



**amu
power**

powering Kenya's growth

ESIA Study for 1,050MW Coal Power Project, Lamu County Kenya Grievance Mechanism

Prepared for

Amu Power Company Limited

Report No. KT/4085/SEP/02

July 2016



Kurrent
TECHNOLOGIES
COMPLETE ENERGY SOLUTIONS

ESIA Study for 1,050MW Coal Power Project, Lamu County Kenya Grievance Mechanism

Prepared for:

Amu Power Company Limited

Geminia Insurance Plaza,
Kilimanjaro Ave. Upper hill,
PO Box 61872-00200,
Nairobi, Kenya

Prepared by:

Kurrent Technologies Ltd.

Hass Plaza, 4th Floor,
Lower Hill Road,
P. O. Box 16989 – 00620
Nairobi, Kenya

Compiled by:

Reviewed by:

Ms. Belinda Muya
Sociologist

Mr. Sanjay Gandhi
Team Leader – ESIA Study

Contents

| | | |
|----------|---|-----------|
| 1 | Introduction | 6 |
| 1.1 | Purpose..... | 6 |
| 1.2 | Objectives | 7 |
| 1.3 | Scope and principles | 7 |
| 1.4 | Glossary | 9 |
| 2 | Roles and Responsibilities..... | 12 |
| 3 | Accessibility..... | 18 |
| 4 | Public sensitization campaign | 19 |
| 5 | Workflow | 21 |
| 6 | Grievance Resolution Approach | 22 |
| 6.1 | Approach (I) - APCL proposes a solution..... | 22 |
| 6.2 | Approach (II) - APCL and the complainant jointly decide | 22 |
| 6.3 | Approach (III) - APCL and the complainant/community use traditional practices | 23 |
| 6.4 | Approach (IV) - Escalation to the Appeals Committee..... | 23 |
| 6.5 | Resolution Timeline..... | 24 |
| 7 | Procedure for Resolving Complaints | 26 |
| 7.1 | Grievance Receipt | 26 |
| 7.2 | Grievance Registration..... | 26 |
| 7.3 | Grievance Eligibility Screening..... | 27 |
| 7.4 | Grievance Acknowledgment | 28 |
| 7.5 | Grievance Assessment..... | 28 |
| 7.6 | Response Formulation | 29 |
| 7.7 | Close Out | 30 |
| 8 | Confidentiality | 32 |
| 8.1 | Duty of Confidentiality..... | 32 |

| | | |
|-----------|--|-----------|
| 8.2 | Personal Data | 32 |
| 8.3 | Conflict of Interest | 32 |
| 9 | Grievance Mechanism Performance Monitoring | 33 |
| 9.1 | Monitoring and evaluation | 33 |
| 9.2 | Key performance indicators | 34 |
| 9.3 | Performance reporting..... | 35 |
| 10 | Resource requirements | 36 |
| 10.1 | Proficient personnel..... | 36 |
| 10.2 | Infrastructure | 36 |
| 10.2.1 | Offices | 36 |
| 10.2.2 | Tools and equipment..... | 37 |
| 10.2.3 | Information and grievance collection kiosks..... | 37 |
| 10.2.4 | Dedicated telephone “hotline” | 37 |
| 10.2.5 | Information technology (IT)..... | 37 |
| 10.3 | Efficient systems and processes | 38 |
| 10.3.1 | Electronic documentation..... | 38 |
| 10.3.2 | Reporting and communication | 38 |
| 10.4 | Financial resources..... | 39 |
| 11 | Rollout and communication of Grievance Mechanism..... | 40 |
| 11.1 | APCL internal rollout..... | 40 |
| 11.2 | Public/community rollout | 40 |
| 12 | Appendices | 41 |
| 12.1 | Appendix 1: Grievance registration form..... | 42 |
| 12.2 | Appendix 2: Grievance resolution form | 43 |
| 12.3 | Appendix 3: Grievance close-out form | 44 |
| 12.4 | Appendix 4: APCL Grievance Register | 45 |
| 12.5 | Appendix 5: APCL Grievance Status Tracking Report template | 46 |
| 12.6 | Appendix 6: Potential grievances and proposed resolution measures..... | 47 |
| 12.7 | Appendix 7: Development Phase Grievance Mechanism | 48 |
| 12.7.1 | Possible Grievances that may activate the Development Phase GM..... | 50 |

| | | |
|--------|---|----|
| 12.7.2 | Grievance resolution procedure for the Project Development phase..... | 50 |
| 12.7.3 | Training for the Development Phase GM implementation | 52 |
| 12.7.4 | Community roll-out of the Development Phase Grievance Mechanism | 53 |

List of Tables

| | |
|--|----|
| Table 1: Definition of Terms..... | 9 |
| Table 2: Roles and responsibilities matrix..... | 14 |
| Table 3: Grievance resolution timeframe | 24 |
| Table 4: Potential grievances and proposed resolution measures..... | 47 |
| Table 5: Grievance submission/receipt channels | 51 |
| Table 6: Development phase GM roll-out schedule..... | 53 |
| Table 7: Sample Grievance collection and resolution field visit schedule | 54 |
| Table 8: Sample information sheet | 55 |

List of Figures

| | |
|--|----|
| Figure 1: Proposed organizational structure for GM implementation in the Construction and Operational phases | 13 |
| Figure 2: Grievance Management flowchart..... | 21 |
| Figure 3: Proposed organizational structure for GM implementation during the Project Development phase..... | 49 |

1 Introduction

Amu Power Company Limited (APCL) seeks to build strong relationships with stakeholders and manage the impact of its business activities on affected communities. APCL will aim at minimizing grievances through managing Project impacts and through preemptive community liaison activities designed to anticipate and address potential issues before they become grievances. Nevertheless, it recognizes that complaints about its activities may occur from time to time.

This Grievance Mechanism allows stakeholders to raise questions or concerns with the Company and have them addressed in a prompt and respectful manner. Amu Power Company Limited aims to address all Complaints received, regardless of whether they stem from real or perceived issues and whether the Complainant is named or anonymous. Stakeholders who consider themselves affected by Amu Power Company Limited activities will have access to this Procedure at no cost. The statutory rights of the Complainant to undertake legal proceedings remain unaffected by participation in this process.

Amu Power Company Limited seeks to foster confidence in the process and its outcomes. To this end, it will communicate this Mechanism in an understandable manner to affected stakeholder groups. Confidentiality will be respected and the company will take all reasonable steps to protect parties to the process from retaliation.

1.1 Purpose

This Grievance Mechanism (GM) establishes a formalized procedure (identification, tracking and redress) for addressing Complaints/grievances raised in connection with operations and activities of Amu Power Company Limited and/or its contactors. It will be applicable throughout the project lifecycle. The Mechanism describes the scope and procedural steps for the Complaint handling process and specifies roles and responsibilities of the parties involved. It will be revised and updated periodically (annually at minimum) based on experience and feedback from stakeholders.

NOTE: This grievance mechanism is focused on communities and other stakeholders and does not incorporate commercial and employee–employer related grievances, which should be addressed through other channels.

A grievance is a concern or complaint raised by an individual, group or organization affected by the project during any stage of its development. Grievances may take the form of specific complaints for actual damages or injury, general concerns about project activities, incidents and impacts, or perceived impacts. A Grievance is NOT:

- A question or suggestion on the company or project; and/or
- An appeal or request for assistance.

This grievance procedure sets out the steps to be taken to resolve grievances, role players involved in the process and timeframes to resolve grievances. The types of grievances people may raise include but are not limited to:

- (I) Negative impacts on communities, which may include but not be limited to financial loss, physical harm and nuisance from construction or operational activities;
- (II) Health and safety risks;
- (III) Negative impacts on the environment; and
- (IV) Unacceptable behaviour by staff or employees towards the community members and other stakeholders

1.2 Objectives

This GM purposes to:

- (I) Establish a prompt, consistent and respectful mechanism for receiving, investigating and responding to Complaints from community members and other stakeholders;
- (II) Provide affected stakeholders with straightforward and accessible avenues for making a complaint or resolving any dispute that may arise during the course of the project;
- (III) Avoid the need to resort to judicial or pre judicial proceedings.
- (IV) Ensure proper documentation of Complaints and any corrective actions taken;
- (V) To ensure that comments, responses and grievances are handled in a fair and transparent manner, in line with APCL's internal policies, international best practice and lender expectations; and
- (VI) Contribute to continuous improvement in performance through the analysis of trends and lessons learned.

1.3 Scope and principles

This Grievance Mechanism will be applicable throughout the project lifecycle. The main GM provides procedures to be applied during the Construction and Operational phases while the Development Phase GM, attached as appendix 7, will provide procedures to be applied during the Project preparation phase (ESIA, pre and post FEED)

This Procedure is open to all stakeholders who consider themselves affected by the Amu Power Company Limited activities. Complaints may be submitted on a named or anonymous basis. Although anonymous submissions may be harder to resolve, they will be treated in the same way as named Complaints to the extent reasonably possible.

There are no restrictions on the type of issue a stakeholder can raise under this Procedure. However, when a Complaint is received that is more appropriately handled under a separate company process established for that purpose (such as employment or business

integrity related issues), it will be re-directed so as to prevent parallel processes being followed. All Complaints received under this Procedure shall be tracked until close out regardless of the process under which they are handled.

Amu Power Company Limited reserves the right not to address a Complaint which it reasonably considers amounts to no more than general, unspecified and therefore un-actionable dissatisfaction with the company, is otherwise malicious or vexatious in nature, or concerns a matter for which the company has no formal responsibility (for example, a matter that the government controls). On the occurrence of such a situation, Amu Power Company Limited will provide a formal response to the complainant stating the reason/s for rejecting the complaint.

This procedure will be reviewed annually based on community input and, monitoring and evaluation outputs, to improve company performance regarding management of stakeholder grievances

This procedure will be based on the following fundamental principles:

- ✓ Ensure stakeholder participation is protected from retribution. This will include: consideration of potential dangers and risks to complainants and incorporation of ways to prevent harm; clear policy of non-retaliation; measures to ensure confidentiality and physical protection of complainants; safeguarding of personal data collected in relation to a complaint; and an option for complainants to submit anonymous grievances where necessary;
- ✓ The process for grievance resolution will be transparent, in harmony with the local culture and in the appropriate language;
- ✓ Channels of communication regarding the grievance remain open throughout the process;
- ✓ Every member of the community will have access to APCL's Grievance procedure at no cost;
- ✓ All complaints and grievances will be registered whether they are factual or perceived;
- ✓ All claims warrant discussions with the complainant and a site visit to gain a first-hand understanding of the nature of the concern; and
- ✓ Response to the grievance will be prompt.

