

SUMMARY OF ENVIRONMENTAL AND SOCIAL ASSESSMENT REVIEW

PROJECT: NAMEL # 39113

Project Description:

The proposed project involves a \$73 million A-loan and \$80 million B-loan to NAM Expressway Limited (NAMEL or company) for refinancing of existing debt. The investment would benefit Cube Highways, an existing IFC client, in acquiring NAMEL from the current concessionaire, Ramky Infrastructure Limited (RIL). Under the concession, NAMEL is required to design, construct, finance, operate and maintain the Narketpally-Addanki-Medarmetaka (NAM) highway, a 212-km state highway (SH) in Telangana and Andhra Pradesh states of India.

The project road starts from national highway (NH) 9 junction at Narketpally in Nalgonda district in Telangana at Km 0.000 and ends at NH 5 junction at Medarametla at Km 212.500 in Prakasam district of Andhra Pradesh. Around 87 km of the project road falls in the state of Telangana and the remaining 125.5 km falls in the state of Andhra Pradesh. The road passes primarily through rural areas with flat terrain. The major urban areas falling in the vicinity of the corridor are Damarcherla, Nalgonda, Karimnagar, Brahmanapalli, Pidiguralla and Addanki.

The road was a single-lane road (in each direction) until 1998 when it was converted to a two-lane SH. The widening involved expansion of the right of way (RoW) to 30m in urban areas and 40m in rural stretches. At the time, two bypasses with RoW of 45m were constructed at Miryalguda and Nalgonda. Subsequently, in 2008, a detailed project report (DPR) for expanding the two-lane road to a four-lane divided carriageway with paved shoulder, geometric improvements and several other improvements, including intersections, was prepared. Following successful bidding, a concession agreement (CA) was signed between the Government of Andhra Pradesh (GoAP) and NAMEL in July 2010 to develop the four-lane toll road.

The four-lane road has been operational since March 2014 when the project obtained provisional commercial operation date (PCOD) for 190.38 km of the road. Subsequently, in September 2016 PCOD was obtained for an additional 6 km of road. After toll revision in May 2018, the present tollable length is 202.805 km. (though revised PCOD for additional tollable length of 6.425 km has not been received so far). considering this, balance work pending length is 9.055 km.

Overview of IFC's Scope of Review:

IFC's review of this investment consisted of reviewing a third party E&S due diligence (ESDD) report prepared by consultants; review of NAMEL and Cube's environment and social management system (ESMS) and human resource (HR) policy and procedures; discussions with Cube's Environmental, Health and Safety (EHS) team and their consultants; and a site visit to the project road in March 2017. The team held discussions with informal settlers at Addanki and land owners at Pidiguralla bypass.

IFC has an existing investment in Cube Highways, namely Cube Highways and Infrastructure Pte. Ltd #34415 ("Road Holdco"), disclosed September 30, 2014 and board approved on December 11, 2014. Based on IFC's ongoing supervision, the company's E&S performance in terms of in-house E&S capacity, ESAP implementation, implementation of internal audit processes and corporate ESMS and ongoing monitoring of its assets is considered satisfactory. The ESRS for the earlier investment can be found by using the following link: <https://disclosures.ifc.org/#/projectDetail/ESRS/34415>.

Identified Applicable Performance Standards:

While all Performance Standards are applicable to this investment, IFC's environmental and social due diligence indicates that the investment will have impacts which must be managed in a manner consistent with the following Performance Standards

PS 1: Assessment and Management of Environmental and Social Risks and Impacts

PS 2: Labor and Working Conditions

PS 3: Resource Efficiency and Pollution Prevention

PS 4: Community Health, Safety and Security

PS 5: Land Acquisition and Involuntary Resettlement

PS 8: Cultural Heritage

The project road does not cross any ecologically sensitive areas like reserve forests, national parks, wild life sanctuaries, tiger reserves, biosphere reserves or wetlands. While there are two lakes adjacent to the road, the project has not created any impact on these lakes. Hence, PS 6 (Biodiversity Conservation and Sustainable Management of Living Resources) is not considered applicable to the project. With regard to PS 7 (Indigenous Peoples), the project and its activities do not impact any indigenous people/community. No tribal land is being taken for the development of the project and its associated utilities. Hence PS 7 is not considered applicable to the project.

