



**INDORAMA**

Environmental and Social Impact  
Assessment (ESIA) for the Proposed  
IEFCL Train 3 Project

Stakeholder Engagement Plan  
Engagement  
Plan

14 April 2023

Project No.: 0661941

Document details	
Document title	Environmental and Social Impact Assessment (ESIA) for the Proposed IEFCL Train 3 Project
Document subtitle	Stakeholder Engagement Plan
Project No.	0661941
Date	14 April 2023
Version	2.0
Author	Christopher Franklin, Danielle Sanderson
Client Name	Indorama Eleme Fertilizer and Chemicals

#### Document history

Version	Revision	Author	Reviewed by	ERM approval to issue		Comments
				Name	Date	
Draft	01	Christopher Franklin, Danielle Sanderson	Boaz Bett, Wanjiku Githinji, Dieter Rodewald	Dieter Rodewald	10.03.2023	Draft for Client Review
Final Draft	02	Christopher Franklin, Danielle Sanderson	Boaz Bett, Wanjiku Githinji, Dieter Rodewald	Dieter Rodewald	14.04.2023	Draft Final for Client Consideration

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**Signature Page**

14 April 2023

# **Environmental and Social Impact Assessment (ESIA) for the Proposed IEFCL Train 3 Project**

## **Stakeholder Engagement Plan**

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### APPENDIX B COMMUNITY GRIEVANCE MANAGEMENT ANALYSIS AND TRACKING

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## Acronyms and Abbreviations

Name	Description
Aol	Area of Influence
CANMPSSAN	Non Metallic Senior Staff Association
CR&D	Community Relations and Development Department
EAD	Environmental Assessment Department
EIA	Environmental Impact Assessment
EPA	Environmental Protection Agency
ESIA	Environmental and Social Impact Assessment
FMENV	Federal Ministry of Environment
GMP	Grievance Management Procedure
HR	Human Resources
IEFCL	Indorama Eleme Fertiliser and Chemicals
IFC	International Finance Corporation
IFC PSs	International Finance Corporation Performance Standards on Environmental and Social Sustainability
IFT	Industrial Training Fund
IR	Industrial Relations
KPI	Key Performance Indicator
LGA	Local Government Area
MOU	Memorandum of Understanding
MTPD	metric tons per day
NESREA	National Environmental Standards and Regulations Enforcement Agency
NSITF	Nigeria Social Insurance Trust Fund
NUCECFWW	Trade Unions Act National Union of Civil Engineering, Construction, Furniture and Wood Workers
NUCFRLANMPE	National Union of Chemical, Footwear, Rubber, Leather and Non-Metallic Employees
PAC	Project Advisory Committee
PAYE	Pay As You Earn (Tax)
SEP	Stakeholder Engagement Plan
EPCL	Eleme Petrochemicals Company Limited
NNPC	Nigeria National Petroleum Company

## 1. INTRODUCTION

This Stakeholder Engagement Plan (SEP) has been developed specifically for the ESIA associated with the Indorama Eleme Fertilizer and Chemicals Limited (IEFCL) Train 3 Project proposed in Port Harcourt, Nigeria (hereafter referred to as the Project or IEFCL Train 3). Moreover, it provides an implementation framework for post-ESIA engagement (i.e., from the remainder of the feasibility and permitting phases, through construction, operation and decommissioning). The SEP seeks to define a technically and culturally appropriate approach to consultation and disclosure. The SEP seeks to ensure that adequate and timely information is provided to stakeholders, and that these groups are given sufficient opportunity to voice their opinions and concerns, which in turn will have a positive influence on Project execution.

The SEP is a working document that will be updated and adjusted as required during Project development and execution.

It must be noted that this SEP has been developed for the proposed IEFCL Train 3 Project and as part of the Project ESIA process. ERM would recommend that IEFCL adapt and expand this SEP such that it becomes applicable for all IEFCL operations in Eleme, Rivers State, Nigeria.

This SEP draw reference to the following existing IEFCL documentation pertaining to stakeholder engagement:

- *Indorama Corporation Group Handbook* (Version 2, 18 July 2022)
- *Social Impact Assessment and Stakeholder Engagement Plan for IEFCL-Train 2 Fertilizer Project* (Indorama Eleme Fertilizer & Chemicals Limited, 19<sup>th</sup> April 2018)
- *Memorandum of Understanding between the Host Communities of Indorama Eleme Complex and Indorama Nigeria* (2019)
- *Stakeholder / Community Grievance Management Procedure* 25<sup>th</sup> April 2018
- *Local Hiring Plan for Construction & Operation phase of IEFCL Train 3 Project* (Indorama Eleme Fertilizer & Chemicals Limited, 3 February 2023)
- *Report on Stakeholder Engagement done during ESIA Process of "IEFCL-Train 3 Project"* (17 February 2023)
- *Procedural Manual Social Material Topics* (Indorama Eleme Fertilizer & Chemicals Limited, 31 July 2022)
- *Guidelines for prevention and addressing issues of Retaliation* (Indorama Eleme Fertilizer & Chemicals Limited, 1 October 2021)
- *Policy Guidelines on Gender Based Violence & Harassment* (Indorama Eleme Fertilizer & Chemicals Limited, 2 October 2021)

### 1.1 Purpose

The aim of the SEP is to describe how the Project will engage external stakeholders during environmental and social impact assessment (ESIA), pre-construction, construction, operations, and decommissioning phases. It demonstrates the commitment of IEFCL to an 'international best practice' approach to stakeholder engagement. IEFCL is committed to full compliance with the Nigerian Environmental Impact Assessment (EIA) Regulations, which includes the Environmental Impact Assessment Act, No. 86 of 1992. In addition, IEFCL will align with the International Finance Corporation Performance Standards on Environmental and Social Sustainability, 2012 (IFC PSs).

In line with current international best practice, this SEP aims to ensure engagement that is free of manipulation, interference, coercion and intimidation.

To this end, this SEP provides the following:

- Requirements for consultation and disclosure;
- Identification and prioritisation of stakeholders;
- Strategy and timetable for sharing information and consulting with stakeholders;
- Identification of structures and processes to deal with conflicts and grievances; and
- Resources and responsibilities for implementing stakeholder engagement activities.

## 1.2 Objectives

The objectives of this SEP are as follows:

- To understand the interests, influence, and concerns of various Project stakeholders.
- To ensure effective, transparent, and timely communication between the Project and its stakeholders, to engender an environment of trust and mutual respect.
- To engage stakeholders on their concerns regarding the Project, and appropriately address these through dialogue and corrective actions.
- To establish effective means of communication to disseminate information from the Project to stakeholders.
- To design stakeholder engagement mechanisms and standards that respect local traditions and cultural norms.
- To effectively manage the expectations of stakeholders regarding socio-economic benefits derived from the Project.
- Establish the appropriate management mechanisms and identify necessary capacity building and training requirements for the effective implementation of the SEP.

## 1.3 Project Description

IEFCL is a major producer of urea fertilizer situated on a site of approximately 26 hectares (ha) within the greater 162ha Indorama manufacturing complex at Eleme. The proposed Train 3 expansion Project is proposed to be located within a 250ha of land allocated by Rivers State Government from the originally acquired 903 hectares in 1984 for establishing a petrochemical plant which was built and operated by EPCL under NNPC, is situated in the Eleme Local Government Area, Rivers State, Nigeria (refer to Figure 1-1). The Project area borders the existing Indorama Complex on the south and undeveloped land to the east, west and north.

The proposed Train 3 expansion will consist of the development of an additional ammonia and urea train, with a total operating capacity of 2,300 metric tons per day (MTPD) of ammonia and 4,000 MTPD of urea. The total footprint of the Project is 80ha. It must be noted that the Train 3 Project is a direct replica of the existing (operational) Train 1 and Train 2 lines, which both independently also produce 2,300 and 4000 MTPD of ammonia and urea.

The Indorama Complex consists also of an Olefins plant, Polyethylene / Butene and Polypropylene Plants, acquired by Indorama from erstwhile Eleme Petrochemicals. Subsequent to the acquisition from NNPC, the plant commenced production in October 2006, and commenced domestic sales as well as exports to Europe, Asia and parts of Africa in March 2007. A solid – state polymerization plant to convert amorphous polyethylene terephthalate (PET) to PET resin <sup>1</sup> plant was commissioned in the complex in July 2012, followed by the commissioning of the aforementioned Train 1 and 2 production lines in 2016 and 2021 respectively.

The Project will consist of infrastructure detailed in

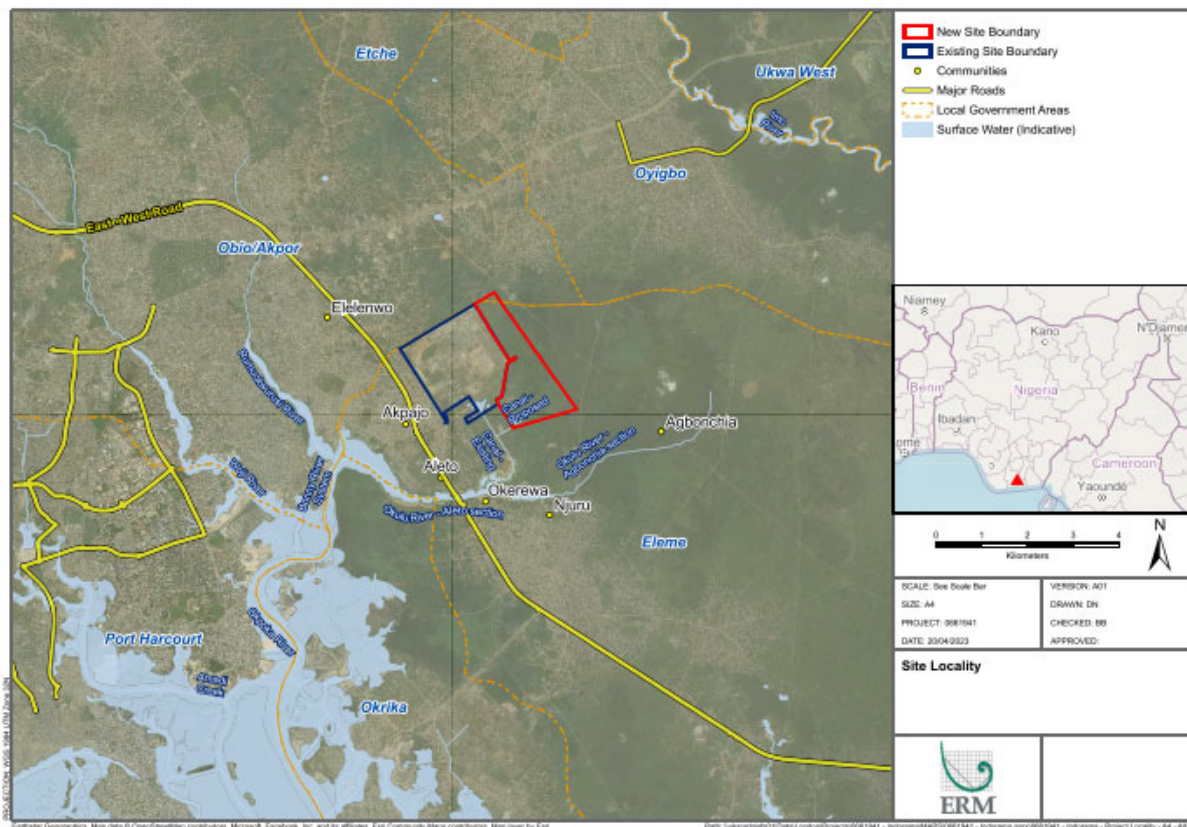
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<sup>1</sup> A type of plastic that is used to make different types of products, including, but not limited to, containers, clothing, and soda bottles.

