

# BALASAUSQANDIQ VANADIUM MINING AND PROCESSING PLANT PROJECT

## Stakeholder Engagement Plan

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**Prepared for:**

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## LIST OF ABBREVIATIONS

AMV	Ammonium Metavanadate
E&S	Environmental and Social
EIA	Environmental Impact Assessment
ESAP	Environmental and Social Action Plan
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
EP	Equator Principles
FS	Feasibility Study
FAR	Ferro-Alloy Resources
IFC	International Finance Corporation
LLP	Limited Liability Partnership
MSI	Municipal State Institution
NGO	Non-governmental organisation
NTS	Non-Technical Summary
PA	Public Association
PS	Performance Standard
RD	Rural District
RK	Republic of Kazakhstan
RSI	Republican State Institution
SEP	Stakeholder Engagement Plan

## TABLE OF CONTENTS

1	INTRODUCTION.....	4
2	PROJECT DESCRIPTION .....	4
3	STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE REQUIREMENTS	6
3.1	National legislation requirements of the Republic of Kazakhstan (RK).....	6
3.2	Equator Principles .....	7
3.3	IFC's PSs .....	7
4	THE COMPANY'S STAKEHOLDER ENGAGEMENT EXPERIENCE AND ENGAGEMENT WITHIN THE ESIA.....	8
4.1	The Company's current stakeholder engagement practice .....	8
4.2	Engagement with local residents during socio-economic baseline studies.....	9
5	STAKEHOLDER IDENTIFICATION AND ANALYSIS.....	9
5.1	Stakeholder Identification Methodology .....	9
5.2	Main Stakeholder Categories and Groups .....	9
5.3	Stakeholder Analysis .....	10
6	PRELIMINARY STAKEHOLDER ENGAGEMENT PROGRAMME .....	13
7	GRIEVANCE MECHANISM .....	18
8	MONITORING, EVALUATION AND REPORTING .....	19
ANNEX 1.	SAMPLE PUBLIC GRIEVANCE FORM .....	20
ANNEX 2.	Sample Public Engagement Logbook .....	21

## FIGURES AND TABLES

Figure 1.	Project Location .....	5
Figure 2.	Grievance Mechanism .....	18
Table 1.	Stakeholder identification and analysis.....	10
Table 2.	Preliminary Stakeholder Engagement Programme .....	15

## 1 INTRODUCTION

Ferro-Alloy Resources Limited (“FAR”) <sup>1</sup> is developing a Feasibility Study (FS) for the construction of a mining and processing plant based on the Balasausqandiq vanadium deposit with a capacity of approximately 1.65 million tonnes of ore per year in Kazakhstan (the “Project”). FAR decided to implement the Project in accordance with the Equator Principles (EP)<sup>2</sup> and the Policy on Environmental and Social Sustainability (hereinafter referred to as the Policy) and the Performance Standards (PS) of the International Finance Corporation (IFC)<sup>3</sup>. FAR entrusted the implementation of the Project to its subsidiary, Firma Balausa LLP, Kazakhstan (the “Company”).

In accordance with IFC’s Policy and the requirements of the EP, the Project is classified as a Category A project, since it could potentially have significant E&S risks and adverse impacts. Category A projects require a full-scale Environmental and Social Impact Assessment (ESIA). The implementation of the ESIA for this Project was awarded to a consortium of organisations Ecoline International Ltd (Bulgaria) and Green Bridge LLP (Kazakhstan), hereinafter referred to as the “Consultant”. The ESIA package also includes this document – **a preliminary Stakeholder Engagement Plan (SEP)**.

The SEP aims at establishing an open, meaningful dialogue with stakeholders on the E&S aspects of the Project and includes the following sections:

- description of the national regulatory framework and requirements of the EP and IFC in the field of stakeholder engagement;
- identification of stakeholders; the greatest attention will be paid to the population affected by the Project, and especially to vulnerable groups who may be disproportionately affected by the Project due to their vulnerable status;
- a stakeholder engagement programme that will ensure timely and appropriate delivery of E&S information on the Project to stakeholders, as well as the creation and maintenance of feedback channels for organising and developing meaningful dialogue at all stages of the Project life cycle;
- defining means and methods of meaningful stakeholder engagement, taking into account social and cultural characteristics;
- a procedure or mechanism for receiving, registering and addressing grievances and suggestions from stakeholders.