If IFC's investment proceeds, IFC will periodically review the project's ongoing compliance with the Performance Standards.

Environmental and Social Categorization and Rationale:

This is a Category A project according to IFC's Policy on Environmental and Social Sustainability because the project will result in significant adverse environmental and social risks and impacts that are diverse and irreversible which are associated with various applicable Performance Standards. Further, the roads and highways sector is a high risk sector. More specifically, key E&S risks and issues associated with this project include: residual/balance land and right of way (RoW) acquisition of around 90 acres; impacts related to at least 2400 informal settlers; risks related to retroactive assessment and mitigation; impacts on cultural heritage; labor and working conditions related impacts; community health and safety; contractor management, especially occupational health and safety performance; safety awareness and stakeholder engagement.

Environmental and Social Mitigation Measures

PS 1 - Assessment and Management of Environmental and Social Risks and Impacts

Environmental and Social Assessment and Management System and Policy

Cube, IFC's existing client which is in the process of acquiring the company, has developed and implemented policy guidelines and a risk management framework to assess and manage E&S risks and impacts associated with its investments. In line with IFC's ESAP for the earlier investment, Cube has implemented an Environment, Health, Safety and Social (EHSS) Policy that is consistent with the IFC Performance Standards. To meet the objectives of the policy, Cube has put in place an ESMS that covers all operations of Cube and its subsidiary companies and incorporates procedures for: impact & risk identification; implementation of screening criteria and decision tree

agreed with IFC; third party ESDD of road assets to be acquired; development, implementation, monitoring of management programs; quarterly third party audits of corrective action plans based on ESDD findings (where required); responsibility and resource allocation; contractor oversight and contractor EHSS organization; stakeholder communication and consultation; bi annual internal and annual external audit of the ESMS; management review; and EHSS reporting to the Board of Directors. After acquiring significant stake in assets, Cube upgrades the EHSS policies, procedures and practices to IFC PS requirements and proactively monitors the EHSS performance of all its assets. Cube is expected to do the same in the case of NAMEL.

NAMEL's parent company/ consortium lead RIL has a health, safety and environment (HSE) policy which applies to NAMEL, as well as a documented ESMS and corporate level environmental management unit responsible for ESMS implementation for all projects including NAMEL. The ESMS of the consortium lead is ISO 14001 and OHSAS 18001 certified. NAMEL has in place an O&M manual which describes the procedures for highway operations, inspection, safety management and road asset management. However, the O&M manual does not cover environmental management aspects such as carriageway waste management, oil/ chemical spill contingency plan and storm water management plan. Accordingly, post-acquisition (ESAP #4), Cube will require NAMEL to upgrade and implement its ESMS including: E&S policy consistent with IFC's PSs; identification of project specific risks and impacts during the O&M phase; a management program for identified risks and impacts; an appropriate E&S organization; procedures for stakeholder engagement and grievance redress; emergency response procedures; a legal register and compliance monitoring procedure; EHSS training procedures; a monitoring plan aligned with the management program and incorporating GIIP provisions; reporting; procedures for periodic internal and corporate audits; and management review. Further, NAMEL will be required to ensure that permits and authorizations under all applicable laws are in place, current and valid (ESAP #1).

Identification of Risks and Impacts and Management Programs

An E&S Impact Assessment (ESIA) benchmarked to regulatory requirements was carried out for the highway at the DPR stage by Feedback Ventures circa 2009. The ESIA covered physical, ecological and socio-economic environment and the ESIA findings led to development of mitigation measures and an environment management plan (EMP).

In line with the ESMS agreed during IFC's previous investment, Cube carried out a third party ESDD (attached to this summary) to identify the key risks and impacts associated with the operations phase of the project and to identify key gaps with respect to IFC Performance Standards. This was completed in March 2017 and involved documentation review, site assessment, RoW survey and stakeholder consultations. In addition, a rapid enumeration of encroachments along the NAM road was undertaken, which collected GPS coordinates, photos, approximate dimensions of affected structures, nature of construction and its usage. This survey formed the basis for identifying encroachment and impacted structures. Another third party agency was retained by Cube to determine the replacement cost of affected land and structures. The ESDD resulted in an ESAP which will be implemented by Cube. Key ESAP items as include: (a) upgrade of EIA to meet PSs and implementation of additional PS compliant mitigation measures (ESAP #2); (b) upgrade of NAMEL's ESMS in line with Cube's (including IFC) requirements (ESAP #4); (c) strengthening of E&S capacity at NAMEL (ESAP #8); (d) establishment of oversight mechanisms including reporting lines, third party audits, supervision by Cube team etc. (ESAP #6 & 14); and (e) strengthened stakeholder engagement by NAMEL (ESAP #12).