1.4 Glossary

Terms used in this procedure have the following meanings:

Table 1: Definition of Terms

| Term | Definition |
|--|--|
| Grievance | <p>A complaint or concern raised by an individual, group, or organization who judges that they have been adversely affected by the Project during any stage of its development</p> <p>Grievances may take the form of specific complaints for actual damages or injury, general concerns about project activities, incidents and impacts, or perceived impacts</p> |
| Grievance mechanism | <p>An institutionalized and organized method consisting of specified roles, rules, and procedures for systematically resolving complaints, grievances, disputes, or conflicts. Synonymous with dispute resolution system</p> |
| Complaint | <p>An issue, concern, problem, or claim (perceived or actual) that an individual, group, or organization wants the company or contractor to address and resolve. Synonymous with grievance. For the purposes of this Procedure, a question or request may also be treated as a Complaint.</p> |
| Complainant | <p>An individual, group or organisation who submits a Complaint to the company.</p> |
| Complaint Owner | <p>The Complaint Owner will usually be the manager of the unit that gave rise to the Complaint</p> |
| Customary approaches for grievance resolution | <p>Roles, procedures, standards, and criteria commonly found and used in traditional or indigenous communities to address and resolve differences or conflicts. Examples include use of community elders or</p> |

| Term | Definition |
|---------------------------------------|--|
| | chiefs as mediators or arbitrators and application of traditional norms to guide settlements or decisions |
| External appeals process | Institutions and procedures external to a company community grievance mechanism that provide complainants with an independent and impartial means to seek redress of complaints. These include, but are not limited to, private arbitration, governmental administrative hearings, or judicial proceedings and rulings |
| Third Parties (Intermediaries) | Individuals or groups that are not a party to a complaint, grievance or dispute—such as facilitators, mediators, process coaches, fact finders or compliance advisors —who provide assistance to parties that enables them to reach voluntary agreements, secure nonbinding advice, or obtain a binding judgment to settle differences. These may be community leaders/representatives, and representatives from government, civil society and NGOs. |
| Mediation | A way of helping parties voluntarily resolve a dispute using the assistance of an acceptable, impartial, and neutral third party with no decision making authority |
| Unassisted negotiations | Talks or bargaining conducted by parties to resolve a complaint, grievance, or dispute without the assistance of an intermediary or third party |
| Contractor | An individual or firm that has entered into a contract to provide goods or services to the Company. The term covers parties directly contracted by the Company and those contracted by a Contractor company, also referred to as subcontractors. |

| Term | Definition |
|------------------------------------|---|
| Stakeholders | Persons or groups that are directly or indirectly affected by a project as well as those that may have interests in a project and/or the ability to influence its outcome, either positively or negatively. Stakeholders may include locally affected communities or individuals and their formal and informal representatives, national or local governmental authorities, politicians, religious leaders, civil society organizations, and other groups with special interests, the academic community, or other businesses |
| Grievance Register | A database for maintaining information about Complaints received, parties involved and actions planned or implemented |
| Grievance Registration Form | A form used to capture information about an incoming Complaint. |
| Grievance Resolution Form | A form used to document prescribed solutions/actions to resolve a complaint |
| Close Out Form | A form used to document the closure of a case. It outlines closure status and compliant feedback |
| Appeals Committee | A team comprising of community endorsed third party representatives who monitor the GM and provide an independent and impartial means to seek redress or arbitrate cases where APLC and the complainant are unable to resolve together. |

2 Roles and Responsibilities

This section provides details regarding specific roles, responsibilities and steps that need to be followed by APCL staff and contractors to manage grievances. The Grievance Mechanism will be implemented by a the community liaison team comprising of Community Liaison Officers and a Community Liaison Manager, led by the Corporate and Public Affairs Manager with close collaboration with all other departmental heads and oversight by the company Chief Operating Officer. The Corporate and Public Affairs Manager will also be supported by the Business Development and CSR units, the company legal unit, HSE unit and an administration and communication team. Figure 1 below illustrates the proposed organizational structure for GM implementation.

Figure 1: Proposed organizational structure for GM implementation in the Construction and Operational phases

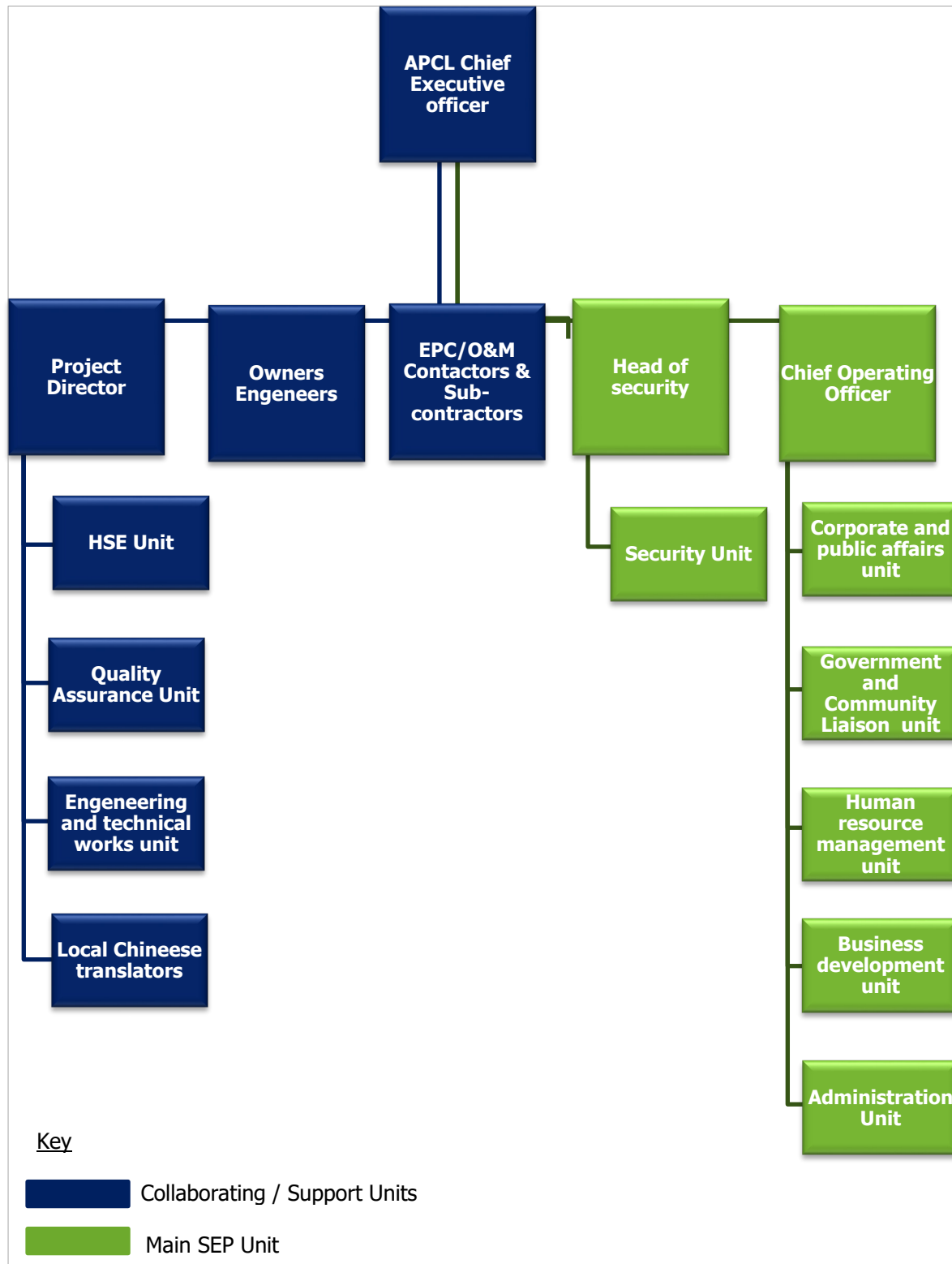


Table 2: Roles and responsibilities matrix

| Role | Responsibility |
|--------------------------------------|--|
| Chief Operating Officer (COO) | <ul style="list-style-type: none"> ▪ Has final authority to ensure that commitments to affected communities are met ▪ Put in place applicable controls to minimize risks that result in stakeholder grievances. ▪ Ensure that all company staff are cognizant of, and apply the Grievance Mechanism ▪ Ensure implementation of the yearly Social Improvement Plan. ▪ Ensure that suppliers and contractors are cognizant of, and apply the procedure ▪ Where executive delegation is required, assign relevant departments to provide technical solutions to the Grievance Mechanism in conjunction with the Corporate and Public Affairs Manager |
| Corporate and Public Affairs Manager | <ul style="list-style-type: none"> ▪ Responsible for the overall implementation of this procedure. ▪ Serves as custodian of the complaints process, monitoring the handling of complaints, and suggesting changes to policies or practices based on lessons learned. ▪ Ensure implementation of the annual review and enhancement of the grievance mechanism ▪ Consult solutions with relevant community members. ▪ Coordinate relevant departments to propose technical solutions to the grievances resolution process ▪ Compile semi-annual and annual performance monitoring reports for APCL Management and the lenders’ advisors. ▪ Evaluate stakeholder feedback, produce reports regarding follow up of grievances and share them with the relevant communities and APCL structures for this information to be addressed – if applicable – in the project decision-making ▪ Coordinate training efforts to all APCL and contractor staff on application of Grievance Mechanism. ▪ Record and track grievance key performance indicators. ▪ Produce monthly reports to the APCL COO on grievances raised and applied actions |

| Role | Responsibility |
|----------------------------------|--|
| Owners HSE Consultant | <ul style="list-style-type: none"> ▪ Develop the Grievance Mechanism for approval by APCL ▪ Provide training to the Community liaison team on the GM implementation and support APCL in the internal roll-out ▪ Provide technical support to APCL during the community roll-out ▪ Provide documentation, tracking and reporting support for the Project Development phase GM implementation |
| Community Liaison Manager (CLM) | <ul style="list-style-type: none"> ▪ Lead the Grievance Mechanism procedure ▪ Propose resolutions to grievances together with other relevant APCL staff and relevant community members. ▪ Follow-up grievance until closure and submit formal response to claimant. ▪ Produce weekly and monthly reports regarding follow-up of grievances and share them with the Corporate and Public Affairs Manager and the relevant communities and operations. ▪ Record and track grievance key performance indicators ▪ Maintain the Grievance Register ▪ Coordinate the CLOs in regular information dissemination activities to inform stakeholders and communities including vulnerable groups, about the availability of the Grievance Mechanism and procedures |
| Community Liaison Officers (CLO) | <ul style="list-style-type: none"> ▪ Receive and record Complaints through the Grievance Form and submit to the Community Liaison Manager ▪ Support the resolution of Complaints ▪ Coordinate the response to a Complaint and serve as the main point of contact with the Complainant. ▪ Respond to easily answered grievances and document the grievance in the Grievance Register ▪ Prepare and submit a concise weekly report to the Community Liaison Manager on grievances received along with any resolution actions taken ▪ Ensure regular information dissemination activities to inform stakeholders and communities including vulnerable groups, about the availability of the Grievance Mechanism and procedures |