The SEP is a “living” document that will be regularly reviewed, supplemented and/or modified as the Project progresses. This version of the SEP and all subsequent versions will be disclosed to ensure that all stakeholders can effectively participate in the consultation process and the evolving dialogue.

## 2 PROJECT DESCRIPTION

The Balasausqandiq deposit is a very large black shale deposit containing vanadium and valuable by-products: uranium, molybdenum, aluminium, rare earth metals and carbon. The

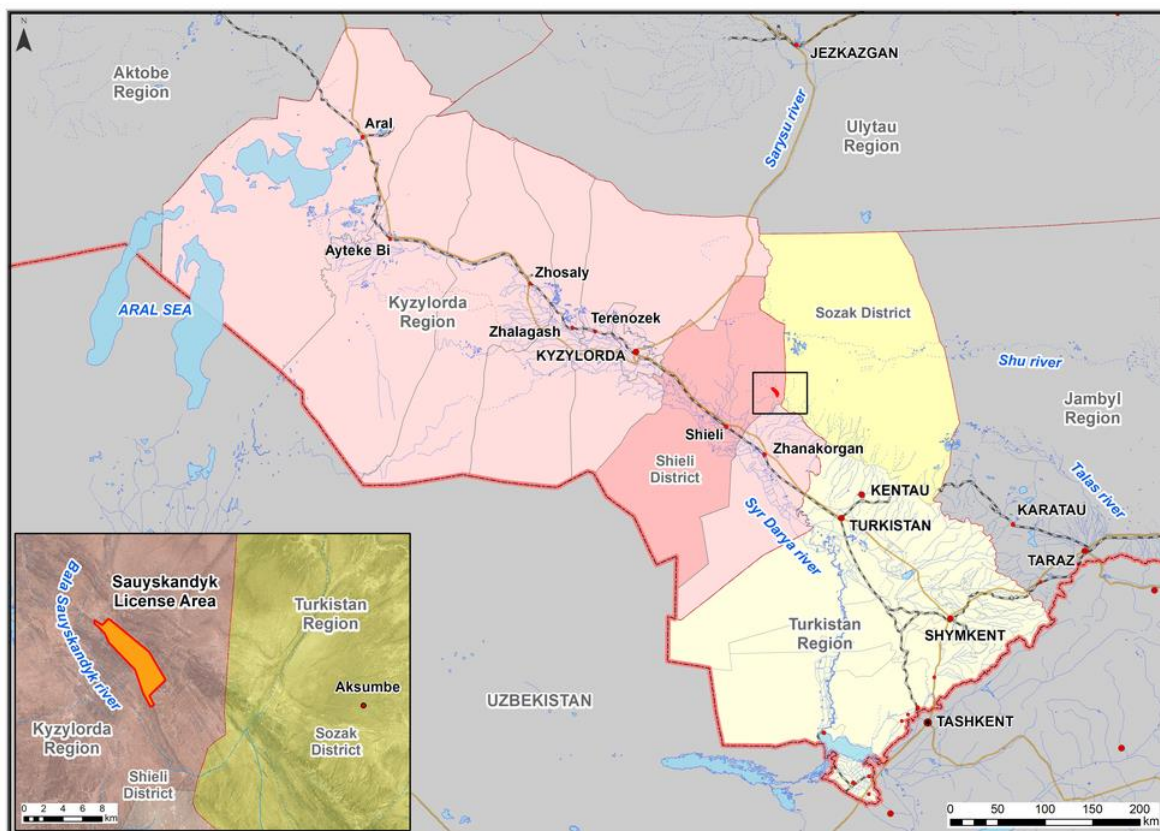
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<sup>1</sup> FAR was founded in 2000 as a holding company and owns a number of subsidiaries based in the UK and Kazakhstan. <https://ferro-alloy.com>, including Firma Balausa LLP, which is entrusted with the implementation of the Project under the leadership of FAR.