Table 1-1.

**Table 1-1 Main Project Components**

Project Particulars
<b>New Permanent Project Components</b>
Polisher, Wastewater treatment and Air Dryer Units
Ammonia Plant
Urea Plant
Cooling Towers and Package boiler
Urea Warehouse for Bulk Storage
Urea Truck Loading facilities
Natural Gas (NG) Receipt Facilities
Raw Water and DM Water
Wastewater Recovery Plant
Sewage Treatment Plant
<b>Temporary Project Components (for Construction Phase)</b>
Temporary Office facilities
Laydown, Pre-fabrication, Construction warehouse area



**Figure 1-1 Project Locality Map**

## 1.4 Structure of the SEP

The remainder of this Document is structured as follows:



- **Section 2:** Legal Framework
- **Section 3:** Principles of Engagement
- **Section 4:** Project Stakeholders
- **Section 5:** Summary of Previous Engagement
- **Section 6:** Organisational Capacity
- **Section 7:** Stakeholder Engagement Plan
- **Section 8:** Reporting, Monitoring, and Disclosure
- **Section 9:** Grievance management procedure (GMP)

## 2. LEGAL FRAMEWORK

### 2.1 Nigerian Legislative Requirements

The Nigerian EIA Act, No. 86 of 1992 (as amended in 2004 and revised regulation in 2021) requires that an EIA<sup>2</sup> is undertaken for all public and private development projects. The Act divides projects into three categories:

- Category 1 projects that require a full and mandatory EIA.
- Category 2 projects that require a partial EIA.
- Category 3 projects that are deemed as beneficial to the environment and therefore require no EIA.

According to the EIA regulations, “Public Participation should be seen as a continuous programme for the environmental and economic sustainability of the project.” Public entry points into the EIA process are contained in four distinct stages of the EIA:

1. A scoping workshop is required during the scoping phase, especially if public interest in the project is high, and is required to include key stakeholders.
2. Stakeholders are required to be involved in the EIA drafting process, where “proceedings of consultations with adjoining communities and other stakeholders held in a Public Forum (Public Participation)” are to be submitted with the draft EIA. This includes surveys which may be conducted to determine the social baseline and capture stakeholder comments on the project.
3. During the review of the EIA, it may be required that EIA documents are disclosed publicly for 21 days. Disclosure points should include, at a minimum, the Local Government Area offices, the state Environmental Protection Agency Offices, and the Federal Ministry of Environment Headquarters. Other disclosure locations should be considered as appropriate. Project-affected communities should be invited to participate in the review process through newspaper advertisements.
4. If the project is classified as Category 1, the public is invited to comment on the project during a public hearing.

### 2.2 International Requirements

The following *Section* sets out the engagement-specific requirements aligning to international good practice standards.

#### 2.2.1 The IFC Performance Standards

The IFC PSs are considered a benchmark for good practice for environmental and social (E&S) risk management in private sector developments. The IFC PSs require that clients engage affected communities through disclosure of information, consultation, and informed participation, in a manner proportional to the risks to and impacts of the project on the affected communities.

The IFC PSs include specific guidance on conducting stakeholder engagement both during the planning phase and throughout the project lifecycle.

Stakeholder engagement requirements are contained in PS 1: Assessment and Management of E&S Risks and Impacts. The key requirements for consultation and disclosure through the life of the Project are summarised in Box 2.1.

---

<sup>2</sup> Nigerian regulations refer only to an Environmental Impact Assessment, or EIA. Given that the impact assessment conducted for the Project has been aligned to the IFC Performance Standards, the assessment documents are referred to as an Environmental and Social Impact Assessment (ESIA) in the remainder of this plan to better reflect the contents of the impact assessment.

## Box 2.1 Requirements for Stakeholder Engagement in IFC PS 1

### Aims:

To ensure that affected communities are appropriately engaged on issues that could potentially affect them; to build and maintain a constructive relationship with communities; and to establish a grievance redress mechanism.

### Who to Consult:

Specifically with:

- Directly and indirectly affected communities;
- Positively and negatively affected communities/individuals;
- Those with influence due to local knowledge or political influence;
- Elected representatives;
- Non-elected community officials and leaders;
- Informal/traditional community institutions and/or elders;
- Indigenous peoples, where the Project is identified to have adverse impacts on them;
- Non-Governmental Organisations (NGOs) and community-based organisations (CBOs);
- Key interest groups; and
- Communities in the wider area of influence (Aol).

### When to Consult:

As early as possible, or at the latest consultation should begin prior to construction. Consultation should be an on-going process throughout the life of the Project, i.e., iterative. Consultation should also allow for a feedback mechanism where affected people are able to present their concerns and grievances for consideration and redress.

### What to Consult on:

Disclosure of Project information (purpose, nature, scale);

- Disclosure on the E&S Action Plan as a result of consultation, with periodic reports to demonstrate implementation;
- Risks and impacts of the project; and
- Updates actions and proposed mitigation measures to address negative impacts and areas of concern for affected communities.

### How to Consult:

Consultation should:

- Be inclusive and culturally appropriate;
- Allow for free, prior and informed participation of affected communities;
- Be in the language preferred by the affected communities;
- Consider the needs of disadvantaged and vulnerable groups;
- Be fed into the decision-making process including proposed mitigation, sharing of benefits and opportunities;
- Be iterative;
- Be documented;
- Be responsive to community concerns and grievances;
- Be easily understood and transparent; and
- Allow for differentiated means of engagement particularly for disadvantaged or vulnerable groups.

*\* Where engagement relies substantially upon a community representative the client will aim to ensure that the views of affected communities are communicated, and that the results of consultation are communicated back to the community.*

Source: IFC Performance Standard 1, (paragraphs 25-35),

### 3. PRINCIPLES OF ENGAGEMENT

The key principles guiding the Project's approach to stakeholder engagement are as follows:

- **Transparency:** to be open and transparent with stakeholders.
- **Accountability:** to be willing to accept responsibility as a corporate citizen and to account for impacts associated with the Project activities.
- **Trust:** to have a relationship with stakeholders that is based on mutual commitment to acting in good faith.
- **Mutual Respect:** to respect stakeholders' interests, opinions and aspirations.
- **Collaboration:** to work cooperatively with stakeholders to find solutions that meet common interests.
- **Responsiveness:** to coherently respond in good time to stakeholders.
- **Proactiveness:** to act in anticipation of the need for information or potential issues.
- **Fairness:** to engage with stakeholders such that they feel they are treated fairly, and their issues and concerns are afforded fair consideration.
- **Accessibility:** to be within reach of stakeholders so that they feel heard and to provide meaningful information as needed.
- **Inclusivity:** to proactively anticipate, identify and include all stakeholders.

These principles have informed the Project's approach to stakeholder engagement.

## 4. PROJECT STAKEHOLDERS

To develop an effective SEP, it is necessary to identify Project stakeholders and understand their interest, priorities and objectives in relation to the Project. For the purposes of this SEP, a stakeholder is defined as ***any individual or group who is potentially affected by the Project, or who has an interest in the Project and its potential impacts.***

By classifying and analysing the influence and support of various levels of stakeholders, it is possible to develop a Plan that is tailored to the needs of different stakeholder groups. It is also important to understand how each stakeholder may be affected by the Project (or perceives they may be affected by the Project) so that engagement can be tailored to address their views and concerns in an appropriate manner.

### 4.1 Stakeholder Identification and Mapping

#### 4.1.1 Stakeholder Identification

**Given that the Project is an expansion of an existing operational site, the design of the SEP for Train 3 will largely build on the activities already undertaken for Trains 1 and 2. The stakeholders for the Project have therefore been extracted from the existing stakeholder database for Trains 1 and 2 and are presented in**

Table 4-1 below.

***It is noted that no new stakeholders have been identified during the stakeholder engagement for Trian 3.***

As this SEP is a living document, stakeholder identification and mapping will continue through the duration of the Project life.

**Table 4-1 Stakeholder Identification<sup>3</sup>**

Stakeholder Category	Stakeholder Groups	Stakeholders	Connection to Project
Government	<ul style="list-style-type: none"> <li>Federal Ministry of Environment</li> <li>Rivers State Ministry of Environment</li> <li>Rivers State Ministry of Chieftaincy and Community Affairs</li> <li>Eleme Local Government</li> </ul>	<ul style="list-style-type: none"> <li>Director, Environment Assessment Department, Federal Ministry of Environment</li> <li>Director, Pollution Control &amp; Environment Health Department, Federal Ministry of Environment</li> <li>Rivers State Commissioner of Ministry of Environment</li> <li>Director, Pollution Control Department, Rivers State Ministry of Environment</li> <li>Director, Environment Assessment Department, Rivers State Ministry of Environment</li> <li>DG, National Environmental Standards and Regulations Enforcement Agency (NESREA)</li> <li>Director, Planning &amp; Policy analysis, National Environmental Standards and Regulations Enforcement Agency (NESREA)</li> <li>Rivers State Commissioner of Chieftaincy &amp; Community Affairs</li> <li>Supervisor to Environment, Eleme Local Government</li> </ul>	<p>Environmental Regulatory bodies are of primary importance in terms of establishing policy, granting permits or other approvals for the Project, and monitoring and enforcing compliance with Nigerian law throughout all stages of the Project life cycle.</p> <p>Regional and Local Governments may input into the permitting process and may have a role in monitoring the implementation of Project commitments included in the ESMP.</p>
Traditional Rulers and Community Leaders	<ul style="list-style-type: none"> <li>Eleme Council of Traditional Rulers</li> <li>Clan Heads</li> </ul>	<ul style="list-style-type: none"> <li>King of Eleme</li> <li>Emere Nchia</li> </ul>	Local community leaders as representatives of their local community.

<sup>3</sup> A full database of all stakeholders should be maintained separately from the SEP and should be updated as new stakeholders are identified, or at least on an annual basis.