The EIA upgrade will be carried out post acquisition through a third party consultant and will be Performance Standard compliant. The EIA upgrade will essentially focus on E&S impacts of the O&M phase of the project and will include contractor management procedures; an emergency preparedness plan; and a E&S monitoring plan. The EIA upgrade will be completed in 3 months after IFC Commitment. In addition, the company will carry out through a third party consultant a social impact assessment (SIA) (ESAP #3). This will include a census survey of all project impacted families, and development of various plans, such as a livelihood enhancement plan (LEP); a stakeholder engagement plan (SEP); and a community grievance mechanism.

To minimize the impacts of remaining construction activities, Cube is considering some options including certain de-scoping (i.e. reduction of project scope) options for some of the incomplete project components, and is in discussion with Andhra Pradesh Road Development Corporation (APRDC) on this. The options under discussion are: (option I) remaining service roads and rest areas are eliminated from the design; RoW that includes main carriageway, drain, utility and service road at Adanki Town to be revised; only 25m RoW for other stretches (other than at Adanki town) to be cleared of encroachment; and (option II) only rest areas to be eliminated, RoW that includes main carriageway, drain, utility and service road at Adanki Town to be revised, and 35m RoW where service roads are and 25m in rest of the road stretch to be cleared of encroachment.

Organizational Capacity and Competency

Cube has a three-member team of qualified environmental and social professionals in place to implement its ESMS. For ESDD, it has a panel of third party consulting firms. The in-house EHSS team is responsible for ensuring ESMS implementation, management and oversight of ESDD processes, contributing to the acquisition decision process; completion of any impact assessments, ESIA updates or supplemental studies where required; and ensuring implementation of any corrective action plan or ESMP. At NAMEL, there is currently one safety officer and no EHS personnel. Cube will require NAMEL to strengthen the EHSS capacity post acquisition and will have one EHS manager and one social manager (ESAP #8).

Emergency Preparedness and Response

Based on the identified hazards and risks, Cube ensures that an on-site emergency response plan is prepared for each road asset. As such, as per ESAP #4, Cube will ensure that NAMEL develops and implements an Emergency Response Plan (ERP) for O&M phase covering various emergencies such as natural disasters like floods and specific hazards like fire, chemical spill, and other environmental pollution incidents.

Monitoring and Review

Cube's ESMS has procedures for monitoring ESMP implementation and other mitigation measures and for monitoring the E&S performance of its road assets on an ongoing basis. There is provision for biannual internal audits and an annual external audit of the ESMS; management review; and EHSS reporting to the Board of Directors.

NAMEL undertakes quarterly environment monitoring. As per the consent conditions, it is required to submit an annual monitoring report to the State Pollution Control Board, however so far it has not done so. Post asset acquisition, Cube will ensure that a detailed EHSS monitoring plan is developed and implemented (ESAP #6). Ongoing monitoring will cover aspects such as Occupational Health & Safety (OHS), road safety data including accidents, highway condition,

use of signage, air emissions from generator sets at toll plazas, noise, implementation of livelihood enhancement, stakeholder consultations and community and employee grievances.

PS 2 – Labor and Working Conditions

Human Resource (HR) Policy and Procedures:

NAMEL has 142 employees, of these 132 are working at the three toll plazas. In addition, it has 85 contract workers employed through three different contractors for activities like security and road maintenance. The consortium lead has a corporate HR policy and procedures manual, which has been adopted by NAMEL and is applicable to all employees. Post-acquisition, as per ESAP #7, NAMEL's HR policies and procedures shall be upgraded to meet Cube's PS2-compliant HR policy and manual particularly through: policy commitment to equal opportunity, workforce protection and non-discrimination, compliance with legal requirements; implementation of an employee grievance redress mechanism covering contract workers; contractor management & compliance; improving worker accommodation; and enhanced occupational health and safety oversight, including training as also accident/incident investigation and corrective action procedures.