<sup>2</sup> Equator Principles. Version dated 04 July 2020. [https://equator-principles.com/app/uploads/The-Equator-Principles\\_EP4\\_July2020.pdf](https://equator-principles.com/app/uploads/The-Equator-Principles_EP4_July2020.pdf)

<sup>3</sup> IFC. 2012. Performance Standards on Environmental and Social Sustainability <https://documents1.worldbank.org/curated/pt/997951490942917263/pdf/113766-WP-RUSSIAN-Performance-Standards-2012-Full-Documents-PUBLIC.pdf>

deposit is located in the Shieli District of the Kyzylorda Region, 70 km northeast of the district centre – Shieli village, in the spurs of Karatau (**Figure 1**). The nearest settlement is Aksumbe village (9 km from the Project site) located in the Suzak District of the Turkistan Region.



Source: developed by the Consultant

**Figure 1. Project Location**

The license for the right to use subsoil<sup>4</sup> is held by Firma Balausa LLP, which is part of the FAR group of companies. The office of Firma Balausa LLP is located in the Shieli village. Currently, the Company processes ore and purchased vanadium-containing raw materials at the production facility<sup>5</sup>, producing ammonium metavanadate (AMV) and nickel concentrate.

The Company plans to build an additional processing plant (part of the Project) near the existing production facility. The new plant will operate independently of the existing production facility plant and will allow for increased production and processing of AMV into the more widely sold vanadium pentoxide ( $V_2O_5$ ).

*Vanadium is a chemical element with the symbol V and atomic number 23. It is a hard, silver-gray, ductile and malleable transition metal. In nature, the element is in a chemically combined form, but when artificially isolated, the formation of an oxide layer stabilises the free metal from further oxidation. Currently, vanadium is primarily used as an additive to steel to provide greater strength and corrosion resistance.*

*Source: FAR website*

<sup>4</sup> Licensed area is the territory covered by the right to use the subsoil of the licensee.

<sup>5</sup> The existing production facility is designed to test the technology for producing vanadium and molybdenum compounds.

The main facilities of the Project are an open pit, a processing plant, a tailings dump, access and on-site roads, communications and other auxiliary facilities. The composition and location of Project facilities is currently at the preliminary design stage.

It is planned to gradually increase production volumes in order to achieve the output of 25.8 thousand tonnes of vanadium pentoxide per year. The increase in production is planned in two stages: Stage 1 – up to 1.65 million tonnes per year (this Project); Stage 2 - up to 5 million tonnes per year (potential future development).

The Stage 1 FS was carried out in accordance with national Kazakhstan standards and is currently being updated in accordance with international standards. Simultaneously, for the Stage 1, the above-mentioned ESIA is being developed in accordance with the EP and IFC's PSs.

### 3 STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE REQUIREMENTS

#### 3.1 National legislation requirements of the Republic of Kazakhstan (RK)

In 2000, the RK ratified the Convention on Access to Information, Public Participation in Decision-Making and Access to Justice in Environmental Matters (Aarhus Convention, 1998) <sup>6</sup>. The Convention defines the concepts of “the public” and the “public concerned” and establishes the public’s right to have access to information, have the possibility to participate in decision-making and have access to justice in environmental matters without discrimination as to citizenship, nationality or domicile and, in the case of a legal person, without discrimination as to where it has its registered seat or an effective centre of its activities.

In accordance with the Environmental Code of the RK<sup>7</sup> (2021), the public has the right to access complete, reliable and timely environmental information held by government agencies. Holders of environmental information, such as authorities and individuals and legal entities, are required to provide this information upon request.

Article 15 of the Code states that *“the interested public has the right to participate, under the conditions and in the manner established by this Code, in the process of conducting environmental assessments and making other decisions by government bodies and officials on issues related to the environment.”*

At the same time, the laws of the RK and the Aarhus Convention clearly describe cases when it is possible to refuse to provide environmental information.