| Role | Responsibility |
|--|--|
| APCL Health, Safety and Environment (HSE) Department | <ul style="list-style-type: none"> ▪ Holds a key responsibility in supporting the Corporate Affairs Department by: <ul style="list-style-type: none"> ✓ monitoring and ensuring compliance to prescribed environmental and social mitigation measures ✓ monitoring contractor performance (mitigation, remediation or other measures) in responding to and resolving grievances related to environment, health and safety |
| Complaint Owner | <ul style="list-style-type: none"> ▪ The Complaint Owner will usually be the manager of the unit that gave rise to the Complaint. ▪ They are responsible for assisting resolving a Complaint in conjunction with the CLO and Corporate and Public Affairs Manager. This includes conducting investigations, proposing resolutions and implementing corrective actions |
| APCL Staff | <ul style="list-style-type: none"> ▪ Familiarize with and comply with the Grievance Mechanism procedure ▪ Receive any grievance (verbally, Formal Grievance Form or other written form) from any stakeholder and forward to the CLO and/or Corporate and Public Affairs Manager for registering and further action. ▪ Provide the date, name, contacts, official identification number (if available) of the entity submitting the grievance and description of grievance and provide the name of individual, and the company / department that received the grievance. |
| EPC / O&M Contractors and sub-contractor staff | <ul style="list-style-type: none"> ▪ Familiarize with and comply with the Grievance Mechanism ▪ All contractors should designate one personnel from their company as "Community Relations Officer" to interface with APCL's Corporate Affairs Team ▪ The Contractors' Community Relations Officer should provide monthly report to APCL's Corporate and Public Affairs Manager with respect to social/environmental issues/incidents and community relations issues that arise even if these issues are not submitted as complaints by the aggrieved individuals/communities ▪ Provide support and solutions when requested by APCL to resolve grievances. |

| Role | Responsibility |
|--------------------------------|--|
| | <ul style="list-style-type: none"> ▪ Receive any grievance (verbally, APCL’s Form or other written form) from an individual or community and address the grievance to APCL. ▪ Provide the date, name, contacts, official identification number (if available) of the entity submitting the grievance and description of grievance and provide the name of individual, and the company / department that received the grievance. ▪ Contractors should not make any direct agreements or resolution with complaints without prior coordination of such actions with APCL’s Corporate and Public Affairs Manager who will ensure that the complaints and resolutions are appropriately documented in accordance with the APCL GM |
| Appeals Committee | <ul style="list-style-type: none"> ▪ Responsible for reviewing overdue or escalated Complaints and authorising additional actions to be taken and approving the close out of Complaints where it is not reasonably possible to reach an agreed resolution with the Complainant. ▪ Monitoring and evaluate the GM, providing impartial, corrective feedback |
| Third parties (Intermediaries) | <ul style="list-style-type: none"> ▪ May be engaged in the public sensitization of the GM. They may also be trained and appointed as community champions ▪ Participate in the monitoring and evaluation process and ensure that commitments to affected communities are met. They may also act as process organizers, facilitators, witnesses, advisors, or mediators ▪ May provide operational support by hosting the information and grievance collection kiosks, grievance drop-off/suggestion boxes, providing a pick-up point for Grievance Registration Forms, and forwarding complaints. |

3 Accessibility

The APCL Grievance Mechanism will be accessible to all affected communities and stakeholder groups at no financial cost. APCL will make concerted efforts to ensure ease of access and promote stakeholder participation in the procedure. In addition to the guiding principles defined under section 1.3 of this report, APCL will employ the following strategies to ensure there are no barriers to access:

- (I) Implement a public sensitization campaign as part of the GM roll-out. This should include public education on the process and benefits of the procedure through media, focus group discussions and public meetings
- (II) Ensure communication materials on grievance procedures are in English and Swahili. Ensure both written and illustrated formats due to the low literacy levels within the affected communities
- (III) Establish a grievance station outside the power plant's gate where stakeholders can easily submit grievances, make enquiries, and receive feedback
- (IV) Establish suggestion boxes at easily accessible locations including local government offices at Lamu Island, Mokowe and Hindi and ensure the public is made aware of the availability of these
- (V) Regularly (recommended quarterly) hold public meetings and set up information kiosks within the communities proximate to the power plant to provide project updates, receive grievances and report on the previous GM activities and performance
- (VI) Localize and communicate the points of contact by: recruiting community liaison officers from the local communities; and ensuring that all venues for grievance registration and feedback are conveniently located near affected communities.
- (VII) Provide diverse methods for submitting complains that ensure all members of the community are catered for:
 - ✓ Oral/in person
 - ✓ Suggestion boxes
 - ✓ Posted mail
 - ✓ Hotline telephone numbers
 - ✓ A dedicated GM email address and
 - ✓ The APCL Website

The grievance registration form should be made easily available at APCL offices and downloadable from the APCL website.

4 Public sensitization campaign

APCL will run a public sensitization campaign as part of the community roll-out for the Grievance Mechanism. The campaign will aim at publicizing the availability of the procedure, educating the community on how to participate, and to set expectations. APCL will aim at initiating the campaign at least three months before the onset of construction. The campaign will include:

- ✓ Development of information booklets/pamphlets providing a simple overview of the GM procedure, including examples of issues people may raise, means of submission, review procedure, underlying legislation, and timing for response
- ✓ Distribution of the information booklets/pamphlets at project offices, information stands, local government buildings, and during community meetings
- ✓ Appoint and train third-party community champions for the GM. These should be selected through a transparent process with participation from the community members. The community champions should be selected from the following: Community self-governance structures such as village elders; local government authorities; local civil society groups and NGO's; and key opinion leaders. While the champions are not responsible for the implementation of the procedure, they should be adequately trained to become public sensitization agents to promote uptake of the procedure and address information gaps/concerns from the public
- ✓ Public sensitization meetings
- ✓ A door-to-door campaign for the communities immediately proximate to the project site
- ✓ Focus group sensitization meetings focusing on vulnerable stakeholder groups, land owners, local civil society groups and NGO's. With proper approval and oversight by APCL, partnerships with the civil society groups and NGO's will be instrumental in public education on the GM procedures
- ✓ Word of mouth by the Community Liaison Team
- ✓ Media campaign including: advertisements in local radio stations, publications in newspapers, APCL website and social media outlets
- ✓ Erection of posters at easily accessible places such as local government offices, project site gate, local civil society groups and NGO offices

To ensure transparency and successful implementation of the GM, it is imperative that community members are made aware of who within APCL is responsible for handling complaints and communicating outcomes and who is in charge of the mechanism oversight.

APCL, through the sensitization campaign, will endeavor to provide the public with sufficient information on how to access the GM and empower them to monitor and verify that the process, promises and commitments made under the GM are adhered to by those directly responsible for managing it.

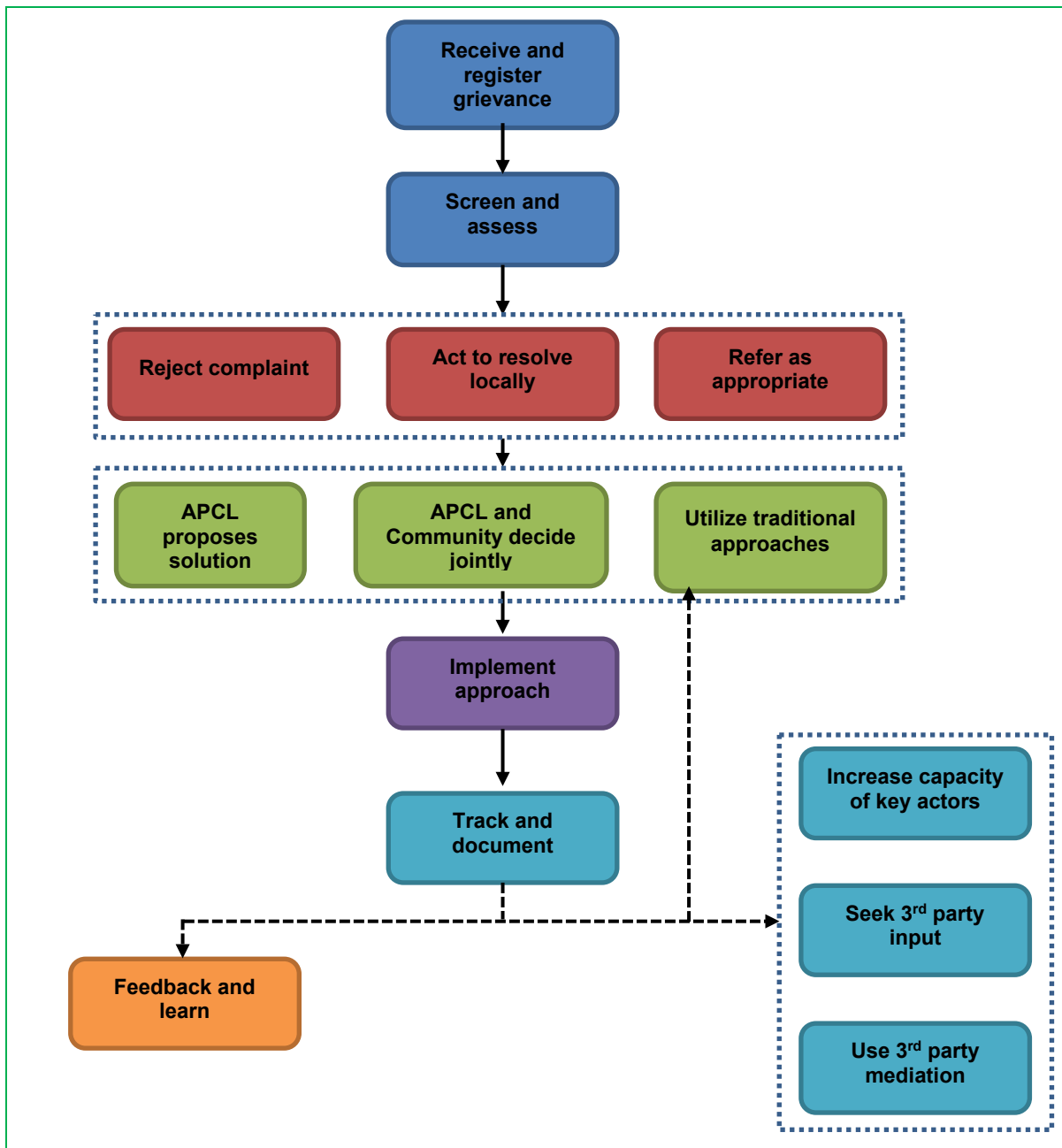
The key messages of the public sensitization campaign will include:

