

**Table 1: Draft ESAP**

No.	Action	Environmental & Social Risks (Liability / Benefits)	Requirement (Legislative, EBRD PR, Best practice)	Resources, Investment Needs, Responsibility	Timetable	Target and Evaluation Criteria for Successful Implementation	Status
<b>PR1 Assessment and management of Environmental and Social Impacts and Issues</b>							
1.1	Demonstrate compliance with national legislation with regards to transmission line leases requirements and DEIA permitting requirements.	Non-compliance with national legislation	EBRD PR1 National legislation	Sponsor's resources	Prior to financial close	Provide evidence of land lease agreements for the transmission line. Provide permit approval (GEIA or DEIA) for the transmission line in accordance with national requirements	Open
1.2	Engage project EHS manager and review EPC contractor ESMS capabilities	Capacity and capability, non-compliance with regards to implementation and management of environmental risks	EBRD PR1	Sponsor's resources	Prior to financial close	Roles filled, CV provided to Lender for review ESMS qualifications of EPC	Open
1.3	Prepare standalone ESMP and include clear list of all sub plans referred to in ESIA as well as outline of issues to be addressed within each sub plan. Identification of responsibilities for development of ESMP and sub plans and implementation responsibilities. Templates for regular monitoring and reporting of EHS performance and KPIs is	Optimisation of environmental and social management through formalised system. Labour unrest. Community unrest. Company reputational	EBRD PR1	Sponsor's resources External consultants  Responsibility: Sponsor environmental manager	Prior to financial close	Updated ESMP	Open

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	required.	damage.					
1.4	<p>Construction Environmental &amp; Social Management Plans, including but not limited to:</p> <ul style="list-style-type: none"> <li>• Community health and safety management plan</li> <li>• Hazardous Materials Safety</li> <li>• Traffic and Road Safety</li> <li>• Exposure to Disease</li> <li>• Emergency Response</li> <li>• Biodiversity Management Plan</li> <li>• Archaeological/Cultural Heritage Chance Finds Procedure</li> <li>• Dust management plan</li> <li>• Waste water management plan</li> <li>• Hazardous materials management plan</li> </ul>	<p>Optimisation of environmental and social management through formalised system.</p> <p>Labour unrest.</p> <p>Community unrest.</p> <p>Company reputational damage.</p>	EBRD PR1	Sponsor's resources External consultants	Prior to financial close	Completed Construction ESMP provided to EBRD for review	Open
1.5	<p>Operations Environmental &amp; Social Management Plans, including but not limited to:</p> <ul style="list-style-type: none"> <li>• Community H&amp;S</li> <li>• Hazardous Materials Safety</li> <li>• Traffic and Road</li> </ul>	<p>Optimisation of environmental and social management through formalised system.</p>	EBRD PR1	Sponsor resources External consultants	Prior to start of operations	Completed Operations ESMP provided to Lenders and EBRD for review	Open

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	Safety <ul style="list-style-type: none"> <li>• Exposure to Disease</li> <li>• Emergency Response</li> <li>• Biodiversity</li> <li>• Archaeological/Cultural Heritage Chance Finds</li> <li>• Dust management</li> <li>• Waste water management</li> <li>• Hazardous materials management</li> </ul>	Labour unrest. Community unrest. Company reputational damage.					
1.6	EHS reporting to external parties	Transparency and demonstration of compliance with EBRD standards	EBRD PR1	Sponsor's resources	Every three months during construction phase and annually (or every six subject to EBRD review) during the operational phase.	Regular reports completed submitted to EBRD for review	Open
<b>PR2 Labour Working Conditions</b>							
2.1	HR policy to be developed in compliance with PR2. The HR policy must include: Prohibition of use of child and forced labour.	Labour unrest Child and forced labour, company reputational damage	EBRD PR2 Best practice Mongolian labour	Sponsor's resources: human resource manager	Prior to start of construction	Develop and implement an HR policy.  Demonstrated opportunities for local	Open