The Environmental Code provides for public hearings during the national EIA procedure. In accordance with the Rules for Conducting Public Hearings<sup>8</sup>, public hearings are held in the form of open meetings and public discussions. When organising an open meeting, the project initiator agrees with the relevant local executive authority on the date, time and place of public hearings using the Unified Environmental Portal<sup>9</sup> and publishes an announcement about public hearings in the media, including at least one printed periodical (newspaper) and at least one television or radio broadcast channel. To conduct public hearings in the form of public discussions, the project initiator publishes an announcement in the media about holding public hearings in accordance with established requirements. An authorised representative of the relevant local executive authority is appointed who is responsible for maintaining and signing

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<sup>6</sup> Law of the Republic of Kazakhstan dated October 23, 2000 No. 92-II ZRK On Ratification of the Convention on Access to Information, Public Participation in the Decision-Making Process and Access to Justice on Issues Related to the Environment. Available at: <https://adilet.zan.kz/rus/docs/Z000000092>

<sup>7</sup> Environmental Code of the Republic of Kazakhstan dated January 2, 2021 No. 400-VI ZRK. Available at: <https://adilet.zan.kz/rus/docs/K2100000400>

<sup>8</sup> Acting order Minister of Ecology, Geology and Natural Resources of the Republic of Kazakhstan dated August 3, 2021 No. 286 On Approval of the Rules for Conducting Public Hearings. Available at: <https://adilet.zan.kz/rus/docs/V2100023901>

<sup>9</sup> <https://ecoportal.kz>



the minutes of public discussions in the form provided by the Rules. In the absence of substantiated responses from the project initiator to the comments and proposals received, repeated public discussions may be organised.

**Instructions for organising and conducting environmental assessment**<sup>10</sup> determine the process of disclosing information on the project (environmental and social impacts, risks, etc.) by holding public hearings, accepting written proposals or comments from the public, as well as collecting written proposals and comments in the process of conducting a survey of the public living in the project area.

### 3.2 Equator Principles

EP is a general document summarising the principles of global best practice with respect to large scale development or construction projects and their associated potential impacts on the natural environment and affected communities. EPs include 10 risk management principles and are based primarily on IFC standards. Essentially, EPs set minimum standards for E&S responsibility that should be adhered to when making responsible decisions related to E&S risks.

According to EP5: Stakeholder engagement for all Category A Projects where the client is required to demonstrate effective stakeholder engagement, is an ongoing process in a structured and culturally appropriate manner, with affected communities<sup>11</sup>, workers and, where relevant, other stakeholders.

For projects with potentially significant adverse impacts on affected communities, the client will conduct an informed consultation and participation process. The client will tailor its consultation process to: the risks and impacts of the project; the project's phase of development; the language preferences of the affected communities; their decision-making processes; and the needs of disadvantaged and vulnerable groups. This process should be free from external manipulation, interference, coercion and intimidation.

To facilitate stakeholder engagement, the client will, commensurate with the project's risks and impacts, make the appropriate assessment documentation readily available to the affected communities, and where relevant other stakeholders, in the local language and in a culturally appropriate manner. The client will take account of, and document, the results of the stakeholder engagement process, including any actions agreed resulting from such process. Disclosure of environmental or social risks and adverse impacts should occur early in the assessment process, in any event before the project construction commences, and on an ongoing basis.

### 3.3 IFC's PSs

IFC strives to ensure that projects are socially and environmentally sustainable when financing private sector projects in countries with economies in transition. IFC's Sustainability Framework comprises IFC's Policy and Performance Standards on Environmental and Social Sustainability, and IFC's Access to Information Policy.