- (I) What the Grievance Mechanism is (and is not) capable of delivering and what benefits complainants can expect from the APCL grievance mechanism, as opposed to other resolution mechanisms
- (II) A step-by-step elucidation of the GM procedures
- (III) Who can raise complaints
- (IV) Where, when, and how community members can file complaints. This includes information on strategies employed to ensure community's ease of access to the procedure
- (V) How the community can contribute to the monitoring, feedback and improvements of the mechanism
- (VI) Who is responsible for receiving and responding to complaints, and any external parties that can take complaints from communities
- (VII) Clear information on the official communication channels and contact details for the GM
- (VIII) What sort of response complainants can expect from APCL, including timing of response
- (IX) What rights and protection are guaranteed to complainants

5 Workflow

The process flow chart for receiving, recording, investigating and resolving a grievance is shown in Figure 2 below

Figure 2: Grievance Management flowchart



6 Grievance Resolution Approach

This GM offers four grievance resolution approaches namely:

- (I) APCL proposes a solution to the complainant;
- (II) The complainant/community and APCL decide together;
- (III) APCL and the complainant/community utilize traditional or customary practices to resolve the grievance; and
- (IV) Escalation to the Appeals Committee for cases where APCL and the Complainant are unable to agree on a solution

Each of these options is discussed below.

6.1 Approach (I) - APCL proposes a solution

This resolution method will be used when:

- a) The complaint is straightforward and the solution is obvious; or
- b) The complaint can be resolved by the APCL to the satisfaction of the complainant.

For this resolution method, the Corporate and Public Affairs Manager together with the CLM and appointed CLO will:

- (I) Review information collected during the initial assessment and draft a settlement proposal to be presented to the complainant. The proposal should be based on consistent standards and criteria so that similar complaints receive similar remedies; and
- (II) The Corporate and Public Affairs Manager will present APCL's proposal to the complainant for consideration. In presenting the proposal, the Corporate and Public Affairs Manager will take cognizance of (1) presentation of data used to reach a conclusion, (2) the complainant's case to a company representative by hearing him/her/them case, (3) timely delivery of a response, and (4) delivery of APCL's response to the complainant in writing using the Grievance Resolution form

If the complainant rejects the proposal, proceed to joint grievance resolution via Approach (II) described below.

6.2 Approach (II) - APCL and the complainant jointly decide

This type of resolution method will be used when:

- a) The complainant/community wants to meet with APCL physically at the project site for resolution of a grievance; or
- b) The grievance is complex to warrant diverse stakeholders; or

- c) The community distrusts an APCL resolution proposal; or
- d) Special groups such as the youth, women or vulnerable request APCL to resolve a grievance by sharing information or developing mutually acceptable solutions

For this resolution method:

- (I) The Corporate and Public Affairs Manager will notify APCL management about the need to or the community's desire to engage the company to resolve a grievance;
- (II) The Corporate and Public Affairs Manager and CLM will meet with the community at their preferred venue to (i) listen to the grievance, (ii) share or receive factual information from the community regarding the grievance, (iii) dialogue and negotiate a resolution to a grievance, and (iv) jointly establish facts which may be missing, misleading, incorrect, etc. and contribute to the resolution. If necessary, APCL management will attend the meeting.
- (III) Where appropriate, APCL management will organize to visit the project site in the company of the County Commissioner, Deputy County Commissioner or Area Chief grievance.
- (IV) The Corporate and Public Affairs Manager will then document agreed resolutions on the Grievance Resolution form and proceed to resolution implementation and close out.

6.3 Approach (III) - APCL and the complainant/community use traditional practices

For some types of complaints or grievances that may arise, it may be more effective to augment traditional conflict resolution methods with this grievance mechanism. Depending on the nature of the complaint or grievance, the Corporate and Public Affairs Manager, after consulting with APCL management, may invite respected community individuals or group of persons to arbitrate a complaint or grievance. Examples of traditional arbitrators that could be used would include community elders, religious leaders, area chiefs and respected community members.

These individuals can perform the functions of:

- ✓ Observers, witnesses and testifiers; or
- ✓ Advisors; or
- ✓ Mediators

6.4 Approach (IV) - Escalation to the Appeals Committee

As part of the Grievance Mechanism, an Appeals Committee will be established. To ensure the committees impartiality, the community should participate in electing representatives. The recommended composition of the committee includes:

- Representation from local community leadership (such as area chiefs, religious leaders and village elders)
- Representation from County Government leadership
- Representation from civil society groups or NGOs
- Representation from special groups (such as youth, women, people living with disabilities, fishing community etc.)
- APCL Management

APCL will endeavour to reach a resolution with the Complainant that is satisfactory to both sides. However, if the Company and the Complainant are unable to agree on a solution or cases where the Complainant disputes or declines to acknowledge the implementation of a previously agreed resolution, the Complaint may be escalated to the Appeals Committee for review and final decision.

The Appeals Committee reviews the case and determines if further reasonable action is possible. If no reasonable action is possible, the Appeals Committee authorizes the close out of the Complaint. A close out letter will be sent to the Complainant explaining the company’s position.

6.5 Resolution Timeline

APCL will endeavour to resolve complaints within 30 days. The maximum resolution period should not exceed 60 days. The CLM is responsible for providing regular progress reports to the Complainant, including a verbal update every 7 days and a written update after 14 days. If additional time is needed to complete an investigation, the CLM will inform the Complainant of the reason for the delay

Table 3: Grievance resolution timeframe

| Action | Timeframe |
|--|----------------------------------|
| Submission of grievance to the Corporate Affairs Department and subsequent recording in the serialized triplicate Grievance Registration Form by the CLO | 24 hours |
| Recording of submitted grievance into the Grievance Register | 24 hours after grievance receipt |
| Grievance eligibility screening and acknowledgment | Maximum 7 days |

| Action | Timeframe |
|--|-----------------|
| Grievance assessment and resolution | Maximum 30 days |
| Resolution through petition to the Appeals Committee or for special grievances requiring additional time | Maximum 60 days |

7 Procedure for Resolving Complaints

7.1 Grievance Receipt

The Procedure is initiated when a Complaint is received. Any individual or group that is directly or indirectly affected by APCL's and/or its contractors' project activities, as well as those who have interests in the project or the ability to influence its outcome, either positively or negatively can submit a grievance. Government related complaints may require special attention due to legal and regulatory consequences. Therefore, these should be brought to the attention of the Corporate and Public Affairs Manager and APCL COO immediately for review and development of an appropriate resolution/response strategy. Grievances can be submitted verbally or in written form.

Grievances will be received through the following 6 distinct channels:

- (I) A designated telephone "hotline"
- (II) A designated grievance mechanism email address
- (III) A formal submission system on the APCL website
- (IV) Regular mail posted to the official APCL postal address
- (V) Drop off at designated grievance collection boxes/company suggestion boxes
- (VI) In person submission to staff or designated third parties at the following points:
 - a) APCL offices
 - b) Designated grievance collection booths/posts
 - c) At APCL public/group or individual meetings
 - d) During field appointments or
 - e) At the staff's work station

7.2 Grievance Registration

Once received, all complaints are to be forwarded to the designated Community Liaison Officer (CLO) under the corporate affairs department. Unconditionally, all received grievances should be recorded in the serialized triplicate Grievance Registration Form and subsequently onto the APCL Grievance Register. The Grievance Registration Form will be filled out on a serialized triplicate pad; the completed original form will be forwarded to the complainant for their record, the duplicate will be forwarded to the Grievance Appeals Committee for tracking, follow up, monitoring, etc. and the triplicate will remain in the pad in the APCL offices. Based on the channel of submission, one of the following two registration procedures are to be followed:

- (I) If grievances are submitted through channels (I) to (V) as described under the channels of submission in section 7.1 above, then the designated CLO must in turn record the complaints on a serialized triplicate Form contained in the Grievance Registration Pad and subsequently into the company Grievance Register. In this case, the CLO should attach to the registration form, any written complaints as submitted by complainants.

For efficiency in the grievance registration process, APCL should make efforts to ensure certified Grievance Registration Forms are easily accessible by the public. This can be achieved by providing a downloadable form on the APCL website and availing forms through third parties such as local NGO's and government offices

- (II) Founding on the low literacy levels and inadequate technology infrastructure in the affected communities, it is apposite to assume that channel (VI) of grievance submission (in person submission to staff or designated third parties) will be the most convenient and extensively utilized channel. Consequently, the complainant will be requested to personally record the grievance in the APCL Grievance Registration Form. If the Complainant is unable to complete the form, the CLO will fill it out and read the contents back to verify accuracy. This method of completion will be noted on the form. If the Complainant refuses to complete the Registration Form, he/she will be offered the option to have the Complaint treated on an anonymous basis. The CLO then enters the complaint into the APCL Grievance Register.

7.3 Grievance Eligibility Screening

The general criterion for assessing eligibility or ineligibility is given below:

Eligible complaints will include those where:

- ✓ The complaint pertains to the project; and
- ✓ The issues raised in the complaint fall within the scope of issues the grievance mechanism is authorized to address

Ineligible complaints will include those where:

- ✓ The complaint is clearly not project related;
- ✓ The nature of the issue is outside the mandate of the grievance mechanism such as Complaints related to contractual or commercial issues; industrial relations and employee relations; business integrity or criminal matters; and issues subject to current or pending litigation. Under this situations, the CLO or the Corporate and Public Affairs Manager shall refer the matter to the appropriate structures
- ✓ Other company or community procedures are more appropriate to address the issue.

7.4 Grievance Acknowledgment

All incoming grievances should be acknowledged as soon as possible. In principle, formal acknowledgment should be made within **7 days** of submission.

