantaged groups. The proponents will document the results of their consultation, including the measures taken to avoid or minimize adverse risks to and impacts on the affected communities.

#### **4. Identifying the interested parties**

During a preliminary assessment to identify potential groups which may be affected by project development, or may be interested parties, the following were revealed:

- residents of Olekma settlement, the nearest settlement to the project site;
- the tribal community of evenk, which possibly uses the project area as deer pasture. It is currently known only that there is some tribal community which probably uses this land, but there are no more definite data in that regard;
- "Nyukzha" collective farm, whose licensed hunting ground is affected by the proposed project according to the local hunting office;
- state authorities whose duties includes the review and approval of the environmental and social aspects of projects;
- Administration of the "Imangra" reserve area, which is located in immediate proximity to the project area. The proposed mining site is just on the east boundary of the reserve area and the management of the area is likely to be interested in participating in the consultation process.

Since at the time of the preliminary assessment there was not enough information on some potential process participants, the aims of the first stage of the public consultation are to define details and find out whether other interested parties exist. To this end, the following measures are planned for the first stage:

1. Search of information about the Evenk community using the project area, using public sources, address to the Association of indigenous peoples of North, search of contact information, and conversation with the community's representatives.
2. Inquiry to the local hunting office to request a map showing the boundaries of the hunting licence area of "Nyukzha" collective farm;
3. Meeting with the representative/director of the "Imangra" natural reserve area;
4. Publication of information about the project on the web-site of the Administration of Tundinskiy district.

#### **5. Holding of public meeting**

Residents of Olekma settlement are definitely an interested party, and they will be affected by the project. That is why it is necessary to organize a public meeting during the EIA process to take the consultation results into account in the final document.

For the public meeting preparation, it is necessary to:

- to hold a meeting with representatives of the administration of Olekma settlement to define the most appropriate place and time for the meeting and discuss the best methods of notification of the planned event;
- as a result of the meeting, to fix the place and time and to inform residents of Olekma not later than two weeks before the meeting;
- since the project may be of interest not only for Olekma's residents, information about the public meeting needs to be published in the mass media, broadcasting in the Tundinskiy district;
- individually inform potential participants who were defined as interested parties (evenk community, collective farm, administration of reserve area);
- to prepare a summary report about the project, emphasizing possible environmental and social consequences;
- to provide information about where comments and remarks from the public can be sent.

The public meeting should be accompanied by record-keeping, which later will be signed by representatives of Olekma's administration, the public and OR.

## **6. Taking account of public opinion and further consultations**

The results of consultation will be taken into account in the EIA process and Environmental Management Plan.

After preparation of the EIA report is complete, it will also be presented for public consideration, as will the Environmental Management Plan. Documentation will be put in the Administrations of Olekma and Tundinskiy district and on the web-sites of OR, Aricom and Administration of Amur oblast. In addition to the documents, company contact details will be provided, and information given that all remarks and comments will be accepted and considered by the company.

Work on the public consultation process and information disclosure will be undertaken by the company OR. In the case of the public meeting or other events with public meetings, participation of the representatives of administrations of Olekma or Tundinskiy district is needed, depending on place and scale of event.

The company OR will undertake all measures connected with taking account of public opinion:

- prepares documents and other materials for publication;
- undertakes measures on information disclosure;
- effectively reacts to questions and proposals from interested parties;
- makes suggestions on additions and changes to this Plan.

In the event of the need to discuss detailed technical questions with interested parties, appropriate specialists from the company OR, or from its managing company, can be asked to participate.

Official inquiries from the state authority and municipalities will be dealt with by the management of OR.

The company Aricom publishes on its web-site materials and information provided by OR as part of the public consultation work.

During operation, OR proposes to publish in the mass media and its sites, the following information:

- updated Environmental Management Plan;
- environmental monitoring results;
- the company's social projects and results of their implementation.

## **7. Grievance mechanism**

During the public consultation process, expressions of displeasure, complaints from interested parties and different questions are possible. Every effort will be made to solve possible

conflicts effectively and in a timely manner. The following mechanism is offered for timely and effective reaction to conflict situations:

- all complaints by public representatives will be registered in a special journal by the person responsible for interaction with the public;

- within three days after the complaint has been received, the author of the complaint (person or organization) will be informed in writing that the complaint is under consideration, except for the case when the complaint was received by phone and the declarant did not leave contact details (an appropriate record will be made in the journal);

- during the three days, the responsible person will propose solutions for solving the problem to the company management. The Company management gives all the necessary instructions. Within three weeks after the complaint was received, the author will be informed about the results of the complaint consideration and about the complaint resolution measures;

- in the event of receiving a complaint from the state authority, the company will respond to the complaint within three weeks without prior notification, unless a different deadline for a response is defined by the state authority.

In the event that the public of the municipalities require clarification of questions, an additional public hearing or meetings with separate groups can be organized.