IFC's requirements for disclosure of information on investment projects are defined in the following documents:

- IFC's Access to Information Policy, which defines IFC's general principles and approaches to information disclosure (2012)<sup>12</sup>;

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<sup>10</sup> The Instruction on Conducting the Environmental Impact Assessment approved by the Order of the Ministry of Ecology, Geology and Natural Resources of the RK of 30 July 2021 No, 380, as amended on 26 October 2021. <https://adilet.zan.kz/rus/docs/V2100023809>

<sup>11</sup> Affected Communities – local communities directly affected by the project (PS1, item 1).

<sup>12</sup> <https://www.ifc.org/content/dam/ifc/doc/2010/2012-ifc-access-to-information-policy-en.pdf>



- PS1: Assessment and Management of Environmental and Social Risks and Impacts, which defines principles and approaches of information disclosure by IFC's clients and their stakeholder engagement in the context of specific projects.

According to PS1, stakeholder engagement is the basis for building strong, constructive, and responsive relationships that are essential for the successful management of a project's E&S impacts.

Stakeholder engagement is an ongoing process that may involve, in varying degrees, the following elements:

- stakeholder analysis and planning,
- disclosure and dissemination of information,
- consultation and participation,
- grievance mechanism, and
- ongoing reporting to affected communities (usually annually).

The nature, frequency, and level of effort of stakeholder engagement may vary considerably and will be commensurate with the project's risks and adverse impacts, and the project's phase of development.

## 4 THE COMPANY'S STAKEHOLDER ENGAGEMENT EXPERIENCE AND ENGAGEMENT WITHIN THE ESIA

### 4.1 The Company's current stakeholder engagement practice

The Company engages with stakeholders in connection with its current activities within the framework of the RK legislation. For example, on December 29, 2023, the Company successfully held public hearings on the Draft Permissible Emission Standards, Environmental Protection Section for the working draft: "Project for the Reconstruction of the Production Line of the Plant for Autoclave Processing of Ore at the Balasausqandiq Deposit," Waste Management Programme, Environmental Protection Plan, Industrial Environmental Control Programme." All information related to this event, including the project description, media announcements, minutes and audio/video footage of the hearings, was made public in accordance with the requirements of national legislation<sup>13</sup>. The Company does not conduct a broader dialogue with stakeholders about the E&S impacts of current activities. There is no reporting to stakeholders.

The Company does not have its own official website yet, but FAR has one<sup>14</sup>. The FAR website contains information about the current activities of the production facility, the planned Project based on the Balasausqandiq deposit, existing and planned infrastructure, etc. The email address and other contacts of FAR are also indicated. There is no information on the website about the E&S impacts associated with the ongoing processing of purchased vanadium concentrates at the production facility, except that all components of the processed raw materials are allocated as goods for sale, without waste. While intended for professionals, clients and investors, this online resource provides little information that may be of interest to local residents and does not provide opportunities for engaging with various stakeholder groups.

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<sup>13</sup> Website of the MSI Department of Natural Resources and Environmental Management of the Kyzylorda Region [https://www.gov.kz/uploads/2024/1/5/9e72f90a7888025fdd44dc36152947b5\\_original.2485108.pdf](https://www.gov.kz/uploads/2024/1/5/9e72f90a7888025fdd44dc36152947b5_original.2485108.pdf).

<sup>14</sup> <https://ferro-alloy.com/ru/company/corporate-profile/>

#### 4.2 Engagement with local residents during socio-economic baseline studies

In the period from 31 August 2023 to 08 September 2023 the Consultant conducted studies of the socio-economic baseline conditions as part of the preparation of the Project ESIA at the level of:

- districts:
  - Shieli District of Kyzylorda Region (focus)
  - Suzak District of Turkestan Region (in shortened format)
- rural settlements:
  - Kosuyenki village of the Enbekshi Rural District (RD) of Shieli District
  - Aksumbe village of Karatau RD of Suzak District.

24 interviews were conducted with government agencies and organisations, 2 interviews with representatives of the local population, including socially vulnerable households, and 10 focus groups: women and men of working age, youth, pensioners, and entrepreneurs. A total of 83 people participated in the study, of which 42% were women.