Once a Complaint has been assessed for eligibility, the Corporate and Public Affairs Manager, through the CLO, forwards a formal Letter of Acknowledgment to the complainant. The letter should specify the complaint serial number (similar to the serial number on the registration form) and either:

- (I) State that the complaint has been rejected and outline the reasons for the rejection and if possible, advice on alternative avenues to address the issue; or
- (II) State that the grievance has been accepted and provide the timeline and actions required for resolution. If, in the course of resolution, more complex investigations are required, the complainant should receive an update explaining the additional actions required to resolve the complaint, and the likely timeline.

The CLO should then document the acknowledgement particulars in the APCL Grievance Register.

7.5 Grievance Assessment

All grievances will need to undergo a degree of review and investigation. This will depend on the circumstances of the complaint. For assessment of a complaint or grievance, the following procedure will be followed.

- The Corporate and Public Affairs Manager will assign the grievance to one CLO;
- The CLO will interview the person submitting the complaint to gather as much information as possible on the nature of the complaint;
- If warranted, the CLO will schedule a site visit to investigate the grievance. He will ensure that the complainant and any other relevant parties will be present;
- The CLO will investigate the legitimacy of the grievance by meeting with the complainant, or other individuals or groups who may be familiar with the situation. Where possible, the CLO will document all evidence related to the grievance including taking photographs and GPS coordinates of the contentious site/damage. The CLO will also confirm the identity of the complainant by documenting information from the national identity card of the person raising the grievance if possible.
- The CLO, coordinating with the Corporate and Public Affairs Manager, may involve third parties in the fact finding process as required. The identity of the Complainant should only be disclosed to the extent necessary to resolve the issue or as required by law. If the Complainant has specifically requested that his or her identity not be disclosed, their personal information may not be shared with third parties unless required by law.

- The CLO will determine whether the grievance took place within an area affected by the power plant.

Once the grievance assessment/investigation is complete, the CLO will document the findings and proposed options for resolution and present them to the Corporate and Public Affairs Manager for response formulation.

7.6 Response Formulation

Regardless of the grievance assessment outcome, a response should be provided to all complainants. The response should be forwarded to the complainant in writing even if it will also be communicated verbally (as may be required to bridge illiteracy or cultural barriers).

This formal response will be communicated through the Corporate and Public Affairs Manager. Responses will be delivered through the following 4 distinct channels described below.

- (I) By telephone to a number provided during grievance submission and with subsequent forwarding of a written copy of the response
- (II) By email to the address provided during grievance submission
- (III) By regular mail posted to the address provided during grievance submission
- (IV) Verbally during a face-face meeting with subsequent conveyance of a written copy of the response. The meeting should be formally scheduled and is to be held by the Corporate and Public Affairs Manager

The elected mode of response delivery will be based on: (1) the Complainants preferred mode, as indicated during grievance submission; (2) Consistent with the channel used for grievance submission, if the complainant did not elect a preferred mode; and (3) the most effective and culturally appropriate mode as may be determined by special circumstances. As a good practice principle, APCL should strive to achieve face-face interactions with at least 90% of all complainants.

The Corporate Affairs team, will elect **Approach (I)** of grievance resolution (APCL proposes a solution to the complainant) and agree on an appropriate response to the complaint based on the outcome of the grievance assessment process. The solution proposed may be prescribed from a guidebook containing a set of resolutions formulated for straightforward grievances such as compensation of damaged property. The guidebook will be developed based on mitigation measures prescribed for potential grievances as well as lessons gathered through the Grievance Mechanism.

The response should provide information to the complainant regarding the complainants' rights and the available approaches to grievance resolution including timeframe. It should also communicate the findings of the grievance investigation/assessment, set out the proposed solution and implementation timelines, and seek feedback from the Complainant. Based on feedback from the Complainant, the Corporate and Public Affairs Manager and the CLO will proceed through one of the 3 steps below:

- (I) If, during the assessment phase, the CLO determines that the grievance is not related to APCL or its contractor's activities, the Corporate and Public Affairs Manager will inform the complainant that the grievance has been rescinded. The CLO will then fill out the Grievance Close-out Form and provide a copy of the form to the complainant along with the reasons for the grievance closure. The CLO will provide all necessary documentation or evidence to the claimant to support this position; or
- (II) If the grievance is readily resolvable and can be dealt with directly (an example might be provision of information about the project, or a straightforward compensation of damaged property), the Corporate and Public Affairs Manager will discuss the possible solution with the complainant. If the complainant agrees with the resolution, the solution will be documented in the Grievance Resolution Form, implemented and the complaint advanced to the Grievance Close Out Phase; or
- (III) If the complainant does not agree with the solution proposed or no immediate solution is available and further consultation is required with APCL management or third parties, the CLO will document this on the Grievance form and have both parties sign. This would then proceed to the next step of re-assessing the grievance and/or selecting a different resolution approach.

7.7 Close Out

A Complaint is closed out when no further action can be or needs to be taken. During close out, the CLO will:

- Take photos or collect other documentary evidence to form a comprehensive record of the grievance and how it was resolved
- If possible, meet with the complainant to confirm the case closure
- Fill out the Grievance Close-out Form and have the complainant sign off. The form should be signed by the Corporate and Public Affairs Manager and a copy retained by the complainant
- Update the Grievance Register with the particulars of the resolution actions (Solutions proposed and implemented, the resolution itinerary, feedback from complainant etc.)

Closure status will be classified in the Grievance Register as follows:

Resolved: Complaints where a resolution has been agreed and implemented and the Complainant has signed the Confirmation Form

Unresolved: Complaints where it has not been possible to reach an agreed resolution and the case has been authorised for close out by the Appeals Committee

Abandoned: Complaints where the Complainant is not contactable after one month following receipt of a Complaint and efforts to trace his or her whereabouts have been unsuccessful

The CLO is responsible for updating the Grievance Register and the logistics associated with closing out the case.

8 Confidentiality

8.1 Duty of Confidentiality

Amu Power Company Limited is committed to protecting the identity of the Complainant and to handling personal information in accordance with legal requirements. This duty extends to all employees or representatives of APCL and its Contractors who participate in the GM process. Information about a Complaint will be shared within the company on a need to know basis and only to the extent necessary to complete a step under this Procedure. The Company will not share personal information with third parties unless required by law or authorised by the Complainant.

8.2 Personal Data

Personal data contained in the Complaints Register will be kept only as long as necessary to investigate the Complaint and implement a resolution. Personal data will then be either deleted or modified and transferred to an archive for a reasonable period pursuant to Amu Power Company Limited Data Privacy Policy.

8.3 Conflict of Interest

Conflict of interest exists where there is a divergence between the interests of an employee or Contractor and his or her responsibilities under this Procedure, such that an independent observer might reasonably question whether the actions of that person are influenced by his or her own interests.

This procedure seeks to manage potential conflicts of interest by segregating the roles and responsibilities of individuals involved in the complaint handling process and avoiding placing individuals in a position where conflicts could be perceived to arise. When a Complaint relates to a specific Amu Power Company Limited or Contractor employee, that person shall not play a role in the complaint resolution process unless to provide necessary information/evidence.

9 Grievance Mechanism Performance Monitoring

APCL will endeavour to continuously monitor and improve this mechanism by:

- ✓ Regularly monitoring and reporting outcomes
- ✓ Analysing trends and lessons learned to improve company performance
- ✓ Periodically evaluating the effectiveness of the Grievance Mechanism
- ✓ Integrate findings into management systems

9.1 Monitoring and evaluation

At the end of a case, regardless of whether agreement was achieved, the CLO will seek feedback from the Complainant on their level of satisfaction with the complaint handling process and its outcomes and record this in the close out report.

Two to three weeks after resolving the complaint the CLO or the Corporate and Public Affairs Manager will visit the complainant to ensure that the complainant is satisfied and to gather feedback on the grievance resolution process. A user evaluation/feedback form may be administered during the visit. The visit will be registered in the APCL Grievance Register.

At the end of the month, the Corporate and Public Affairs Manager will track progress with resolution of complaints and grievances arising from the community using the APCL Community grievance status tracking report. This tracking report will collect the following information:

- Open cases at beginning of this month;
- New cases submitted this month;
- Cases closed this month;
- Open cases at end of the month
- Average time between receipt and closing out of complaints;
- % of closed cases that were closed on time;
- % of complainants that were satisfied with the process; and
- % of complainants that were satisfied with the outcome.

The community grievance status tracking report will be updated at the end of each month and sent to the Corporate and Public Affairs Manager by the end of the first working week of the following month.

Using the data gathered from the above report, the Corporate and Public Affairs Manager will generate graphs to indicate the progress made in the management of complaints and

grievances. These graphs will be included as part of the monthly reporting to the Corporate and Public Affairs Manager.

The Corporate and Public Affairs Manager will appraise the community through monthly meetings on the progress made in resolving complaints and grievances arising from the project.

The Corporate and Public Affairs Manager will also spearhead annual evaluations of the Grievance mechanism during which he will ensure active participation of APCL management, the Appeals Committee, company staff (including contractor and sub-contractors), and third party representatives from the community, civil society, local administration or local NGOs. The evaluation should include two-way feedback and joint appraisals of the mechanism, its components, or specific procedures.

For transparency and quality assurance, APCL will engage independent experts with expertise in grievance resolution mechanisms to conduct an in-depth, independent evaluation every three years, throughout the project lifecycle. The evaluation report will be shared with the community and lenders.

Monitoring and evaluation outcomes will be utilized to develop a Grievance Resolution Guidebook which will provide standardized resolutions to straightforward complaints such as compensation for damaged property and request for information/clarification.

9.2 Key performance indicators

Key performance indicators will be tracked and used for continuous improvement of the grievance mechanism. The performance indicators will measure achievement against the following pillars:

Participation -

Percentage of grievances to the project channeled through the Grievance Mechanism - the target is to have all grievances addressed through the Grievance Mechanism before complaints cause undue stress, reach the media or the require legal redress

Resolution -

Percentage of complaints successfully resolved to the satisfaction of the complainant

Effectiveness - Percentage of complaints receiving effective and timely response

Recurrence -

Reduction in the number of grievances by categories: (environmental issues, employment opportunities, traffic congestion, misinformation or lack of information and behavior of APCL employees or its contractors etc.). The goal is to learn from grievances and respond to them in a manner that, over time, reduces their rate of occurrence in each category by 50% each year

Influence -

Measure the level of policy or performance/conduct changes in APCL and its contractors influenced by an evaluation of Grievance Mechanism indicators and analysis of grievances

In order to ensure that the Grievance mechanism is implemented effectively, the Corporate and Public Affairs Manager will conduct reviews to measure performance using leading and lagging indicators indicated below.