Freedom of Association, Grievance Mechanism:

Cube respects the staff's freedom of association, and, hence does not prevent formation of employee unions. Cube shall ensure that NAMEL adopts the same policy on freedom of association. At present, Cube is in the process of developing a worker grievance mechanism. The grievance mechanism will be adopted by NAMEL and shall be accessible to contract workers also and shall allow for anonymous reporting of grievances. (ESAP #7)

Occupational Health and Safety (OHS):

Post-acquisition, NAMEL will develop an ESMS which will include specific procedures in line with good international industry practice for activities with identified OHS risks. The ESMS will have: a health and safety (H&S) policy; H&S objectives; roles and responsibility allocation; safety committee composition and procedures; safety induction and training procedures; contractor safety evaluation and control; asset safety investigations (daily/weekly); audits; accident investigation, reporting and corrective action procedures; and safe work procedures for various activities. The safe work procedures will be backed by corresponding check lists for onsite physical situation checks. As part of ESAP #7, Cube will require NAMEL to monitor and promote accident and incident prevention through use of lead and lag indicators; use of safety risk mitigation hierarchy in risk evaluation and accident prevention; have a work permits system; undertake mock drills and have an emergency response plan; and have quarterly internal audits both by corporate and cross asset teams. During the site visit, use of PPE was found to be deficient at the rail over bridge construction site. Post-acquisition, and as part of the ESAP #7, NAMEL will provide personal protective equipment (PPE) to all employees, including contractors' labor and will also have a program to undertake periodic checks on use of PPE. If NAMEL decides to set up employee or worker accommodation, Cube will ensure that this will be implemented in accordance with related IFC Performance Standard 2 requirements.

Workers Engaged by Third Parties:

NAMEL has three subcontractors but at present does not have a contractor management procedure to qualify and audit contractors as well as their subcontractors. Post-acquisition, and as part of ESAP #7, Cube will ensure that NAMEL develops procedures which will include a compliance checklist against the applicable legal requirements; HSE performance criteria as part of contractor

qualification and selection; and monitoring and audit procedures. All project-related EPC and O&M contract documents will include appropriate EHS provisions, including those related to contractor management, OHS requirements and implementation of EHS plans.

PS 3 – Resource Efficiency and Pollution Prevention

One construction camp is currently operational at Kondrapole village. The camp has a hot mix plant, wet mix plant, batching plant and stone crusher. Regulatory consents for these activities, as well as for five boreholes currently in use at the construction camp and 21 diesel generators in use at the three toll plazas and office building, were found to be either out of date or lacking during ESDD. As indicated in the ESAP #1, Cube will ensure that NAMEL procure or updates the necessary regulatory consents as a matter of urgency.

During the O&M phase, pollution is generated from operation of the hot-mix plant, stone crusher & batching plant, road maintenance activity, diesel generator set operation, earthmoving activities and toll plaza, office and camp operation. A range of mitigation measures was proposed by the ESIA. In addition, the ESDD report recommended several improvements in practices for management of waste and pollution which Cube will ensure that NAMEL implements, post-acquisition.

NAMEL has in place a limited scope O&M phase environment management manual. The manual describes procedures for highway operations, inspection requirements and the frequency and procedures for emergency operations. During the site visit, the highway was found to be well maintained barring certain stretches where construction was ongoing. Post-acquisition, as per ESAP #4, Cube will require NAMEL to upgrade its existing operations manual in line with good international industry practice.

PS 4 – Community Health, Safety and Security

Road accident data shows that the total number of accidents has declined since March 2014. The average monthly fatality rate has reduced from 4.7 in 2014 to 3.7 in 2016 mainly on account of better implementation of safety measures such as putting up signboards, monthly safety meetings amongst local transport department, police department, APRDC, local residents, and communities, daily public announcements for road users to take safety precaution along the highway. The severity of the road accidents in terms of fatalities per 100 accidents for NAM Toll Road is estimated as 13 which is lower than the annual accident severity rate for 2015 for India which is reported as 29.1 fatalities per hundred accidents. The ESDD identified some potential risk factors contributing to road accidents, including: parking of multi-axle vehicles in the carriageway, especially around industrial areas; wrong-side driving; inadequate signage; inadequate patrolling and multiple areas with significant cattle movement. SOS services are only provided in a few places. The number of underpasses provided is as per the concession agreement. As part of the SIA, the consultant will review the adequacy of crossovers along the road corridor. Post-acquisition, as per ESAP #13, Cube will carry out a road safety audit, in line with the ESDD recommendations, and will ensure that appropriate and adequate safety signage is provided, especially near schools and pedestrian areas, and that infrastructure and other management procedures related to cattle movement is improved. NAMEL undertakes regular community safety awareness campaigns. As part of the safety review, Cube will review the adequacy of these safety campaigns and make improvements as needed.