Stakeholder Category	Stakeholder Groups	Stakeholders	Connection to Project
	<ul style="list-style-type: none"> <li>Community Development Committees</li> </ul>	<ul style="list-style-type: none"> <li>Clan Heads of following six (6) Host Communities: Aleto Okerewa Agbonchia Njuru Akpajo Eledenwo (Wakoahu Family)</li> </ul>	<p>Traditional rulers play vital role in community development, civil administration, and socio-economic wellbeing in their domain by interfacing with the government.</p> <p>Traditional rulers are custodian of cultures, customary territorial rights, and privileges of people in their communities. Traditional rulers preside over civil and customary grievance / dispute resolution processes.</p> <p>Traditional rulers represent and protect the socio – economic interest of the communities before government and external agencies.</p> <p>Traditional rulers participate in Public Forum discussions and Technical Panel review as part of ESIA.</p> <p>Traditional rulers’ interface with IEFCL for MOU and its implementation.</p> <p>Management of communication in the communities with respect to project.</p>
Directly Impacted Communities	<ul style="list-style-type: none"> <li>Communities originally impacted with the acquisition of land to construct the initial petrochemicals facility.</li> </ul>	<ul style="list-style-type: none"> <li>Project Advisory Committee (PAC)</li> <li>Six (6) host communities as given below: <ul style="list-style-type: none"> <li>Aleto</li> <li>Okerewa</li> <li>Agbonchia</li> <li>Njuru</li> <li>Akpajo</li> <li>Eledenwo (Wakoahu Family)</li> </ul> </li> </ul>	<p>Originally the land was acquired by Rivers State Government in the year 1984. Government has paid compensation to all impacted communities. Since then, communities are not carrying out any socio-economic activities in the said 250 hectares of land. However, there will be social, environmental, and economic impacts connected to project construction and operation of manufacturing facility.</p> <p>PAC is entrusted with the responsibility to interface with IEFCL on behalf of communities for the following:</p> <ul style="list-style-type: none"> <li>Participation in ESIA Public forums to discuss positive / negative impacts of the project and the mitigation measures.</li> <li>Participation in ESIA Technical Panel review to observe the evaluation process of mitigation measures set out to address the adverse impacts be social / economic / environmental impacts by experts and regulatory authorities.</li> <li>Manage communications in the communities regarding the outcome of public forums and technical panel review.</li> <li>Memorandum of Understanding (MOU)</li> <li>Monitoring implementation of MOU for the following: <ol style="list-style-type: none"> <li>Community Development Projects</li> </ol> </li> </ul>



Stakeholder Category	Stakeholder Groups	Stakeholders	Connection to Project
			<ul style="list-style-type: none"> <li>b. Contracts and supplies</li> <li>c. Employment during construction and operation phase.</li> <li>d. Scholarship programmes for youth studying in universities.</li> <li>e. Micro Grant for women for micro business</li> <li>f. Skill development programme for young men and women.</li> </ul>
Vulnerable Groups	<ul style="list-style-type: none"> <li>• Women</li> <li>• Youth</li> </ul>	<ul style="list-style-type: none"> <li>• Eleme Women Leaders</li> <li>• Eleme Youth Council</li> <li>• Host Community Youth Forum</li> </ul>	<p>Women have representation in PAC and Host Community Youth Forum as representative body participate in the discussion and decision-making process of ESIA public forum, technical panel review, adverse impacts / mitigation measures, MOU, community development projects, employment, skill acquisition programme, subcontracts &amp; supplies, and grievance management process during ESIA / construction / operation phase of the project.</p> <p>Women leaders exclusively participate in discussion and decision-making process of Micro Grant Scheme.</p> <p>Host Community Youth Forum exclusively participates for discussion and implementation MOU for the Youth.</p> <p>Eleme Youth Council exclusive participates for extension of benefits such as office upkeep, subcontracts, surveillance contracts, employment etc.</p>
Civil Society and Interest Groups	<ul style="list-style-type: none"> <li>• Community-Based Organisations / Association</li> <li>• Non-Governmental Organisations (NGOs)</li> </ul>	<ul style="list-style-type: none"> <li>• Eleme Fishing Association</li> <li>• Eleme Hunters Association</li> <li>• Eleme Graduate Forum</li> </ul>	<p>Indigenes have advanced to modern methods of fish farming, poultry, piggery etc.</p> <p>In collaboration with PAC these groups participate in skill development programmes and receive financial assistance under Youth Entrepreneurship Scheme.</p> <p>Eleme Graduate Forum is a Non-Government Organisation (NGO) which general represent the interest of members for employment</p>
Employment and Business Associations	<ul style="list-style-type: none"> <li>• Workers Unions</li> <li>• Employment Forums</li> <li>• Business Forums</li> </ul>	<ul style="list-style-type: none"> <li>• Welders and Fitters Association</li> <li>• Indigenous Suppliers Forum</li> </ul>	<p>Elected representatives of unions participated in collective bargaining agreements for betterment of condition of service, discussion on betterment of working condition, grievance management process, disciplinary management process, conflict, and dispute resolution process during construction of operation phase of the project.</p>

Stakeholder Category	Stakeholder Groups	Stakeholders	Connection to Project
	<ul style="list-style-type: none"> <li>• Business Associations</li> </ul>		Elected / nominated members of Indigenous Suppliers represent their members for access to information with regards to contracts, supplies, grievance management dispute / conflict resolutions.
Other stakeholders	<ul style="list-style-type: none"> <li>• Academia</li> <li>• Media</li> </ul>	<ul style="list-style-type: none"> <li>• Professors / teachers</li> <li>• Radio and Print media</li> </ul>	Linkage between theory and practical through industrial training, new skill development and recruitment and funding for research and development Information from source via direct meeting or site visit, coverage of CSR events via invitation to events

### 4.1.2 Stakeholder Map

Host communities have been determined vide *Rivers State Officials Gazette Vol 16, No. 25, Page 25* of 22<sup>nd</sup> November 1984. The six host communities listed in the said official gazette are:

1. Akpajo
2. Njuru
3. Okerewa
4. Aleto
5. Agbonchia
6. Wakoahu Family (Eledenwo)

These host communities have been included in all stakeholder engagement for Train 1, Train 2 and now in Train 3.

### 4.1.3 Brief Background

Indigenes of Eleme Kingdom live in clusters of 10 clans which constitutes them as Communities / villages. Ten (10) clan heads constitute the Council of Chiefs which is headed by King of Eleme Land with the Title "Oneh – Eh Eleme". The present King of Eleme Kingdom is known and addressed as His Royal Majesty, Emere Dr. Philip Obelle, Oneh –eh Eleme XI.

The Eleme Kingdom is divided into two sub kingdoms known and addressed as Nchia and Odido. Each of the sub kingdoms is headed by a traditional ruler who is addressed Royal Highness. Eleme LGA Council is the Highest Political Structure in Eleme Kingdom.

As described in the stakeholder identification, the host communities at the project site are the six communities who were the occupiers of the land when Nigerian National Petroleum Company (NNPC) acquired the land to build erstwhile Eleme Petrochemicals (EPCL) in 1984. IEFCL continues to recognize them as the host communities.

Eleme is a local government area in Rivers State, Nigeria, located east of the Port Harcourt local government area. It is part of the Greater Port Harcourt metropolitan area. It covers an area of 138 km<sup>2</sup> and at the 2006 Census had a population of 190,194. Its headquarters was changed from Nchia to Ogale by the legislative council. The territory known as Eleme constitutes one Local Government Area out of the 23 that make up Rivers State and is located between longitude 7' and 7' 35" (seven degrees thirty-five minutes) East of the Meridian and latitudes 4' 60" and 4' 35" (four degrees sixty minutes and four degrees thirty-five minutes) North of the Equator. The area is about 138 square kilometres.

### 4.1.4 Environmental impact assessment and area of Influence:

In compliance with the EIA Act, No. 86 of 1992 (amended 2004) the proponent has been monitoring ambient air and noise within the four 4 kilometre of the proposed project site (Figure 4.1). The sampling locations for monitoring the noise /ambient air and soil quality parameters is being carried out since Train 1, Train 2 period and now Train 3. The environmental area of influence is located within 4 km of the proposed project site (Figure 4-1), known as the primary environmental area of influence. These communities have been included in all stakeholder engagement for Train 1, Train 2, and now Train 3. This radius was determined through analysis of communities due to their close proximity to the site (direct impacts due to environmental changes).

The 10 km radius of the site (Figure 4-1), indicates the secondary environmental area of influence. This area is likely to encounter secondary impacts from the proposed project.

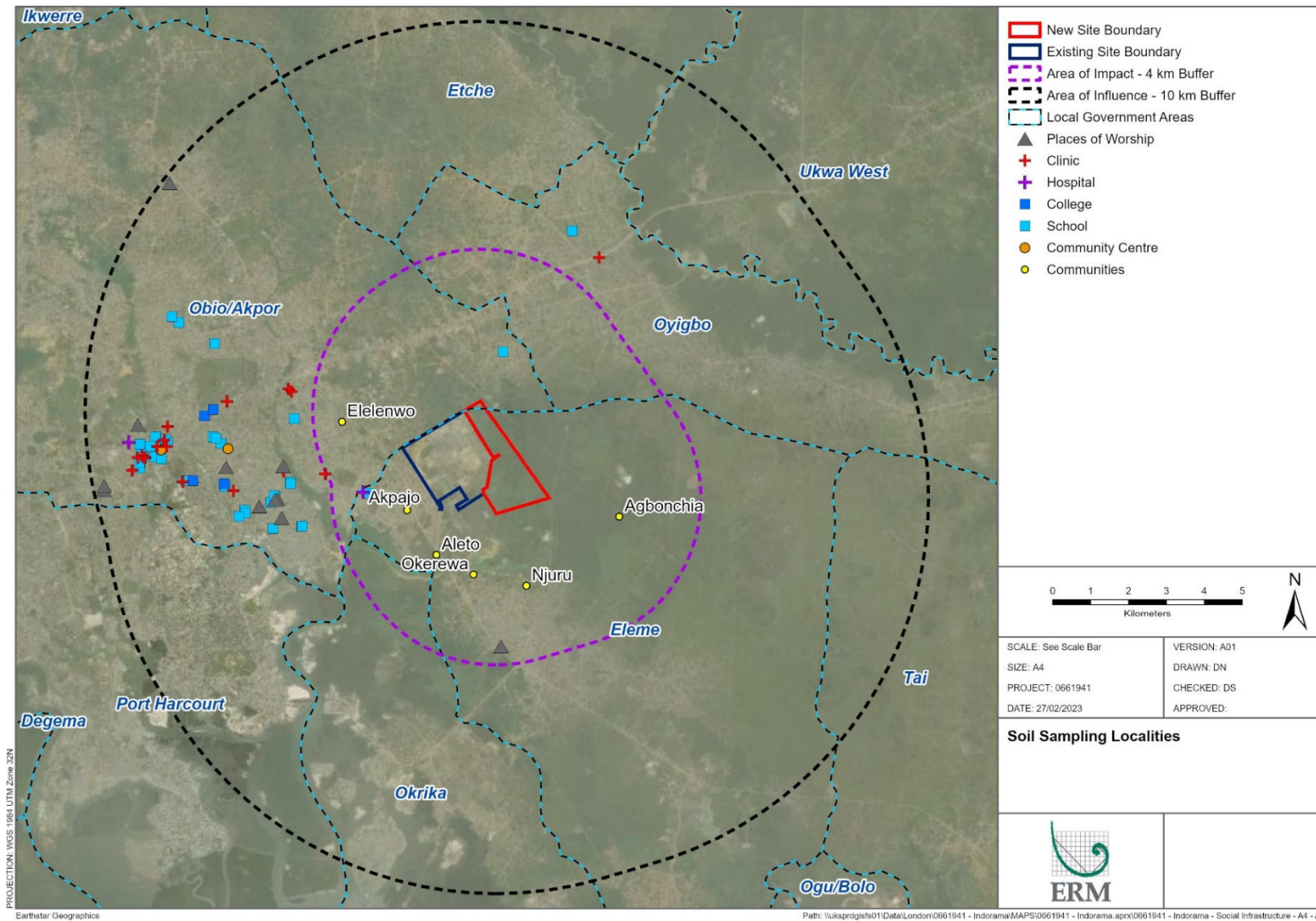


Figure 4-1 Host Communities

## 4.2 Stakeholder Analysis and Prioritisation

It is not practical, and not necessary, to engage with all stakeholder groups with the same level of intensity all the time. Analysing and prioritizing stakeholders is important to determine appropriate engagement methods. Given the dynamic nature of stakeholder and community contexts, stakeholder analysis will be revisited throughout the Project lifecycle.