- (I) 90% of grievances are solved according to the grievance timeline;
- (II) 90% of grievances are solved by APCL and/or APCL and the communities, rather than escalation or accessing legal means;
- (III) 90% of the grievances were resolved to the satisfaction of the complainant (based on monitoring surveys);
- (IV) 50% occurrence reduction year-on-year in the number of grievances by categories/nature
- (V) 90% of grievances are investigated within the first 7 days;
- (VI) 90% of grievances are resolved within 30 days.
- (VII) 90% of complainants report satisfaction with the process; and
- (VIII) 90% of complainants report satisfaction with the outcome

9.3 Performance reporting

To uphold transparency and accountability, APCL will disclose information about the Grievance Mechanism performance to stakeholders. The company should provide regular feedback through: public meetings; focused group meetings; publishing and availing reports at APCL offices, website and easily accessible public locations such as local government offices. Disclosed information should be presented in simple, easy to understand formats and in a manner that maintains confidentiality of the parties where required. The GM performance reports should include:

- The volume and nature of complaints received
- The resolution processes employed and case outcomes
- Resolution rates (measured against set performance standards)
- Monitoring and evaluation activities and the key conclusions from these including:
 - ✓ Adjustments/improvements that have or are to be made to the grievance Mechanism
 - ✓ Any systemic changes that have or are to be implemented on the company's policies, procedures, and operations, to ensure that particular grievances do not recur

10 Resource requirements

Effective implementation of this Grievance Mechanism is contingent on APCL's goodwill and commitment of the necessary resources which include:

10.1 Proficient personnel

- It is vital that APCL assigns an adequate number of personnel to administer the Mechanism. Given the great magnitude of the project and the intended exhaustive Stakeholder Engagement Activities, it is important to ensure that the Corporate Affairs team is sufficiently staffed, with emphasis on the CLOs. The minimum recommended personnel numbers are: Corporate and Public Affairs Manager – 1; CLM – 1; CLOs – 3; Administration and communication – 3; Community Development/ CSR Officers – 2; Legal officer – 1.
- For purposes of continuity and building trust with the community, it is important to ensure minimal staff turnover, especially for those interacting directly with the community
- Roles and responsibilities for the management and implementation of the mechanism should be clearly defined. It is important to clearly differentiate between GM tasks and other Stakeholder Engagement responsibilities
- APCL should invest in regular staff capacity building. The Corporate Affairs team and APCL management should be trained in conducting receipt and registration, referral processes, service provision, quality control, monitoring and record keeping, the grievance mechanism ethics, problem-solving skills and conflict resolution. The team should also be cognizant of the project Environmental and Social Management Plan (ESMP) and align the GM to this. The internal capacity building plan should also include regular training to staff from other departments.
- APCL senior management is responsible for the strategic oversight of the GM. To this end, they should integrate this responsibility into their management agenda and commit time to undertake this role.

10.2 Infrastructure

10.2.1 Offices

Grievance management is part of APCL's core business functions and therefore should be allocated sufficient space for operation. There should be a dedicated office from within which the GM is coordinated and will act as the focal reference point to all stakeholders. If APCL establishes satellite offices away from the project site, provisions for a grievance management office/desk should be made at the outposts.

10.2.2 Tools and equipment

For fluid and effective GM operations, the Corporate Affairs team should have access to auxiliary equipment such as computers, printer, stationery and furnishings. The GM tools should also be made available. The GM will mainly utilize the following tools:

- (I) Grievance registration forms (triplicate copies)
- (II) Grievance eligibility screening checklist
- (III) Grievance resolution form
- (IV) Grievance close-out form
- (V) User feedback form
- (VI) Grievance register (recommended soft copy/electronic register)

10.2.3 Information and grievance collection kiosks

To promote uptake of the GM and enhance effectiveness and service delivery, information and grievance collection kiosks should be established regularly at convenient locations such as: common jetties, government offices, local NGOs and civil society offices, schools, hospitals, and at public meeting locations. One kiosk should be established permanently at the power plants gate to act as the main grievance submission and information point. The kiosks should be manned by a member of the Corporate Affairs Ream or an appointed, well trained third party representative.

Grievance drop-off boxes / suggestion boxes

These should also be permanently set up at easily accessible locations such as those suggested for the information kiosks and efforts made to publicize them to the public. The drop-off boxes are essential for claimants who wish to remain anonymous. A member of the Corporate Affairs Ream or an appointed third party representative should be assigned to monitor all the boxes and retrieve submitted information at least once a week.

10.2.4 Dedicated telephone "hotline"

A dedicated telephone "hotline" should be established and adequately publicized. This should be different from the official APCL telephone lines and should be linked directly to the Corporate Affairs Team. The hotline should always be manned by a staff that is conversant with the GM procedures. If possible, this line should be toll-free to bridge community's lack of uptake due to resource constraints.

10.2.5 Information technology (IT)

APCL Website: Allocations should be made on the APCL website to provide information and reports on the GM, allow formalized grievance submissions and tracking.

Grievance Mechanism email address: A dedicated email address for the GM will be established. A staff that is conversant with the GM procedures should be tasked to manage

the correspondence. All incoming emails should receive a response within 24 hours of receipt.

Effective internet access: This is essential to effective communication through email and the website.

10.3 Efficient systems and processes

10.3.1 Electronic documentation

With the proposed project's robust scale, it is sufficient to anticipate that the GM will receive a substantial volume of data. Manual records and hardcopy databases will be ineffective and may compromise quality/performance of the GM. It is recommended that APCL invests in an automated GM system for effective and accurate records. The system will facilitate efficient data entry, updating, referencing and reporting. The system should ensure security of information. It should consist of, but not limited to, the following:

- Date and mode of complaint submission;
- Details of the complainant;
- Details of complaint receiver;
- Grievance assessment and resolution particulars;
- Dates when implementation action(s) began and ended;
- Dates when the complaint was resolved;
- Follow up actions and feedback from the complainant;
- Dates when the required notifications were sent to the affected party, etc.

10.3.2 Reporting and communication

There should be clear reporting lines between: senior management and those implementing the grievance mechanism; the grievance administration team; and between APCL and complainants/community. While additional reports/information may be requested ad hoc as may be needed, a schedule of regular/requisite reports and timelines should be clearly outlined and adhered to. For clarity and effectiveness, communication mediums/channels and timelines should be restricted to those outlined within this report.

10.4 Financial resources

Overall, monetary resources are requisite to the effective running of the GM and must be factored into the company budgeting. In addition to procurement of supplies and payment of personnel, fiscal resources are necessary to support communications, logistics, and capacity building. Equally critical, is the need to establish efficient emolument systems to cater for compensation/settlement to complainants, as may be required as part of grievance resolutions.

11 Rollout and communication of Grievance Mechanism

11.1 APCL internal rollout

This procedure will be communicated and rolled out internally at APCL and with all the project staff, contractors, consultants and suppliers to ensure that all are aware of the procedure and that all grievances are managed in the same manner. All new hires will be provided training on the Grievance Mechanism.

11.2 Public/community rollout

The public rollout will be advance through the Public Sensitization Campaign described under section 4 of this report. Additionally, the CLO's will be responsible for conducting regular information dissemination activities to inform stakeholders and communities including vulnerable groups, about the availability of the Grievance Mechanism and procedures.

12 Appendices

Appendices are organized as follows:

Appendix 1: Grievance registration form

Appendix 2: Grievance resolution form

Appendix 3: Grievance close-out form


Appendix 4: Grievance Register

Appendix 5: Grievance Status Tracking Report


Appendix 6: Potential grievances and proposed mitigation measures

Appendix 7: Development Phase Grievance Mechanism

12.1 Appendix 1: Grievance registration form

| | | | | |
|--|---|---|--|------------------------------------|
|  <p>APCL GRIEVANCE REGISTRATION FORM</p> | | <p>Serial No: -----</p> | | |
| Complainant Contact Information | | | | |
| Complainant's name: | | | | |
| Gender: | Male <input type="checkbox"/> | Female <input type="checkbox"/> | | |
| Physical address: | | | | |
| Phone number: | | | | |
| E-mail address: | | | | |
| Proffered mode of communication | Telephone <input type="checkbox"/> | Email <input type="checkbox"/> | Regular mail <input type="checkbox"/> | In person <input type="checkbox"/> |
| Affiliation: | Community resident <input type="checkbox"/> | Local business <input type="checkbox"/> | NGO <input type="checkbox"/> | |
| | Community group <input type="checkbox"/> | Government <input type="checkbox"/> | Other (specify) <input type="checkbox"/> | |
| Organization/group name: (if with an organization/group) | | | | |
| Grievance/Complaint details | | | | |
| Kindly describe your Grievance/Complaint (attach extra sheets if necessary) | <i>(Please provide specific dates, names of parties involved, and locations of incidences)</i> | | | |
| Date and frequency of occurrence of Incident/Grievance | <input type="checkbox"/> One time incident/grievance (date: _____) <input type="checkbox"/> Happened more than once (how many times? _____) <input type="checkbox"/> On-going - currently experiencing problem (Onset date _____) | | | |
| Where did the Grievance occur | | | | |
| What is your suggestion to resolve the problem? | | | | |
| Grievance receipt details (To be filled by APCL officer) | | | | |
| Received By: (Name & Designation) | | | | |
| Date Received: | | | Signature: | |

12.2 Appendix 2: Grievance resolution form

| APCL GRIEVANCE RESOLUTION FORM | |  amu power <small>powering Kenya's growth</small> |
|---|--------------------------------|--|
| Grievance/case number. | | |
| Name of the complainant | | |
| Type/Category of the Grievance | | |
| Date of Incident/Grievance | | |
| Date of complaint submission | | |
| Date acknowledged | | |
| Responsible Unit or Contractor | | |
| Complaint Owner | | |
| Proposed Resolution/Feedback to Complainant (including timeline for resolution and close-out) | | |
| Complainant's response to proposed resolution | Agree <input type="checkbox"/> | Disagree <input type="checkbox"/> |
| If disagreed, please provide reasons | | |
| Next steps | | |
| Resolution Verification | | |
| Complainant's signature | | Date: |
| Corporate and Public Affairs Manager's Signature | | Date: |

12.3 Appendix 3: Grievance close-out form

| APCL GRIEVANCE CLOSE-OUT FORM | |  amu power <small>powering Kenya's growth</small> | |
|---|-----------------------------------|---|------------------------------------|
| Grievance/case number: | | | |
| Name of the complainant: | | | |
| Type/category of the grievance: | | | |
| Date of incident/grievance: | | | |
| Date of complaint submission: | | | |
| Date acknowledged: | | | |
| Proposed resolution date (as projected on the grievance resolution form): | | | |
| Actual date of resolution: | | | |
| Responsible unit or contractor: | | | |
| Complaint owner: | | | |
| Implemented resolution (in brief): | | | |
| Satisfied with process? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | |
| If not satisfied, please explain why: | | | |
| Date of close-out: | | | |
| Closure status: | Resolved <input type="checkbox"/> | Unresolved <input type="checkbox"/> | Abandoned <input type="checkbox"/> |
| Satisfied with outcome? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | |
| Further comments | | | |
| Close-out Verification | | | |
| Complainant's signature | | Date: | |
| Corporate and Public Affairs Manager's Signature | | Date: | |