Residential areas in Dachepally village adjacent to the NAM road experienced flooding and inundation following severe rains in September 2016. The villagers had approached NAMEL to evaluate the cause of flooding. NAMEL at the time hired an independent consultant from Jawaharlal Nehru Technological University, Hyderabad to undertake a field inspection. The report identified garbage dumping, diminished carrying capacity of Naguleru river because of downstream encroachment, and poor drainage in agricultural fields of Dachepally village as the reasons for flooding and recommended measures for effective drainage and avoidance of inundation. Cube will require NAMEL, post- acquisition, to ensure that its operations do not contribute to flooding/ aggravation of any flooding by ensuring that any drains, culverts and cross drainage structures that are within its scope are properly maintained, remain clean and do not impede runoff flows. The procedures for maintenance of drains, culverts and cross drainage structures will be developed as part of the O&M manual (ESAP #4).

As part of ESAP #13, Cube will ensure that NAMEL implements procedures and measures to minimize community health and safety risks, including, among other measures, ensuring safe corridors and crossings for pedestrians, and implementing other accident prevention measures like appropriate speed limits, speed control devices near crossings, appropriate signage, access controls, roadside lay byes, rest areas, and real time warning systems.

The security at toll plazas is contracted out to two agencies. Altogether there are 54 security personnel along with 7 armed guards. Until now, there have reportedly been no incidents involving security personnel. Post-acquisition, Cube will ensure that NAMEL develops and implements formal procedures to screen the records of security personnel employed; defines objectives and permissible actions for security personnel; ensures security personnel are trained in avoidance of abusive conduct and the use of fire arms; records, investigates and ensures corrective actions are implemented in relation to security incidents; and ensures that bona fide complaints against security personnel are investigated and appropriate disciplinary actions are implemented (ESAP #4).

PS 5 – Land Acquisition and Involuntary Resettlement

The widening of the road to four lanes required 212.5 (86 ha) acres of additional land. Of this, 177.5 (72 ha) acres was private land. Andhra Pradesh Road Development Corporation (APRDC) was responsible for land acquisition. Around 87 acres of private land was acquired under the old Land Acquisition Act (LA Act, 1894) and the remaining private land was/is being acquired under the new Right to Fair Compensation and Transparency in Land Acquisition, Resettlement & Rehabilitation Act, 2013 (RFCT LARR Act 2013). The land acquisition for the project commenced in July 2011 and continued until 2014, in sync with the construction work.

The acquisition of 90.3 (36 ha) acres of land is currently underway for construction of the remaining ~16 km of road. This land is required for expansion of three existing toll plazas and rest areas, completion of the dual carriageway and completion of service roads.

The acquisition of private land will altogether impact 2342 titleholders. Till date, the compensation has been given to only titleholders. The impacts on non-titleholders have not been assessed.

There are currently 22 court cases filed against the project, mostly related to road alignment, removal of encroachment and invoking urgency clauses under the LA Act 1894. Of these cases, nine are still pending. Of the 13 cases that have been disposed of, six are in favor of land acquisition

authority (Land Acquisition Officer (LAO)-Govt. agency charged with acquiring right of way for NAMEL) and seven are not in favor of LAO. In majority of the seven cases, the court order essentially required the LAO to not invoke urgency clause and to allow for objections to land acquisition under the LA Act 1894.

A social impact assessment (SIA) benchmarked to the regulatory requirements was carried out (and is being undertaken) for all lands acquired/ to be acquired under the new RFCT LARR Act 2013. These SIA reports were not yet available for review at the time of writing this summary. However, gaps are expected with respect to stakeholder engagement and resettlement requirements in these SIAs, as land acquisition was undertaken following national regulations. For land acquired under the old LA Act, no SIA was carried out. Therefore, in line with a recommendation of the ESDD report, a retrospective SIA be completed by Cube/ NAMEL post land acquisition that will incorporate retrospective gap closure measures, where feasible (ESAP #3).