**Given that the Train 3 Project is in the same locality, and designed in the same manner, as Train 2, ERM has adopted elements of the stakeholder analysis previously conducted for the construction of Train 2 in 2021. Stakeholder engagement conducted thus far for the ESIA process of Train 3 have also been analysed to update previous analysis. The broad groups of stakeholders identified in**

Table 4-1 have been further analysed below in terms of potential influence on Project activities and level of support for the Project (Table 4-2). An engagement approach is also suggested for each category of stakeholder (Table 4-3).

**Table 4-2 Impact-Support Matrix**

Stakeholder Cluster	Influence Level	Support Level	Engagement Approach
Environmental and Permitting Authorities	High	High	Work Together
Regional Government	High	High	Work Together
Local Government	High	Medium	Keep Engaged
Traditional Leaders	High	Medium	Keep Engaged
Community Leaders	High	Medium	Keep Engaged
Directly Affected Communities	Medium	Medium	Keep Engaged
Women	Low	Medium	Keep Informed
Youth	Medium	Medium	Keep Informed
Existing Natural Resource Users	Low	Low	Keep Informed
Civil Society Groups	Low	Medium	Keep Informed

**Table 4-3 Summary of Potential Engagement Approaches**

Engagement Approach	Process
Work Together	<ul style="list-style-type: none"> <li>• Share information.</li> <li>• Consult on key Project issues.</li> <li>• Collaborate on Project delivery.</li> </ul>
Keep Engaged	<ul style="list-style-type: none"> <li>• Share information.</li> <li>• Consult on key Project issues.</li> </ul>
Keep Informed	<ul style="list-style-type: none"> <li>• Share information.</li> </ul>
Show Consideration	<ul style="list-style-type: none"> <li>• Share information.</li> <li>• Consult on key Project issues.</li> </ul>

Priority should be given to stakeholders that are highly influential including those that are both supportive and unsupportive.

Engaging stakeholders who are unsupportive and influential, or those with deep-rooted challenges, requires engagement with pro-active and hands on approach. Effective engagement typically combines approaches - from informing to activities such as consultation or collaboration. In analysing these stakeholders - and developing an approach to engagement, consideration has also been given to:

- Level of interest in the Project/operation;
- Anticipated impact of the Project on the stakeholder;
- Vulnerability status of the stakeholder; and
- Relationships with high influence stakeholders, including their ability to influence these stakeholders.

Stakeholders that have low influence but are unsupportive should be monitored closely, with a particular focus on their ability to influence, and their relationships with, other stakeholders. Less intensive forms

of engagement such as monitoring or disseminating information will be adequate for engaging less influential, supportive stakeholders. Individual stakeholders can share a collective voice and access to legal guidance and resources thereby becoming more influential. Considering the outcomes of the stakeholder analysis, the high priority stakeholders for this Project are:

- Environmental and Permitting Authorities;
- Federal government;
- State government
- Local government;
- Traditional leaders; and
- Community leaders.

### 4.3 Stakeholder Engagement – Structures, MOUs, Committees, Processes and Strategies

#### 4.3.1 Introduction and Objectives

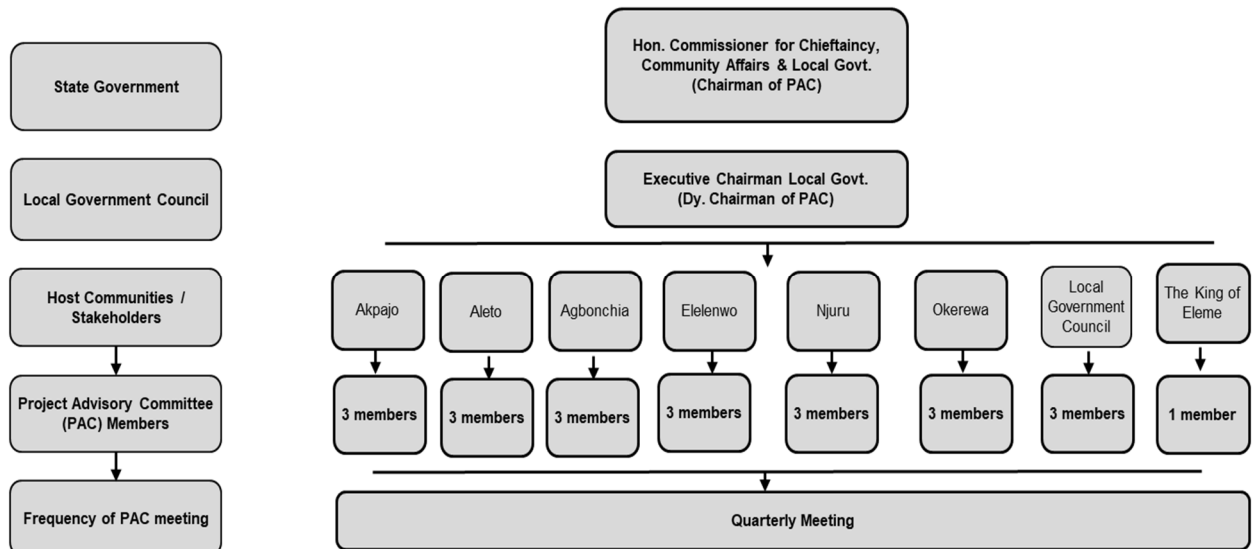
Having identified the level of interest of each of the stakeholder in the previous section, the engagement plan attempts to identify a structure through which it is possible to build and maintain constructive relationships throughout project life cycle. The level of engagement with each stakeholder varies in accordance with the interest and influence the stakeholders have on the project. In particular, the stakeholder engagement plan focusses on the following:

1. Establishing a structure of engagement with each stakeholder.
2. Defining the process of engagement and engagement methods.
3. Defining the roles and responsibilities of the engaging parties.
4. Developing a strategy and timetable for sharing of information.

#### 4.3.2 Host Community Engagement Structure:

***Rivers State Govt. has constituted a Project Advisory Committee (“PAC”), which comprises representatives from six (6) Host Communities, Rivers State Govt. and Eleme Local Govt.***

Host communities select their representatives for PAC through traditionally established democratic process and make their recommendations to the Ministry of Chieftaincy and Community Affairs. Thereafter, the Hon. Commissioner for Chieftaincy and Community Affairs appointments recommended community representatives as members of PAC.



**Figure 4-2 Host Community Engagement Structure**

*Composition of Project Advisory Committee:*

The PAC is the most important engagement route towards the effective engagement of host communities.

**Table 4-4 Composition of the PAC**

Representing Body	No of members
Communities	18 in Total (3 members per each community representing six host communities. It is mandatory that 1 member is a woman from each community)
Palace of Eleme King	1
Local Government	3
Chairman of Local Government	1
Rivers State	1
Company	4
Total	28

The Commissioner of Chieftaincy and Community relations of the Rivers State Government is the Chairman of the PAC while the Chairman of the Local Government is the Deputy Chair. IEFCL is represented by the Managing Director, Chief Financial Officer, Head of Community Relations and Head of Human Resources.

Finalisation of MOU between IEFCL and host communities is one most important role of PAC on behalf of the communities. MOU provides the framework for the binding covenants for mutual respect and peaceful co-existence for both IEFCL and host communities. MOU also sets out commitments for community development projects, employment, contracts and supplies, skill acquisition programmes, micro grant for women, scholarship for university students and youth entrepreneurship scheme, homage for traditional institutions etc.



### 4.3.3 Stakeholder Engagement – MOUs, Committee, processes and strategies

#### Memorandum of Understanding with Host Communities

As described in the stakeholder identification, the host communities are the communities whose rights of occupancy of the 903 hectares (which includes 250 hectares where Train 3 is being proposed) of farmland were revoked by the Rivers State Government for Nigerian National Petroleum Company in 1984. The revocation was to facilitate NNPC to establish erstwhile Eleme Petrochemicals (EPCL). Subsequent the acquisition of EPCL by Indorama, IEFCL continues to recognize them as the host communities.

IEFCL and the Host Communities signed the first Memorandum of Understanding (MoU) in 2007. The present MOU, for the period 2023 – 2025, is the 6<sup>th</sup> MOU and a testimony of commitment towards collaboration for mutual coexistence and sustainable development. This MOU includes the following key agreements:

1. Definition of duties and obligations of both parties for a conducive working blueprint;
2. An outline of the obligations of both IEFCL and the Communities (as per Table 4-5); and
3. A dispute resolution mechanism.

**Table 4-5 Key obligations as per the Host Community MOU**

Obligations of IEFCL	Obligation of the Host Communities
Recruitment of eligible staff from host communities covering a minimum of 10% management staff, 20% senior staff and 60% Junior Non-technical Staff	No interruption or disruptions to the operations of IEFCL. Ensure that no assets of IEFCL shall be seized or encroached upon at all times
Organize career development programs to guide youths in host community.  Budgetary provision for following socio economic and capacity building programmes: <ul style="list-style-type: none"> <li>• Community development projects</li> <li>• Micro Grant for women</li> <li>• Scholarship for student students studying in universities and polytechnics.</li> <li>• Skill Development Programmes for young men and women</li> <li>• Youth Entrepreneurship Scheme for start-ups.</li> </ul>	Indigenes of the Host Community including Contractors shall remain committed to the MOU.
Reserve contracts of lower technical content exclusively for indigenous contractors. Examples of contracts – Cleaning, Housekeeping, Grass cutting, non-industrial waste disposal, bagging operations, fumigation, forklift operation, loading and offloading, preferential award of contracts for catering, security services, transportation etc.	Guarantee the performance of all host community contractors.

<p>In line with Company's deep respect, admiration and appreciation for the host communities' traditional institutions, Company shall pay annual homage to the host communities through their Chiefs and Traditional rulers</p>	<p>Provide conducive and congenial atmosphere to IEFCL to operate.</p> <p>No disturbance or harassment of third-party contractors of IEFCL.</p>
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### *Process of nomination of PAC members by the Community*

Each of the communities have a Council of Chief headed by the paramount ruler of the community. Every family within the community has a representative in the council of chief to ensure that all families within the community are equitably represented.

Council of chief of each host community, select a community member to represent them in PAC. The selection of the members is based on the personal integrity, services rendered to the community and their impeccable track record in community services.

The nomination is a consultative and democratic process and ensures fair representation of various groups within the communities. Since each community can nominate three members, the representation of various interest groups within the community increases substantially. PAC members are nominated on rotational basis to cover all family units over a period of maximum two years.

It may also be noted that the process of selection is completely within the purview of the communities with no influence whatsoever from IEFCL. PAC is an independent platform and caters to host communities' interest on the activities of IEFCL irrespective of project life cycle and is not for "a" project.

### *Role of Rivers State Government and Local Government in PAC*

The Rivers State Government and Local government are represented in the PAC through the Commissioner of Chieftaincy and Local Government Chairman respectively. Their role is to bring in the views of the Government as well as to regulate the proceedings of the PAC.

### *Process of Engagement on Employment*

As part of the guidelines, IEFCL notifies the PAC regarding the projects having the potential to provide additional employment. The notification includes employment requirements and qualification criteria. Due to administrative reasons, an employment subcommittee is formed with representation from each community to interact on employment matters. The subcommittee send CVs of prospective candidates to the Community Relations and Development Department (CR&D). The CR&D prepares the list of shortlisted candidates to project team to carry out the recruitment process in accordance with HR guidelines. It is to be noted that the indigene candidacy is always retained, and preferential allotment is maintained.