12.4 Appendix 4: APCL Grievance Register

| Case No. | Serial No. | Method of grievance submission | Date received | Received by | Assigned CLO | Name of complainant | Physical address of complainant | Phone number of complainant | Email address of complainant | Complainant's preferred communication mode | Brief description of concern | Where grievance occurred | Date of incident occurrence | Frequency of incident occurrence | Complainant's suggested resolution | Category / type of the grievance | Grievance eligibility status |
|----------|------------|--------------------------------|---------------|-------------|--------------|---------------------|---------------------------------|-----------------------------|------------------------------|--|------------------------------|--------------------------|-----------------------------|----------------------------------|------------------------------------|----------------------------------|------------------------------|
| | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | |

Continued Grievance Register data set/series

| Date acknowledged | Responsible unit or contractor | Complainant owner | Notes on grievance assessment | Proposed resolution/feedback | Date of communication of proposed resolution to complainant | Medium of communication | Complainant's response to proposed resolution (agree/disagree) | Grievance Resolution Approach used | Date of resolution implementation | Date closed | Closure status | Satisfied with process (Yes/ No)? | If not, why not? | Satisfied with outcome (Yes/ No)? | If not, why not? | Further comments |
|-------------------|--------------------------------|-------------------|-------------------------------|------------------------------|---|-------------------------|--|------------------------------------|-----------------------------------|-------------|----------------|-----------------------------------|------------------|-----------------------------------|------------------|------------------|
| | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | |

Note: For efficiency and accuracy, APCL should invest in automating (computerizing) this Register along with its related databases. All data should be stored in a secure online database. Additionally, the automated system should support efficient data entry, updating, referencing and reporting. Data from User Feedback should also be intergrated into the system.

12.5 Appendix 5: APCL Grievance Status Tracking Report template

| Dashboard Status As Of: | | Tuesday, May 12, 2015 | | | | | | | | | | | |
|--|---------|-----------------------|---------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Average Response Time | | | | | | | | | | | | | |
| Target Resolution Timeframe (days) | 30 | | | | | | | | | | | | |
| % Satisfied with Process | 100% | | | | | | | | | | | | |
| % Satisfied with Outcome | 100% | | | | | | | | | | | | |
| Response Target (Days) | 30 days | | | | | | | | | | | | |
| Average Duration to Response | | | | | | | | | | | | | |
| Average Duration to Closure | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| Status Report | | Ja n | Fe b | M a r | A p r | M a y | J u n | J u l | A u g | S e p | O c t | N o v | D e c |
| Open cases at beginning of month | | | | | | | | | | | | | |
| New cases this month | | | | | | | | | | | | | |
| Cases closed this month | | | | | | | | | | | | | |
| Open cases at end of month | | | | | | | | | | | | | |
| Average time between receipt and closing out of complaints | | | | | | | | | | | | | |
| % of closed cases that were closed on time | | | | | | | | | | | | | |
| % of complainants that were satisfied with the process | | | | | | | | | | | | | |
| % of complainants that were satisfied with the outcome | | | | | | | | | | | | | |

Note: The Grievance Status Tracking Reports are to be generated through the automated Grievance Register and related databases

12.6 Appendix 6: Potential grievances and proposed resolution measures

Table 4 below outlines various key issues that may lead to the activation of the APCL Grievance Mechanism during the lifetime of the project, along with proposed resolutions. The grievances and resolution measures outlined are not exhaustive. They should be updated as necessary throughout the project lifetime and as part of the efforts to develop the Grievance Resolution Handbook. Each Grievance should be dealt with on a case by case basis – the resolutions applied should not be limited to those proposed below.

Table 4: Potential grievances and proposed resolution measures

| Type of grievance | Possible resolution measure |
|--|--|
| Accidental Injury to People | <ul style="list-style-type: none"> (a) Pay all medical expenses, and (b) If applicable, compensate for lost time |
| Damage to individual asset (e.g. house, etc.) | <ul style="list-style-type: none"> (a) Replace affected asset (in kind), or (b) Fix affected asset, or (c) Provide material (in kind) and labor cost in-cash (if applicable). (d) If complainant refuses in-kind compensation provide cash compensation at replacement value. |
| Damage to community asset (e.g. road, infrastructure, etc.) | <ul style="list-style-type: none"> (a) Replace affected asset (in kind), or (b) Repair affected asset, or (c) If community elects to implement the replacement/repair, provide material (in kind) and labor cost in-cash (if applicable). <p>No cash compensation should be made, except for labor cost</p> |
| Damage to cultural heritage site | <ul style="list-style-type: none"> (a) Replace or fix cultural site. (b) Cover cost of traditional ceremony (if applicable) (c) If community desires and location is at risk, APCL may also move the site. |
| Accident injury or death of livestock | <ul style="list-style-type: none"> (a) Cash compensation based on market price of the animal killed. |

| Type of grievance | Possible resolution measure |
|--|---|
| Failure to honor local hiring/employment procedures and agreements between APCL and the community | (a) Provide explanation to the community in a forum (HR to lead) and discuss issue with Human Resources and the contractor |
| Complaints about dust | (a) Water road and discuss with operation team alternatives to minimize dust. Explain mitigation measures to complainant |
| Complaints about quality of water | (a) Discuss with environment team alternatives which could include: increasing erosion control, build water well for the village (if serious). |
| Community member complains about inappropriate behavior of project staff | (a) Letter of apology written to the complainant and notify them of intended reprimand action against the staff (b) Reprimand project staff (c) Provide code of conduct training to project staff |
| APCL's failure to honor commitments made towards community and infrastructural development | (a) Provide explanation to the community on the reasons leading to delay in implementation/change of plans (b) Provide alternative development options |

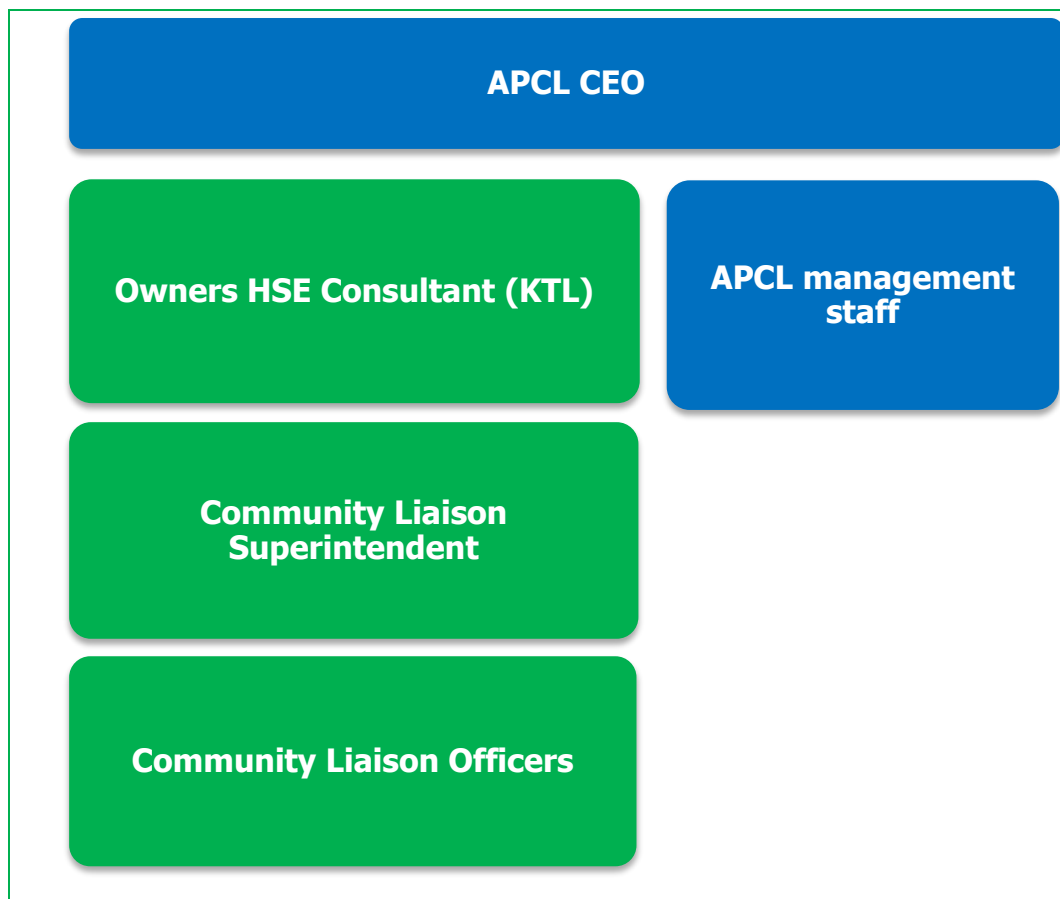
12.7 Appendix 7: Development Phase Grievance Mechanism

The Grievance Mechanism design team is cognizant of the extensive preparations necessary to fully institute this Grievance Mechanism into the Project. Such preparations include, among others, securing the requisite authorizations, concluding and functionalizing the APCL organizational structure, and establishing the necessary infrastructure. Conversely, the design team recognizes that Grievances may arise during these project preparation phases. Given the vast scale of the Project and its potential socio-environmental impacts, stakeholders and the community may have concerns, requests, or require clarifications, necessitating a structured handling/response process. To this end, this Development Phase GM has been prepared. Its main purpose is to provide an accessible, structured grievance handling/response process during the Project preparation/development phases in order to:

- Ensure proper documentation of Complaints and any corrective actions taken
- Clarify any elements of miscommunication or misconstruction of information about the project
- Receive, understand and reconcile community apprehension about the project
- Formally receive and respond to stakeholder requests and input on the ESIA, RAP and project design
- Provide updates on the ESIA, RAP pre and post FEED activities
- Provide a prompt, consistent and respectful mechanism for receiving, investigating and responding to Complaints

This Development Phase GM is meant to serve the ESIA, pre and post FEED phases scheduled to be concluded by the end of 2015. During this period, APCL should make deliberate efforts to transition to the main Grievance Mechanism with a full community roll-out at least three months before the onset of construction.