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	<p>Prohibition of discrimination</p> <p>Freedom of workers to form or join workers' organisations.</p> <p>Requirements related to minimum wages, benefits, conditions of work and benefits.</p> <p>Worker's grievance mechanism</p> <p>Workers accommodation management plan</p> <p>A commitment to cover non-employee workers</p> <p>This commitment to apply the EPC contractor and subcontractors in workforce language (Mongolian)</p>		legislation	Responsibility: Sponsor HR manager		<p>community and women to benefit from the Project.</p> <p>Commitment within EPC contract to meet EBRD PR2 standards and adhere to and develop the plans identified</p> <p>Monitoring reports of working conditions and accommodation.</p>	
2.2	Contract requirements to formally commit EPC contractor and subcontractors to ensure prohibition of child and forced labour.	Labour unrest, company reputational damage	EBRD PR2 Best practice Mongolian labour legislation	SPONSOR resources  Responsibility: SPONSOR human resource manager	Prior to construction	Contract conditions that include prohibition of child and forced labour	Open
2.3	<p>Training for security guards in use of force and vetting for past offences</p> <p>Develop appropriate due diligence questionnaire for site security for review.</p>	Community unrest, reputational damage, community health and safety risks	EBRD PR2 Best practice	<p>SPONSOR resources EPC contractor</p> <p>Responsibility: SPONSOR human resource manager, EPC contractor</p>	Q4 2016 following EPC appointment	<p>Training undertaken and security guards vetted</p> <p>Completed due diligence questionnaire regarding site security to be provided to EBRD for review</p>	Open
<b>PR3 Resource Efficiency and Pollution prevention control</b>							

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3.1	Develop construction water resource use assessment and management plan, addressing ability and capacity of existing local supply to provide construction and operational requirements without impacting existing users.	Conflicts with communities over water resources	EBRD PR3, best practice	Sponsor's resources External consultants	Prior to financial close	Evidence of water resource agreements with the soum for provision of project water needs and report demonstrating available capacity within local supply.	Open
3.2	Develop operational water resource use assessment for the development if onsite well is planned. Subject to results identify water management plan.	Conflicts with communities over water resources,	EBRD PR3, best practice	Sponsor's resources External consultants	Prior to financial close	Report on assessment of capacity and quality of local aquifer to supply operational requirements without impacts on existing water resource users.	Open
<b>PR4 Health and Safety</b>							
4.1	Develop occupational health and safety plan. Including consideration of measures to protect operational works from experience night time noise levels above 45dBA during operational phase within the control building accommodation	Labour unrest and grievances	EBRD PR4 International OHS standards	SPONSOR resources External consultants  Responsibility: SPONSOR environmental manager, EPC contractor	Prior to start of construction	Completed occupational health and safety plan. Design specification for control room to limit noise levels. Commitment in EPC contract	Open
<b>PR5 Land Acquisition, Involuntary Resettlement and Economic Displacement</b>							
5.1	Disclose the ESIA and the impacts associated with the potential loss of grazing land.	Disputes around land acquisition	EBRD PR5	Sponsor's resources External consultants  Responsibility: SPONSOR	Prior to financial close	Minutes of meetings	Open

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				environmental manager			
5.2	Regular consultation with herders regarding potential impacts to their livelihoods. Regular monitoring of potential impacts to the livelihoods of herders.	Economic hardship, loss of company reputation	EBRD PR5	Sponsor's resources  Responsibility: Sponsor CLO	During construction  During operation	Minutes of meetings  Reports on monitoring of livelihood impacts	Open
<b>PR6 Biodiversity Conservation</b>							
6..1	Undertake pre-construction surveys on the Project site and along transmission line corridor. Surveys focused on plants, terrestrial mammals, reptiles and birds.	Reduction of impact on species of conservation interest.	EBRD PR6	Sponsor's resources External consultants	Within a week prior to construction	Survey reports.	Open
<b>PR8: Cultural Heritage</b>							
8.1	Develop and implement a chance finds procedure.	Reduction of impact on artefacts of cultural significance.	EBRD PR8	Sponsor's resources External consultants	Prior to construction	Submission of procedure.	Open
8.2	Update ESMP to address management of potential impacts to the graveyard on the route of the transmission line. Install fencing, signage etc. during construction.	Reduction of impact of species of conservation interest.	EBRD PR8	Sponsor's resources External consultants	Prior to construction	Revised ESMP.	Open
<b>PR10 Information Disclosure and Stakeholder Engagement</b>							
10.1	Disclose the ESIA for public	Company	EBRD PR10	Sponsor's resources	Prior to	Disclosed ESIA as per SEP	Open

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	consultation.	reputational damage Loss of trust with community and unrest		External consultants  Responsibility: Sponsor environmental manager, CLO (if appointed)	financial close		
10.2	Update and continue to implement the SEP during construction and operations.	Company reputational damage Loss of trust with community and unrest	EBRD PR10	Sponsor's resources External consultants  Responsibility: Sponsor	Prior to start of construction and operation	Updated and implemented SEP	Open