For major construction activities, the employment engagement philosophy is the same as described above. Instead notifying the project team CR&D sends the CVs to the construction contractor directly.

The following guideline is followed for community workmen:

1. Unskilled : 60% from Host Communities
2. Semi-Skilled : 30% from host communities
3. Skilled : 20% from Communities

IEFCL monitors the compliance of the above on a monthly basis from the reports of the Construction Contractor and reports the same in the PAC meetings.

For certain services, such as grass cutting, gardening, housekeeping etc, 80% of the employment is from the host communities. Similarly, 90% of the drivers engaged are from host communities.

### *Process of Engagement on Subcontracting and Supplies*

All the subcontracting for non-technical works such as catering services, providing helpers, horticulture etc are awarded to host communities thru the subcommittee on Contracts within the PAC in accordance with the MOU. The subcommittee engages the indigenous contractor's forum, and the engagement process is similar as described in previous section.

During the construction, the supply of aggregates, sand etc are supplied thru host community contractors. PAC notifies the details of such contractors to the construction contractor for further direct engagement.

It may also be noted that IEFCL monitors the compliance of the above on monthly basis.

### *Process of Engagement of CSR Projects*

PACs subcommittee on CSR projects receives the details of CSR projects from communities which are passed on to IEFCL. After the assessment of the projects establishing the feasibility in line with the MOU, Communities nominate a contractor within their community for execution of the project. Company provides advance payments as well further milestone payments in line with project progress.

Any spill over / unfinished CSR budget within the MOU term is continued and carried forward for completion. In other words, the unfinished projects of the previous MOU are also monitored by IEFCL for culmination.

### *Process of Engagement for providing Scholarship*

PACs subcommittee on scholarship oversee the awarding of scholarship to meritorious students from host communities. Scholarship is granted through the process of qualifying test. Since 2009 company has granted more than 437 scholarships for young men and women. The year wise overview of scholarship granted is given below:

Scholarship Batches	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total
Batch 1	15	15	15	15										60
Batch 2		15	15	15	15									60
Batch 3				15	15	15	15							60
Batch 4					15	15	15	15						60
Batch 5						15	15	15	15					60
Batch 6								15	15	15				45
Batch 7									12	24				36
Batch 8											28			28
Batch 9												28	In view	28
<b>Total</b>	<b>15</b>	<b>30</b>	<b>30</b>	<b>45</b>	<b>45</b>	<b>45</b>	<b>45</b>	<b>45</b>	<b>30</b>	<b>34</b>	<b>28</b>	<b>28</b>		<b>437</b>

### *Process of Engagement for Skill Development Programme:*

MOU makes budgetary allocation for skill acquisition programmes. During 2022 more than 200 young men and women successful completed skill acquisition programmes in various vocational trades such as welding and fabrication, Scaffolding, Rigging, Electrical Wiring and Installation, Grinding, Tile fixing, Paint Production and Painting, Fish Farming, Catering, Bead Making, Cake Baking and Pastry, Hair Dressing, Tying of Gele and Soap / Perfume making etc. in addition 49 women successfully completed skill acquisition programme on Hair Dressing trade which was only for women.

### *Process of Engagement for providing Micro Grant:*

The object of this programme is to empower women enterprises by providing micro-grants small scale and micro-businesses such as home bakeries, grocery shops, tailoring, food stalls, etc.; women subcommittee of PAC directly supervises the selection of deserving beneficiaries in consultation with council of chiefs in their respective communities.

### *Process of engagement for Youth Entrepreneurship Scheme:*

Community Relations Department directly identifies youth entrepreneurs who are self-employed and managing small business and provided working capital support for further expansions such as welding and fabrication workshop, motor repair workshops, bakery, fish farming, poultry etc

### *PAC meetings*

PAC meetings have a structured agenda mainly covering the major deliverables as per the MOU in the engagement structure described earlier. The minutes of the previous meeting is read out and accepted after incorporating all comments. This is followed by the agenda items which are concluded under the guidance of the Commissioner of Chieftaincy.

### *Engagement of Host Community Youth*

Youth is identified as one of the vulnerable groups. In view of this company has developed systems for focussed engagement with the youth. The engagement structure of the youth forum is therefore directly by the Community Relations and Development Department of IEFCL (CR&D).

### *Structure of the Youth Forum*

Youth forum exists in each community. The presidents of each youth forum come together alongside few more members (two members from each community) nominated by the host community chiefs to form the host community youth forum. The objective of the youth forum is primarily for their empowerment.

### *Process of Engagement*

There is a focused of MOU between IEFCL and host community youth forum. The primary aspiration of the youth forum is office upkeep, employment, contracts / supplies during construction.

### *Engagement of Women*

To promote gender diversity and enhance participation women in collective decision-making process it has been made mandatory that all six (6) host communities must nominate one (1) woman members in Project Advisory Committee (PAC)

### *Process of Engagement with Union during construction phase*

Trade Unions Act (Amended) 2005, Third Schedule provides the jurisdictional scope for National unions. In line the with jurisdictional scope provided in **Trade Unions Act National Union of Civil Engineering, Construction, Furniture and Wood Workers** (NUCECFWW) has been organising the workmen during Train1 and Train2. There was an elected Branch Executive Committee and Collective Bargaining Agreement. NUCECFWW will organise the workmen connected to Train 3 construction.

### *Process of engagement of Unions during Operation Phase*

Trade Unions Act (Amended) 2005, Third Schedule provides the jurisdictional scope for **National Union of Chemical, Footwear, Rubber, Leather and Non-Metallic Employees** (NUCFRLANMPE) and **Non-metallic Senior Staff Association** (CANMPSSAN) to organise the junior and senior employees

respectively. NUCFRLANMPE and CANMPSSAN has inaugurated Branch Elected Committee (BEC) in IEFCL since 2018. Company successfully finalised two (2) collective bargaining agreements (CBAs)

### *Engagement of Welders and Fitters Association*

Each contractor needs large numbers of welders and fitters for every project. All welders and fitters in the host communities gets affiliated to the “Welders and Fitters Association”. This is an independent organization for the welders and fitters and CR&D liaises between the association and construction contractors. The contractors further negotiate the rates with the association along with productivity commitments.

### *Engagement of other stakeholders*

The professors / teachers are periodically engaged to bridge the gap between theory and practical through industrial visit / trainings, engaged for recruitment process and support for research and development.

The media group is being engaged to provide info from source and for coverage of CSR activities /projects.

## 5. SUMMARY OF PREVIOUS ENGAGEMENT

As the Project is an extension of an existing operational site, stakeholder engagement by Indorama has been ongoing since 2007. Relational contexts, ways of working, and perceptions of the existing operations will all influence the perceptions of the Project, and should be taken into consideration when implementing the SEP.

In terms of engagements specific to the IEFCL Train 3 Project, Table 5-1 highlights what has taken place to date.

**Table 5-1 Summary of Previous Engagements**

Date	Stakeholder	Purpose	No. of attendees
14 July 2021	<ul style="list-style-type: none"> <li>Environment Assessment Department (EAD) of Federal Ministry of Environment</li> </ul>	Discuss proposed IEFCL Train 3 Project and draft Terms of Reference for Institutional Consultation	10
26 July 2021	<ul style="list-style-type: none"> <li>Federal Ministry of Environment</li> <li>Rivers State Ministry of Environment</li> </ul>	Site verification required for Project categorization	7
20 August 2021	<ul style="list-style-type: none"> <li>Federal Ministry of Environment</li> <li>Rivers State Ministry of Environment</li> <li>Eleme Local Government Area</li> <li>Directly Affected Communities</li> <li>Traditional Leaders and Community Leaders</li> <li>Vulnerable Groups</li> <li>Civil Society and Interest Groups</li> </ul>	Scoping workshop for ESIA, Terms of Reference and Scope of Work	89
10 November 2021	Agbonchia community stakeholders: <ul style="list-style-type: none"> <li>The Paramount Ruler of Agbonchia</li> <li>Community Chairman</li> <li>Youth President and Executives</li> <li>Women group</li> <li>Youth Rep. of Eleme Youth Council</li> <li>Agbonchia Community Members</li> </ul>	Inform participants of the proposed Train 3 Project scope; environmental, social, economic and health aspects. Discuss possible impacts of the Project and obtain community perspectives (expectations, benefits, perceptions etc.).	77
11/12 November 2021	Njuru and Akpakpan community stakeholders: <ul style="list-style-type: none"> <li>The Paramount Chief</li> <li>Community Chairman</li> <li>Security Guards</li> <li>Youth President/Leader</li> <li>Women Leader and women groups</li> </ul>	Inform participants of the proposed Train 3 Project scope; environmental, social, economic and health aspects. Discuss possible impacts of the Project and obtain community perspectives (expectations, benefits, perceptions etc.).	100
9 November 2021	Okerewa community stakeholders: <ul style="list-style-type: none"> <li>The Paramount Ruler Chief of Okerewa Community</li> <li>Community Chairman</li> <li>Youth President and Executives</li> <li>Women Leader and Executives</li> <li>Representative of Youths from Eleme Youth Council</li> </ul>	Inform participants of the proposed Train 3 Project scope; environmental, social, economic and health aspects. Discuss possible impacts of the project and obtain community perspectives (expectations, benefits, perceptions etc.).	99

Date	Stakeholder	Purpose	No. of attendees
	<ul style="list-style-type: none"> <li>• Cross section of Okerewa Community Members</li> </ul>		
8 November 2021	<p>Aleto community stakeholders:</p> <ul style="list-style-type: none"> <li>• The Paramount Ruler of Aleto Community</li> <li>• Aleto Community Development (CDC) Chairman</li> <li>• Fishermen and Hunters Association</li> <li>• Host Community Youth President</li> <li>• Women Leaders and Executives</li> <li>• Cross section of Aleto Community</li> </ul>	Inform participants of the proposed Train 3 Project scope; environmental, social, economic and health aspects. Discuss possible impacts of the Project and obtain community perspectives (expectations, benefits, perceptions etc.).	65
5 November 2021	<p>Akpajo community stakeholders:</p> <ul style="list-style-type: none"> <li>• The Paramount Ruler of Akpajo</li> <li>• Community Development Committee (CDC) Chairman</li> <li>• Fishermen and Hunters</li> <li>• Host Community Youth President</li> <li>• Women Leader</li> </ul>	Inform participants of the proposed Train 3 Project scope; environmental, social, economic and health aspects. Discuss possible impacts of the Project and obtain community perspectives (expectations, benefits, perceptions etc.).	102
15 November 2021	<p>Elelenwo (Wakoahu Family) Stakeholders:</p> <ul style="list-style-type: none"> <li>• Community Development Committee (CDC) Chairman</li> <li>• Host Community Youth President</li> <li>• Women Leader</li> <li>• Cross section of Wakoahu community</li> <li>• Wakoahu Youth Leader and Executive</li> <li>• Wakoahu PAC member</li> </ul>	Inform participants of the proposed Train 3 Project scope; environmental, social, economic and health aspects. Discuss possible impacts of the Project and obtain community perspectives (expectations, benefits, perceptions etc.).	94
7 December 2021	Project Advisory Committee (PAC)	Inform the PAC of the proposed Train 3 Project scope; environmental, social, economic and health aspects. Clarify the roles and responsibilities of the PAC with regards to the Project.	21
13 January 2023	FMEEnv, RSMEnv, Eleme LGA and King of Eleme Kingdom with Council of Chiefs, Paramount Rulers of respective Communities, Elders, Women and women leaders, Youths, NGOs, Civil societies, Farmers, Traders, Fishers, students etc.	A broader engagement to further educate participants on the proposed Train 3 project scope, environmental, social, economic and health aspects. Possible impacts of the project and community perspective (expectation, benefits, and perception etc.)	121

## 5.1 Existing Stakeholder Concerns

The following high-level stakeholder concerns have been captured based on those engagements undertaken for the Project to date and as outlined in Table 5-1. For detailed information regarding each stakeholder group and the various community areas, refer to the *Report on Stakeholder Engagement done during ESIA Process of "IEFCL-Train3 Project"* (17 February 2023).