Figure 3: Proposed organizational structure for GM implementation during the Project Development phase



Note:

As APCL continues to establish the necessary structures and infrastructure for GM implementation during the construction and operational phases, the HSE Consultant, KTL, will provide documentation, tracking and reporting support for the Project Development phase GM implementation. Additionally, KTL will train the community liaison team on the GM implementation, and provide technical support to the community roll-out. The community liaison team, with support and oversight from APCL management staff, will be responsible for collecting, recording and resolving grievances during the Project Development phase. For clarity and effectiveness, it is advised that APCL appoints a specific individual from within the company to coordinate grievance handling. This individual will work with the community liaison team stationed in Lamu

12.7.1 Possible Grievances that may activate the Development Phase GM

During the preparation phases of the project, a variety of issues may lead to the activation of This Development Phase GM. These include, but are not limited to:

- Damage to individual/community assets during project-related studies and field preparations
- Requests for information (clarifications/updates/feedback etc.) with emphasis on the ESIA, project design, schedules, location and land requirements
- Conflict between project staff and the community
- Apprehension about the RAP process (timeline/compensation rates/PAP identification etc.)
- Inquiries and requests for employment and business opportunities
- Stakeholder/community requests for APCL assistance or demands for commitment towards certain obligations in exchange of project support (i.e. obligations that are outside the scope of legal authorization requirements)

12.7.2 Grievance resolution procedure for the Project Development phase

During the preparation phases of the Project, it is envisaged that majority of grievances submitted will be focused around the RAP, ESIA process and anticipated socio-economic benefits to the community. The procedure for grievance resolution is described below:

12.7.2.1 Grievance receipt

For ease of submission, transparency in grievance processing and efficiency in case tracking and follow-up, the following three distinct channels have been proposed for Grievance submission/receipt:

Table 5: Grievance submission/receipt channels

| Submission/receipt channels | | Description |
|-----------------------------|---|--|
| 1. | By telephone to: | _____ |
| 2. | By email to: | _____ |
| 3. | In person submission to the project team (CLM, CLO or APCL staff) | <ul style="list-style-type: none"> ▪ At APCL public/group or individual meetings ▪ During scheduled grievance collection field visits ▪ During any other encounter/field visits |

In the absence of a project office in Lamu, the CLM and CLOs will make scheduled field visits for the purpose of grievance collection, resolution and follow-up. These scheduled grievance handling visits will be adequately publicized to the community and will be located at accessible and convenient venues within the affected communities. Grievances submitted via email will be received by the APCL appointed personnel stationed at the APCL offices in Nairobi.

12.7.2.2 Grievance assessment

Before proceeding to record submitted complaints, the CLM, CLO or APCL’s appointed personnel will promptly assess the grievance at the time of submission to determine whether:

- ✓ The complaint pertains to the project; and
- ✓ The issues raised in the complaint fall within the scope of issues the grievance mechanism is authorized to address

If the complaint does not fit within the above criteria, the CLM, CLO or APCL’s appointed personnel will advise the Complainant on alternative avenues to address the issue.

12.7.2.3 Grievance recording

The CLM or CLO will record submitted grievances in the serialized triplicate Grievance Registration Form; the completed original form will be forwarded to the complainant for their record, the duplicate will be forwarded to KTL on the last Friday of each month for documentation, tracking and reporting, while the triplicate will remain in the Grievance Registration Pad for the CLM/CLO reference. Complainants will be offered the option to have the Complaint treated on an anonymous basis.

12.7.2.4 Grievance resolution and close-out

If a complaint is received which can be promptly resolved through the provision of information, the CLM, CLO or APCL’s appointed personnel will formulate and convey a response to the complainant. The response should be in accordance with APCL’s expressed standpoint. Reference can be made to the FAQ document prepared for the Project. Where necessary, APCL management should be consulted for clarification or matters requiring executive resolutions. Once resolved, the CLM, CLO or r APCL’s appointed personnel should then document the resolution in the Grievance Resolution Form.

If a complaint is received which relates to damage to assets, the CLM and/or one of the two CLO's will arrange to inspect the reported loss or damage (together with the relevant specialist or contactor and a representative from APCL management if possible/necessary). If it is verified that the damage/loss is as a result of APCL's activities, the CLM, in consultation with APCL management, will progress with mutually acceptable remedial action/repairs. If the claimant expresses acceptance of the implemented solution, the case is closed and registered accordingly.

If, as a result of APCL activities, accidental injury to people occurs, (such as those involving traffic accidents), the APCL staff/consultant/contractor involved must ensure that emergency services and the police are immediately notified. The CLM must also be contacted immediately who will endeavor to go the scene. If valid, APCL management will offer to pay for medical costs incurred, in good faith and if applicable, pay for lost time. The CLO should then document the resolution in the Grievance Resolution Form, along with any reports from relevant authorities such as the Police.

12.7.2.5 Reporting and performance monitoring

For centralization of records, reporting and performance monitoring, the CLM and APCL appointed personnel will forward the duplicates of the Grievance Registration Forms and Grievance Resolution forms to KTL. These should be forwarded on the last Friday of every month.

KTL will amalgamate the records into a Grievance Register and compile a monthly grievance status tracking report. The reports will include:

- The volume and nature of complaints received
- The resolution processes employed and case outcomes
- Open cases at beginning of the month;
- New cases submitted during that month;
- Cases closed during that month;
- Open cases at end of the month
- % of complainants that were satisfied with the process; and
- % of complainants that were satisfied with the outcome.

The grievance status tracking reports will provide APCL with insights on community perceptions and concerns about the project as well as the necessary adjustments/improvements that need to be implemented on the company's policies, procedures, and operations to improve stakeholder relations and/or prevent future grievances.

12.7.3 Training for the Development Phase GM implementation

It is necessary that the team implementing the GM receives adequate training. KTL will provide the training to:

- ✓ Ensure they are familiar with the components and tools of the Mechanism
- ✓ Prepare them for the potential complaints to expect and possible resolutions

12.7.4 Community roll-out of the Development Phase Grievance Mechanism

APCL will notify the community of the availability of this Development Phase Grievance Mechanism and educate them on how to participate/utilize it. The notification will also inform the public about the Grievance Mechanisms for the Construction and Operational Phases to be rolled-out later in the year, forming the foundation for the Public sensitization Campaign.

The community roll-out will include:

- Erection of posters at easily accessible places within Lamu Island, Hindi, Mokowe, Bargoni and Pate. Such places may include local government offices, project site, local civil society groups and NGO offices, schools, hospitals near Mosques and Churches.
- Publicizing during public/community meetings and one on one stakeholder consultations
- Publicizing through focus group meetings focusing on vulnerable stakeholder groups, land owners, local civil society groups and NGO's.
- Deliver information letters to local civil society groups, NGO's and local leaders.
- Word of mouth by the two Community Liaison Officers
- Media campaign including: advertisements in local radio stations, publications in newspapers, APCL website and social media outlets
- Publish the prepared Project FAQs document along with the Project schedule and related updates on the APCL website. This will keep the public informed about the project and reduce inflow rates of information-related grievances.

Table 6: Development phase GM roll-out schedule


| Month | Key Activities and targets |
|-----------|--|
| May 2015 | <ul style="list-style-type: none"> ▪ Preparation of the Development phase GM for APCL review and approval ▪ Development of the GM tools (Grievance Registration Form pads and Grievance Resolution Forms) |
| June 2015 | <ul style="list-style-type: none"> ▪ Preparation of public sensitization tools - posters, information letters etc. ▪ Training of the Community Liaison Team ▪ Prepare and publicize the Grievance collection and resolution field visit schedule ▪ Initiate the community roll-out campaign: Erect posters, send information letters to stakeholder groups, Distribute flyers, Run a local media campaign etc. ▪ Begin implementation |

| Month | Key Activities and targets |
|---------------------------------------|---|
| Through-out the implementation period | <ul style="list-style-type: none"> ▪ Continuous monitoring and monthly reporting ▪ Continuous publicizing of the GM through public/ group, individual and focus group meetings ▪ Periodic public education initiatives to enlighten the affected communities on the GM procedures and how to participate |

Table 7: Sample Grievance collection and resolution field visit schedule

| Location | Venue | Date | Time |
|--------------------|------------------------|---|--------------------|
| Bargoni | Bargoni School Primary | Every 1 st Monday of the month | 9:00 am – 11:00 am |
| Mokowe | Mokowe School Primary | Every 1 st Monday of the month | 2:00 pm – 4:00 pm |
| Kwasasi | Kwa Headman | Every 1 st Tuesday of the month | 9:00 am – 11:00 am |
| Hindi | Digital media centre | Every 1 st Tuesday of the month | 2:00 pm – 4:00 pm |
| Pate Island | Pate Social Hall | Every 1 st Thursday of the month | 9:00 am – 11:00 am |

Table 8: Sample information sheet



HOW TO REPORT A GRIEVANCE

APCL has a number of ways of receiving your grievances. You can:

1. Submit your complaint through the email address: _____
2. Contact the Community Liaison Manager (CLM) or one of the Community Liaison Officers (CLO) on the phone to submit your verbal complaint through the following numbers:

3. Submit your complaint in person to the Community Liaison Manager or one of the Community Liaison Officers during the scheduled grievance collection field visits or during any other public/group or individual meetings

The CLO will then fill out a Grievance Registration Form for you and give you a copy to ensure that your grievance is tracked.

FOLLOW UP

Unless the CLM or CLO is able to deal with your grievance immediately, APCL will go through the following steps to handle it:

1. When we get your Grievance Registration Form or email, we will appoint a member of APCL staff to investigate your grievance and may need to contact you in order to do this.
2. When we have completed this investigation, we will contact you with the findings of our investigation and our proposed resolution. We will aim to contact you within 30 days of your lodging the grievance.
3. If you are happy with the proposed resolution we will ask you to sign the Grievance Resolution Form to this effect.
4. If you are not happy with the resolution, we will discuss with you other options for dealing with the grievance and attempt to agree on a resolution. If we are unable to agree on a response, your grievance will be assessed by an independent third party.

CONFIDENTIALITY AND ANONYMITY

If you ask APCL to keep your identity confidential in relation to your grievance, we will ensure that your name and details are known only to the grievance investigation team and are not shared with other APCL employees or management, contractors, or people or organizations outside APCL. If it is not possible for APCL to resolve the grievance without revealing our identity, APCL will contact you to ask you how you prefer to address this situation. If you wish to raise a grievance anonymously you may do so, and APCL will investigate the grievance. However, in this case APCL will not be able to contact you to discuss the results of our investigation and our proposed resolution measures