As part of the ESDD, a third party agency was hired by Cube to determine the replacement cost of land already acquired, compare it to compensation amounts calculated via the Government managed process, and thereby determine any compensation gaps. The ESDD concluded that for some land acquired under the new RFCT LARR Act of 2013, the compensation is more than the replacement cost. However, for land acquired under the old LA Act 1894, compensation amounts were less than the replacement cost. The ESDD estimated the gap in compensation for structures. Cube has assessed the total gap in compensation with respect to PS5 provisions, and will implement measures to close the gap as per the timeline indicated in the ESDD and the attached ESAP (ESAP #9).

As per the enumeration survey carried out in October 2016, a total of 2492 encroached structures have been identified. Of these, 86% are permanent and semi- permanent in nature. In most cases, these structures are extensions of commercial establishments that intrude into the RoW. Conversations with some owners of these establishments indicate that most are aware that they fall within the RoW and most are willing to remove the intrusions when required. In most cases, the intrusions have been cleared without any compensation. At several locations residential structures or parts of residential structures fall within the RoW. Most of these have been cleared without any compensation. There are also parts of some government structures like a village administrative building, school building or boundary wall that fall within the RoW. Compensation for encroached structures at replacement cost has been determined in the ESDD and included in the overall land acquisition and resettlement budget for the project.

The de-scoping options under consideration will reduce the number of project affected families. As per the ESDD, the option B has the least impact on structures and land. Option I will impact 1365 titleholders and 187 encroached structures while option II will impact 1500 titleholders and 337 encroached structures. The budget for livelihood enhancement has been prepared for option B.

In addition to supplemental compensation for land and structures, Cube has prepared a budget for livelihood enhancement of all economically displaced families including encroached structures. The LEP budget has been prepared for option II. As per the attached ESAP (Item #9), Cube will require NAMEL to prepare a detailed livelihood enhancement plan (LEP) following the comprehensive SIA (ESAP Item #3) covering all project affected families, including land losers and informal settlers. The LEP will include provisions for training, seed capital, etc. For LEP implementation, an implementing agency (IA) with a core staff of 3-4 persons will set up a field

office. The IA will be deployed along with the SIA & LEP consultant and will continue till completion of the LEP implementation. A LEP completion audit will be carried out within one year of completion of LEP implementation (ESAP Item #10).

Post-acquisition, Cube will ensure that NAMEL will, in consultation with the concession authority and other governmental bodies, implement measures to: (a) facilitate payment of compensation where award has been made and compensation is awaited; (b) await final outcome of the pending litigation and facilitate implementation of the final order; and (c) ensure that removal of any encroachments in the RoW is conducted in a manner consistent with the Performance Standards.

PS 8- Cultural Heritage

The DPR for the project identified 40 culturally sensitive properties and 21 of these have been fully impacted. The properties included 30 temples, 7 mosques/mazars and 3 churches. These have already been either fully relocated or partially removed in consultation with affected communities. Post-acquisition, as part of the EIA upgrade process (ESAP Item #2), Cube will ensure and assess: (a) identification and details of structures that were relocated; (b) documentation of process followed for relocation; (c) gaps with PS8 provisions and feasibility of retroactive remedial action; (d) where feasible retroactive remedial action will be undertaken; and (e) a process for future relocation of such structures that meets PS8 will be laid down.

Stakeholder Engagement:

As part of the ESDD, consultations were carried out with affected land owners, existing encroachers whose structures are located within the RoW, and officials of revenue and public works department of Guntur district. In these consultations, the community highlighted the fact that the widening to four lanes has impacted both people with formal rights to land and assets, and informal dwellers (including encroachers and squatters), and, although land compensation has been paid, no compensation has been given to informal dwellers/users.

During the visit, a few land owners indicated that they were consulted by the government before finalization of the land compensation process.

As per the attached ESAP (Item #12), Cube will require NAMEL to develop and implement a stakeholder engagement plan that meets the IFC requirements, taking into account any legacy risks and impacts. The stakeholder engagement plan will be designed to ensure the informed consultation and participation of populations affected by the road in relation to ongoing construction works and road operation. As NAMEL currently has no community grievance mechanism in place, Cube will require that the company develops and implements a community grievance mechanism detailing how any complaint about the project will be dealt with (ESAP Item #12).