- **Increase in Traffic Volumes:** Further deterioration of already poor roads due to increased traffic volumes.
- **Population Influx:** Increase in migrant workers and jobseekers.
- **Environmental Impacts:** Negative impacts on the natural environment and biodiversity such as groundwater, surface water, and air pollution.
- **Socioeconomic Benefits:** Distribution of employment, procurement, and corporate social investment benefits between communities, and a perceived insufficiency of such interventions given the scale of need in the area.
- **Ongoing Engagement:** A perceived lack of sufficient ongoing engagement between Indorama and host communities.



## 6. ORGANISATIONAL CAPACITY

This *Section* sets out the internal capacity commitments that IEFCL has in order to achieve successful implementation of stakeholder engagement planning and strategy, and to ensure the overall success of stakeholder management.

### 6.1 Management Structure

The organisational structure of the IEFCL Train 3 team is presented in **Error! Reference source not found.**, and further detail on key roles is provided below.

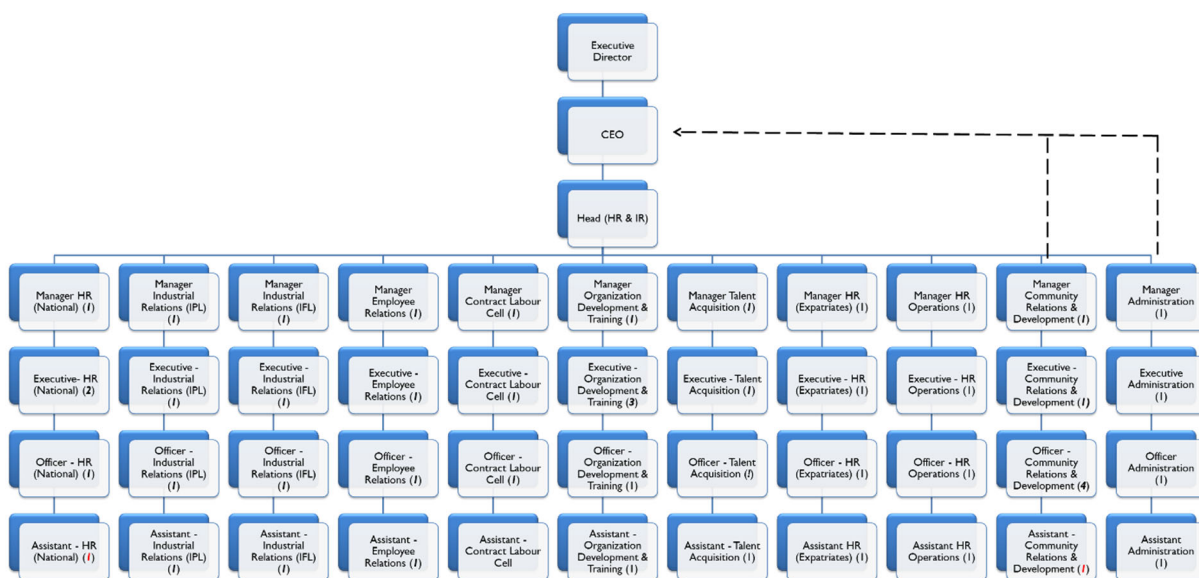


Figure 6.1: Management Structure – Stakeholder Engagement

#### 6.1.1 Head: Human Resources (HR) and Industrial Relations

- Responsible for Manpower planning and budgeting, recruitment, HR policy framework, organization structure, compensation philosophy and HR processes
- Management Industrial Relations, Employee Relations, and collective bargaining process
- Management of employee grievance management and disciplinary procedure
- Contract Labour Management, policy framework, wage structure and CBA
- Supervision of community relations and community development (CSR)
- Performance management system, Increments, Promotions. Plan and monitor employee High Potential Development Plan:
- Career Planning and Development – identification of critical roles and critical talent and management of development plan
- Training and development- identification of critical capabilities and development, training need identification, annual training calendar, budgeting, and planning.
- Organizational Development initiatives: change management, ESG, digitalization of HR processes, job evaluation, employee engagement survey, diversity, and inclusion programmes
- Management of global social sustainability performance standards
- Supervision of employee welfare and administration

- Statutory compliance – Immigration Law, Pension, Life Insurance, NSITF, ITF, PAYE, Employment Law,
- Overall responsibility for all stakeholder engagement activities.
- Provide sufficient and competent resources, including budget, for effective implementation of the SEP.
- Continuously update stakeholder information (contact details).
- Support the Corporate Communication Department in organizing, sponsoring, and attending events on behalf of IEFCL as required.
- Review performance indicators and issues with the Managing Director and Project Management at Project Stewardship Reviews.
- Elevate issues (as appropriate) should they emerge urgently and outside of Project Stewardship Reviews.

### **6.1.2 Head: Community Relations and Development**

- Build and maintain strong working relationships with key stakeholders and manage stakeholder engagement activities within all communities.
- Communicate with communities, contractors, and subcontractors around Project plans, progress, impacts and benefits.
- Prepare the list of shortlisted community candidates for the Project team to carry out the recruitment process in accordance with HR guidelines.
- Monitor the compliance of local content on a monthly basis from the reports of the Construction Contractor and report the same in the PAC meetings.
- Identify community needs for social development or engagement requirements and required logistics.
- Act as mediator between company and stakeholders (communities, Government structures, Traditional structures, non-governmental organisations, etc.).
- Champion the implementation and monitoring of the Grievance Redress Process (see Chapter 9).
- Monitor and prioritize relevant political and social intelligence in the areas of operation for IEFCL and report this information in a timely manner through line management.
- Advise management on the outcomes of stakeholder engagement activities and programs.

Assist the HR during the recruitment process by soliciting community requirements.

### **6.1.3 Community Relations Officer**

- Provide feedback to the Community Relations and Development Manager on concerns raised by the community and traditional structures.
- Facilitate the internal review of quantitative and qualitative community engagement data.
- Facilitate community engagement meetings across the Project area.
- Assist in the preparation of various reports and publications.

### **6.1.4 Corporate Communications Manager**

- Responsible for the disclosure of Project information and public consultation activities.
- Responsible for sustaining relationships and communicating with Government entities and the media.

- Responsible for internal communications with staff and contractors concerning occupational health and safety.
- Participate in all relevant corporate and community events and provide proactive advice, develop and implement plans on engagement and stakeholder matters where needed.

## 7. STAKEHOLDER ENGAGEMENT PLAN

This SEP covers stakeholder engagement activities for the ESIA and includes a framework for post-ESIA engagement (i.e., pre-construction, construction, operational and decommissioning phases) of the Project.

### 7.1 Engagement Phases

A summary of all engagement activities is presented in Table 7-1. As the SEP is a working document, this Plan will be updated should the need arise for more intensive engagement with certain stakeholder groups or should there be a substantial change to the Project plan.

**Table 7-1 Stakeholder Engagement Phases and Activities**

Engagement Phase	Engagement Activities
<b>ESIA</b>	Public involvement in scoping workshop
	Further public participation and stakeholder engagement
	ESIA disclosure
	ESIA comment and objection
<b>Pre-Construction</b>	Monitor implementation of subsisting MOU 2023 – 2025
	Quarterly engagement with PAC
	Provide quarterly project updates
	Engagement with employment sub committee
	Engagement with PAC sub committees on employment, community development projects, grievance management, skill acquisition programme, scholarship, micro grant etc.
	Review of grievance and grievance tracking
	Engage local authorities, traditional rulers, and community leaders for briefing the completion of ESIA process and commencement of construction phase of the project
<b>Construction Phase</b>	Provide monthly project updates
	Quarterly engagement with PAC
	Monthly engagement with youth
	Monitoring of grievances
<b>Operational Phase</b>	Quarterly engagement with PAC
	Provide broader project updates as required
	Monitoring of grievances
<b>Decommissioning Phase</b>	Announcement of intended decommissioning
	Quarterly engagement with PAC
	Provide broader decommissioning updates as required
	Monitoring of grievances

#### 7.1.1 ESIA Phase

This phase involves engagement activities related to the completion of the ESIA process, and subsequent disclosure of the ESIA findings. Engagement activities include:

## *Public Involvement in Scoping Workshop*

As per Nigerian environmental regulations, a public hearing may be requested during the scoping phase to adequately determine the Terms of Reference of the ESIA. This requirement was made known to IEFCL by the FMEnv, and the workshop in question was held on 21 August 2021 with 89 stakeholders.

## *Further Public Participation and Stakeholder Engagement*

Where the ESIA process has identified information gaps or further public participation requirements, these must be completed by IEFCL prior to the completion of the ESIA and records and findings should be attached as an addendum to the ESIA document. This should be conducted as per the FMEnv requirements.

## *ESIA Disclosure*

Following the completion of the ESIA, findings should be disclosed to all stakeholders. In compliance with the EIA Act, No. 86 of 1992, once the ESIA is under review by the FMEnv the ESIA documents may be requested by the FMEnv to be disclosed publicly for 21 days. Locations to display the documents should include:

- Eleme Local Government Area offices;
- Rivers State Ministry of Environment Offices;
- The Federal Ministry of Environment Headquarters; and State office

## *ESIA Comment and Objection*

IEFCL must make reasonable opportunity available to stakeholders to comment or object to the ESIA findings. This will be conducted in compliance with EIA Act of 1992 (amended 2004) and will include advertisements in local newspapers and radio announcement to invite the public to participate in the ESIA review process, where necessary. Where the comments or objections are deemed reasonable and eligible, IEFCL will endeavour to address them through an updated Project design or through further engagement with the objecting stakeholders.

### **7.1.2 Pre-Construction Phase**

This phase outlines engagements that will be undertaken post the ESIA process but prior to the commencement of construction.

## *Memorandum of Understanding with Host Communities*

IEFCL has successfully signed sixth (6<sup>th</sup>) Memorandums of Understandings (MOUs) with host communities since 2007. To ensure continuity and mitigation of potential risks regarding commitments enshrined, the Proponent will ensure implementation of existing MOU (2023 – 2025) during construction, and that this MOU will explicitly govern the construction and operation of the Train 3 Project. The issues to be addressed in the MOU are:

- Preferential recruitment quotas from host communities.
- Skill Acquisition Programmes for host community youth.
- Access to micro-credit schemes for women from host communities.
- Ring-fencing of non-technical and non-core contracts for host community contractors.
- Provision of scholarships to host community students in universities and polytechnics.
- Provision of funds for community development projects in host communities.
- Terms of engagement between the Project and Traditional rulers and community Leaders in the area.

## Quarterly Engagement with PAC

During the pre-construction phase, the PAC should be engaged on a quarterly basis to establish the roles and responsibilities of the committee with regards to the Project, as well as to capacitate them to discharge these responsibilities. Furthermore, the PAC will receive updates on the progression of planning for construction commencement. The PAC will play an important role in continually communicating relevant Project information with communities and other stakeholders.

## Provide Quarterly Project Updates

IEFCL will continue to provide feedback and updates to stakeholders regarding the progression of planning for construction commencement, as well as any other pertinent information to be disclosed. This feedback will be provided primarily through the PAC, with the option to include broader engagement with traditional and community leaders where this is considered necessary.

## Engagement with Employment and Business Forums

Reference should be made to the *Local Hiring Plan for Construction and Operation phase of IEFCL Train 3 Project* (Indorama Eleme Fertilizer and Chemicals Limited, 3 February 2023) prior to engaging stakeholders on this issue.

## Grievance Management Procedure (GMP)

IEFCL has well established Grievance Management (GMP) System since the time of Train 1 and Train 2. Grievance management system undergone substantial improvements from time based on the feedback received from stakeholders, Lenders and LIESA<sup>4</sup>. Present GMP will be extended to Train 3 during both construction and operation phase.

### 7.1.3 Construction Phase.

#### Provide Project Updates

Periodic updates regarding the progression of construction, as well as any other pertinent information to be disclosed, will be provided through engagements with traditional and community leaders, as well as youth structures, and any other stakeholders deemed necessary as determined by the proposed outcomes of the engagement. These will be supplemented with quarterly engagements with the PAC.

#### Quarterly Engagement with PAC

Throughout the construction phase, IEFCL will meet with the PAC quarterly. The PAC will serve as the main vehicle of communication between the Project and host communities. The PAC will, at a minimum, discuss the following issues:

- Employment opportunities for local communities, and monitoring of achievement of quotas.
- Subcontracts / procurement opportunities for contractors from communities, and monitoring of local content achievement.
- Community development projects.
- Provision of scholarships and vocational training.
- Micro Grant for women

Engagement with the PAC will be appropriately documented through capturing of minutes, action items, as well as updating the Project's commitment register.

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<sup>4</sup> Lead and Independent Social Advisor

### *Monthly Engagement with Youth*

As a designated vulnerable group, the Project will engage with youth monthly to discuss opportunities for empowerment and socio-economic development throughout the construction phase.

### *Monitoring of Grievances*

At the commencement of construction, the Project will actively monitor grievances raised against IEFCL or sub-contractor staff, as per the process outlined in Section 9 (Grievance Management Procedure). Where recurring grievances are identified, IEFCL will actively engage with stakeholders and aggrieved parties to address the cause of such recurring grievances.

#### **7.1.4 Operational Phase**

### *Quarterly Engagement with PAC*

The Project will continue to engage with the PAC as prescribed in the existing MOU.

### *Provide Broader Project Updates as Required*

IEFCL will continue to provide broader feedback and updates to stakeholders beyond the PAC regarding the operation of the Project, as well as any other pertinent information to be disclosed such as environmental exceedances and corrective measures to be implemented. Such engagements will take place on an *ad hoc* basis as the need arises, and the necessary stakeholders will be determined given the engagement objectives.

### *Monitoring of Grievances*

The Project will actively monitor grievances raised against IEFCL or sub-contractor staff throughout the operational life of the Project, as per the process outlined in Chapter 9. Where recurring grievances are identified, IEFCL will actively engage with stakeholders and aggrieved parties to address the cause of such recurring grievances.

#### **7.1.5 Decommissioning Phase**

This section has been written on the assumption that decommissioning will only apply to the Train 3. Project. Should decommissioning of the entire IEFCL plant occur, additional planning beyond the scope of this SEP will need to take place. Furthermore, the below should be considered as guidelines which will be further refined based on contextual factors at the time of decommissioning.

### *Announcement of Intended Decommissioning*

Stakeholders will be informed of the intended decommissioning as soon as reasonably and practically possible, but no less than three months prior to the commencement of decommissioning activities. IEFCL will communicate the intended decommissioning via the PAC, traditional leaders, community leaders, union representatives and youth leaders.

### *Quarterly Engagement with PAC*

During the decommissioning process, IEFCL will meet with the PAC quarterly to discuss the potential impacts of the decommissioning on host communities, as well as how these may be mitigated. Furthermore, IEFCL will discuss plans with the PAC for the timely completion of commitments, as stipulated in the relevant MOUs as signed with the host communities, prior to the completion of decommissioning.

### *Provide Broader Decommissioning Updates as Required*

IEFCL will continue to provide broader feedback and updates to stakeholders beyond the PAC regarding the decommissioning of the Project, as well as any other pertinent information such as anticipated impacts on host communities. Such engagements will take place on an *ad hoc* basis as the need arises, and the necessary stakeholders will be determined given the engagement objectives. Sensitivity will be demonstrated for the potential consequences of decommissioning on livelihoods and socioeconomic opportunities for host communities.

### *Monitoring of Grievances*

At the commencement of decommissioning, the Project will actively monitor grievances raised against IEFCL or sub-contractor staff, as per the process outlined in Section 9 (Grievance Mechanism). Where recurring grievances are identified, IEFCL will actively engage with stakeholders and aggrieved parties to address the cause of such recurring grievances.



## 8. REPORTING, MONITORING, AND EVALUATION

In order to assess the effectiveness of this SEP and associated engagement activities, the Project will implement a data management and monitoring process as part of the overall monitoring of commitments, grievances, and performance.

### 8.1 Reporting

The reporting and monitoring process will include stakeholder participation and ensure that areas of improvement and stakeholder feedback are addressed.

All engagement activities throughout the life of the Project will be documented and appropriately stored in order to track and refer to records when required and ensure delivery of commitments made to stakeholders. The following stakeholder engagement records and documentation will be used:

- **Minutes of the Meeting (MOM) / Resolutions during Stakeholder Engagement:** The proceedings of stakeholder engagements shall be recorded in MOM / Resolutions. In addition, the grievances raised during stakeholder engagement shall be logged in the grievance register. The Community Relations Officer will monitor a log of actions and progress toward implementing these commitments regularly.

The copies of MOM and resolutions will be made available to representatives of stakeholders present in the engagement process in response to addressing issues or grievances or made as part of management or mitigation measures.

- **Meeting Template:** Used to collect full meeting minutes to be captured within the stakeholder database.
- **Stakeholder Database:** A database of all Project stakeholders will be maintained throughout the life of the Project. The database should include contact information (name, contact number, email address, and affiliated stakeholder group). The database should also act as the repository for all stakeholder engagement logs and meeting minutes and should be maintained in such a way for ease of reference and auditing purposes.
- **Grievance Log:** To record all grievances received and progress in resolving them, to identify patterns, avoid recurrent problems and improve IEFCL's overall social performance. Grievances are to be addressed as per the requirements included in the Grievance Management Procedure.

### 8.2 Monitoring

The SEP will be monitored and evaluated regularly using the indicators as recommended by international best practice (e.g., IFC Stakeholder Engagement: A Good Practice Handbook for Companies Doing Business in Emerging Markets (2007)). The monitoring results, both qualitative and quantitative, will be disclosed as required by regulatory authorities and lenders. Suggested monitoring and evaluation activities are outlined below:

- Monitor the grievance register in terms of response times to address complaints logged as well as the recurrence of complaints over time.
- Review and maintain an updated stakeholder list.
- Keep records of all engagement activities.
- Keep a library (electronic or hard copy) of all communication material.
- Develop and assess performance in terms of Key Performance Indicators (KPIs), such as:
  - Number of engagement activities facilitated by stakeholder group and engagement type;
  - Number of attendees at stakeholder engagement activities (expected vs actual);
  - Number of grievances received per annum; and

- Overall perceptions of the Project and company.
- IEFCL (and in particular the head of HR and Industrial Relations) should ensure that the SEP be updated annually based on outcomes of monitoring exercise.
- A revision of the SEP should be conducted every 5 years, if there are any significant changes in stakeholder engagement dynamics.

## 9. GRIEVANCE MANAGEMENT PROCEDURE (GMP)

### 9.1 Introduction

The management of grievances is a vital component of stakeholder management and an important aspect of risk management for the Project. Grievances can be an indication of growing stakeholder concerns (real and or perceived).

IEFCL has a Grievance Management Procedure (GMP) which has undergone significant improvements during Train 1 and Train 2 projects. The same GMP shall be extended to ESIA, construction, and operations phases.

The GMP will actively track and manage external grievances, and the commitments associated with the grievance, to ensure that appropriate actions are taken, and resolutions achieved.

### 9.2 Purpose

The purpose of this Grievance Management Procedure (GMP) is to outline IEFCL's approach to accepting, assessing, resolving, and monitoring grievances from those affected by IEFCL, its Contractors' and activities in relation to IEFCL Train 3. The aim is to identify and manage grievances from individual stakeholders or stakeholder groups. Timely redress or resolution of such grievances is vital to ensure effective stakeholder management.

Grievances can encompass minor concerns, as well as serious or long-term issues. They may be felt and expressed by a variety of parties including individuals, groups, communities, entities, or other parties affected or likely to be affected by the social or environmental impacts of the Project. It is essential to have a robust and credible mechanism to systematically handle and resolve any complaints that might arise to avoid escalation and the realisation of a risk to operations or the reputation of IEFCL (nationally or internationally). If well-handled, an effective grievance management procedure can help foster positive relationships and build trust with stakeholders.

The mechanism for addressing employee grievances is not addressed through this SEP, which is intended to solely manage the interface with external stakeholders. For management of employee grievances, refer to the *IEFCL Employee Grievance Management Procedure* (Indorama Eleme Fertilizer and Chemicals Limited, 29 June 2018).

### 9.3 Scope

This GMP will be applied to stakeholder complaints and grievances, perceived or actual, which relate to the activities of IEFCL, and its Contractors' undertaken in relation to all phases of the Project.

A complaint or grievance is an issue, concern, problem, or claim (perceived or actual) that an individual stakeholder or community group has related to Indorama and its contractors' operations and activities. The mechanism does not impede access to judicial or administrative resolutions.

### 9.4 Application

The objective of this mechanism is to:

- Provide a predictable, transparent, and credible process to all parties for resolving grievances, resulting in outcomes that are seen as fair, effective and lasting.
- Build trust as an integral component of broader community relations activities; and
- Enable more systematic identification of emerging issues and trends, facilitating corrective action and pre-emptive engagement.

To maximise the effectiveness of the GMP, IEFCL shall uphold the following values during implementation and operation of the system:

- Commitment to fairness in both process and outcomes;

- Freedom from reprisal for all involved parties – within IEFCL and in the external stakeholder group;
- Clear operating rules, and accountability;
- Validity of all complaints submitted;
- Culturally accessible and applicable;
- Accessible to vulnerable groups of stakeholders; and
- Confidentiality if requested.

## 9.5 Roles and Responsibilities

Implementation of the GMP for the Train 3 Project will be the ultimate responsibility of the Head - Community Relations and Development who will be supported by a wider team. The various roles of the Grievance Management Team are detailed below.

### 9.5.1 Head - Community Relations and Development

The Head - Community Relations and Development will:

- Implement the GMP procedure and management system providing guidance on solutions to complaints and grievances in consultation with the relevant departments and ensure consistency of redress for all grievances received in relation to the Project.
- Promote the GMP to maintain momentum and ensure company wide and community commitment to, and understanding of, its implementation and operation.
- Involvement in the investigation of grievances and the agreement of redress as well as overseeing interaction between various Departments and contractors as well as the senior managers as required.

### 9.5.2 All IEFCL Departments and Contractors

IEFCL Departments and Contractors will:

- Receive and acknowledge any issue, concern, complaint, or grievance from the community, verbally or in writing. They will record the issue and report it to the Grievance Manager in compliance with the GMP.
- Involvement in the investigation of grievances as required depending on the nature and severity of the grievance and as directed by the Grievance Management team.

### 9.5.3 Head Human Resources and Industrial Relations

Buy-in from senior leadership is vital to the success of a GMP, therefore, the Head of Human Resources and Industrial Relations, working through appropriate channels within IEFCL will:

- Ensure that this GMP procedure is applied through all IEFCL and Contractor departments and levels that are undertaking activities related to the Project;
- Apply necessary controls to minimise risks that could result in stakeholder grievances; and
- Contribute to the resolution and closure of any grievances which have international repercussions.

The following resources will also need to be in place:

- An auditable system for receipt, recording and tracking of the process (for example a grievance log, database etc.) shall be in place.
- Dedicated budget for resourcing management of Grievance Mechanism and addressing grievances through financial or in-kind compensation as and when needed.

## 9.6 Grievance Redress Process

The Project's GMP presents a simple process through which stakeholders can submit their complaints free of charge and, if necessary, anonymously or via third parties. Complaints may be submitted in more than one format. The preferable channels for reporting grievances will be confirmed with communities and will be discussed with the community as part of community engagement, primarily using the PAC as a communication vehicle.

The Project's Grievance Redress Process is administered in six steps, as follows:

- Step 1: Receive and log grievance;
- Step 2: Acknowledge grievance;
- Step 3: Assess and Investigate;
- Step 4: Grievance Resolution;
- Step 5: Sign-off on grievance; and
- Step 6: Monitor.

### *Step 1: Receive and Log Grievance*

Grievances can be submitted in writing, telephonically or presented verbally to the Grievance Officer using the following details:

- **In Person:** At the Community Relations and Development office of IEFCL where the grievance officer will be at hand to take down the grievances in the grievance logbook.
- **PAC Representatives, Local Government and Village Chiefs.** The IEFCL Grievance Officer will collect grievances informally through these stakeholders.
- **Electronic:** E-mail address: Kendrick.oluka@indorama.com
- **Traditional means:** Phone number: +2348055064248
- **Letters:** INDORAMA Eleme Fertilizer & Chemicals limited P.M.B 5151 Eleme, East-West expressway Port Harcourt, Rivers State, Nigeria.
- **The Grievance logbook / register** - is placed in every host community. The grievance register is entrusted to PAC member from respective communities who are members Grievance Sub Committee. Grievance subcommittee members interact on regular basis as per the situation. The grievance subcommittee reviews the grievances on monthly basis. Further, grievances are quarterly reviewed in PAC meeting.
- **Face-to-face:** At Quarterly PAC meetings at INDORAMA complex, Town halls and other community meetings (determined by the stakeholder engagement plan)
- IEFCL ensures that any personnel and contractors that could potentially receive claims will be knowledgeable about the grievance management process and ready to accept feedback. IEFCL will stress that there will be no costs or retribution associated with lodging grievances.

To facilitate tracking, evaluation and response to grievances, standardized information should be collected and recorded on the Grievance Recording logbook (Appendix A). The grievance is received by IEFCL or a Contractor representative and is forwarded to the Grievance Manager.

All grievances shall be logged using the Stakeholder Grievance Form (Appendix A). IEFCL will log, document and track all grievances received within the grievance database (refer to Appendix A for an example of a grievance database). Grievances shall be assigned a case number and records of communication/consultation shall all be securely stored within the Grievance database. The database shall be monitored regularly for recurring grievances so that appropriate mitigation can be developed. As a minimum, the following information shall be recorded:

- Log number;
- Complainant's name and contact details;
- Date of complaint;
- Details of complaint;
- History of other complaints / queries / questions (if known);
- Resolutions discussed and agreed with the party(ies) in question;
- Actions implemented (including dates); and
- Outcome of the actions implemented.

### *Step 2: Acknowledging Receipt of a Grievance*

IEFCL shall acknowledge receipt of any grievance within seven days from the date it was submitted and shall inform the complainant about the timeframe in which a response can be expected. If the grievance is not well understood or if additional information is required, clarification will be sought from the complainant.

### *Step 3: Assess and Investigate Grievance*

The following steps shall be undertaken to investigate all grievances:

1. Capture as much information as possible from the person who received the complaint, as well as from the complainant.
2. Undertake a site visit, if required, to clarify the parties and issues involved. Gather the views of other stakeholders including IEFCL employees, if necessary, and identify initial options for settlement that parties have considered.
3. Determine whether the grievance is eligible.
  - Eligible grievances include all those that are directly or indirectly related to the IEFCL Train 3 Project and that fall within the scope of the GMP as outlined above.
  - Ineligible complaints may include those that are clearly not related to the IEFCL Train 3 Project or its contractors' activities, whose issues fall outside the scope of the GMP or where other IEFCL or community procedures would be more appropriate to address the grievance.
4. If the grievance is deemed ineligible it can be rejected, however, a full explanation as to the reasons for this must be given to the complainant and recorded in the Grievance Database.
5. If the grievance is eligible, determine its severity level using the significance criteria in Box 9.1. This will determine whether the grievance can be resolved immediately or requires further investigation and whether senior management will need to be informed of the grievance.
6. If the grievance concerns physical damage, (e.g. crop, house, community asset) take a photograph of the damage and record the exact location as accurately as possible.
7. Inform the complainant of the expected timeframe for resolution of the grievance.
8. Enter the findings of the investigation in the Grievance Database.

IEFCL will aim to resolve any grievances within 30 days from date of receipt. This timeframe can be extended to 60 days for more complex grievances e.g. level 4 grievances (refer to Box 9.1 for the significance rating criteria of grievances), if required, and following communication and engagement with the complainant.

## Box 9.1 Significance Rating Criteria

Significance Level	Type of Grievance	Responsibility
Level 1	A grievance that is isolated or 'one-off' and essentially local in nature and restricted to one complainant. Note: Some one-off grievances may be significant enough to be assessed as a Level 4 grievance e.g. when a national or international law is broken (see Level 4 below)	Grievance Manager
Level 2	A grievance that extends to the local community or region and has occurred more than once, which is judged to have the potential to cause disruption to Indorama operations or to generate negative comment from local media or other local stakeholders	Project Executive
Level 3	A grievance which is widespread and repeated or has resulted in long term damage and/or has led to negative comment from local media, or is judged to have the potential to generate negative media and local stakeholder comments (e.g. damage to a sacred site or flooding of local school)	Project Executive
Level 4	A one-off complaint, or one which is widespread or repeated and, <b>in addition</b> , has resulted in a serious breach of Indorama policies, Nigerian or International Law and/or has led to negative national/international media attention, or is judged to have the potential to generate negative comment from the media or other key stakeholders (e.g. failure to pay compensation where appropriate, e.g. resettlement)	Indorama Chief Executive

### Step 4: Grievance Resolution

All grievances will be dealt with on a case-by-case basis. The approach adopted will seek to facilitate dialogue with complainants and community members to jointly identify and select measures for grievance settlement. This will help to increase ownership of solutions and to mitigate perceptions that resolutions unfairly benefit Indorama.

An incident investigation team from IEFCL may be tasked with seeking resolution to the grievance. This may entail a dialogue or series of dialogues between affected parties to find a solution to the grievance. Alternatively, it may entail investigating the underlying cause of the grievance and action any changes required to internal systems to prevent a recurrence of a similar grievance.

An Incident Investigation Report will be completed within 28 days (considered good practice). During the 28 days of dialogue or investigation, the Grievance Manager will co-ordinate conflict resolution activities necessary to contain and resolve any actual or potential conflicts arising from the reported grievance. If the case is complex and the stated resolution timeframe cannot be met, an interim response will be provided (oral or written) that informs the stakeholder of the delay, explains the reasons, and offers a revised date for next steps.

Where possible, grievances will be addressed directly by IEFCL. The resolution proposal shall be respectful and considered, including a substantiating rationale for the decision and any data used in reaching it. If wider consultation is necessary, grievances will be forwarded to a third party. This third party should be neutral, well-respected, and agreed upon by both IEFCL and the affected parties. These may include public defenders, legal advisors, local or international NGOs, or technical experts. In cases where further arbitration is necessary, appropriate government involvement will be requested.

As a last resort, aggrieved parties have a right to take legal action. This more formal rights-based approach shall only be taken if all other approaches have failed or when there are serious conflicts

about facts and data. The final decision will be taken by the arbitrator or courts based on compliance with laws, policies, standards, rules, regulations, procedures, past agreements, or common practice.

### *Step 5: Closure of Grievance*

The Head - Community Relations and Development will communicate to the complainant(s) that the grievance has been resolved. In instances where the stakeholder is not satisfied with actions taken, the grievance will either:

- Be escalated to senior management and a decision will be taken either to implement supplementary actions or to consider initiating an appeal process;  
OR
- The Grievance Manager will approach a neutral or third party to assist in mediating and resolving the grievance;  
OR
- The Grievance Manager will approach the host country's judiciary to further address the grievance.

Following this process, the Grievance Manager will communicate that actions implemented have resolved the grievance.

The staff member who signs off on the closure of the grievance should have sufficient knowledge about the topic to provide assurance.

Once sign-off has occurred, this should be recorded in the Grievance Log.

### *Step 6: Monitoring and Reporting*

IEFCL management will monitor grievances routinely as part of the broader management of the Project. This entails good record keeping of complaints raised throughout the life of the construction and operation of the Project. On receipt of grievances, electronic notification to management must be distributed. Grievance records must be made available to management at all times.

Quarterly internal reports will be compiled by the Grievance Manager and distributed to the management team. These grievance reports will include:

- The number of grievances logged in the proceeding period by level and type.
- The number of stakeholders that have indicated after 30 days that they are not satisfied with the resolution.
- The number of grievances unresolved after 60 days by level and type.
- The number of grievances resolved between Indorama and complainants, without accessing legal or third-party mediators, by level and type.
- The number of grievances of the same or similar issue.
- The measures taken to incorporate these grievance outcomes into Project design and implementation.

These reports and other records will be made available for external review if required. An appropriate grievance report should form part of Indorama's annual reporting.



## **APPENDIX A GRIEVANCE RECORDING LOGBOOK FORMAT**

S/N (Log Number)	Complaint Registered Date Compliant	Complaint received from (Name of Person and contact details)	Name of community	Complaint Description	History of other complaints / queries / questions (if known)	Investigation/ management action	Closed out	Remark

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**APPENDIX B      COMMUNITY GRIEVANCE MANAGEMENT ANALYSIS AND TRACKING**

S/N	Community	Log Date	Log Description	Grievance Category	Grievance Officer's Remarks	Responsibility	Resolutions discussed and agreed with the party(ies) in question	Actions implemented (including dates);	Closed out / Outcome of the actions implemented	Management Action	Review Date	Review Year	Status	Avg Duration (months)