In all forms of engagement, general information about the Project was provided, and respondents asked questions of interest, shared their thoughts, concerns and expectations in connection with the current activities of the Company and its development plans. In particular, the main issues raised by the local population were related to:

- Technologies planned for use on the Project,
- E&S of Project impacts;
- Potential employment opportunities on the Project, etc.

## 5 **STAKEHOLDER IDENTIFICATION AND ANALYSIS**

### 5.1 Stakeholder Identification Methodology

The identification of stakeholders in relation to the Company's current operations and the Project was carried out based on the following criteria:

- **Impact:** the implementation of the Project may significantly affect a certain social group (stakeholders);
- **Influence:** the social group is able to significantly influence the process of Project implementation;
- **Partnership:** there are opportunities for building partnerships between the Company and the given social group; and
- **Interest:** a social group or individuals not necessarily directly affected by the Project may (or may not) show interest in it.

Identification of stakeholders based on the above criteria is necessary to organize interaction with them and select appropriate methods of interaction that are suitable for them.

### 5.2 Main Stakeholder Categories and Groups

All the stakeholders have been grouped into the following two major categories:

- **Internal stakeholders** representing the organisations that undertake the Project and those who work within them such as management, staff, owners, shareholders, as well as contractors and subcontractors involved in the current operations of the Company and the Project implementation and benefiting from it (investors and shareholders); and

- **External stakeholders** representing the groups or individuals that are not part of the Company and the Project but are affected in some way by their decisions and actions.

The SEP is intended to cover the Company's engagement with **external stakeholders**. In order to ensure effective and meaningful engagement, the Project's external stakeholders have been clustered into the following groups:

- Potentially affected parties;
- Potentially vulnerable groups;
- State authorities and organisations;
- Non-governmental organisations (NGOs).

### 5.3 Stakeholder Analysis

Initial identification and analysis of stakeholders is based on data obtained during interviews and focus groups. Interest and/or attitude towards the Project on the part of the above stakeholder groups is analysed below (**Table 1**).

**Table 1. Stakeholder identification and analysis**

Stakeholders	Interests / attitudes
<b>Potentially affected parties</b>	
Land users using lands for grazing in the vicinity of the licensed site <sup>15</sup>	<p>May be affected by:</p> <ul style="list-style-type: none"> <li>• reduction of pasture areas due to project activities;</li> <li>• dust pollution of soil in pasture areas and noise associated with construction work</li> </ul> <p>May be interested in receiving information about the Project, including employment opportunities, as well as its E&amp;S impacts.</p>
<p>Associated facilities (to be checked):</p> <ul style="list-style-type: none"> <li>• Owners and users of land plots acquired on temporary and permanent basis/lease for such facilities</li> </ul>	<p>May be affected by:</p> <ul style="list-style-type: none"> <li>• impacts associated with temporary or permanent land acquisition.</li> </ul> <p>May be interested in receiving information about the Project, including employment opportunities, as well as its E&amp;S impacts.</p>
Users and operators of public infrastructure including power lines	<p>May be affected by:</p> <ul style="list-style-type: none"> <li>• impacts associated with temporary or permanent land acquisition;</li> <li>• load on infrastructure facilities due to the Project activities</li> </ul>
Residents of the nearest settlements – Aksumbe village, Turkestan Region (9 km) and Kosuyenki village, Kyzylorda Region (35 km)	<p>May be affected by:</p> <ul style="list-style-type: none"> <li>• employment opportunities at the Project sites during its construction and operation stages</li> <li>• improvement in the standard of living in the area as a result of the Project activities;</li> <li>• assistance of the Company in holding cultural and/or sports events, construction and/or repair work of cultural and social facilities by providing equipment, financial resources, etc.;</li> </ul> <p>May be interested in receiving information about the Project, including its E&amp;S impacts.</p> <p>May be concerned by:</p> <ul style="list-style-type: none"> <li>• changes in the landscape in the vicinity of the Karatau foothills as a result of the Project activities;</li> </ul>

<sup>15</sup> It should be noted that land tenants will be provided with new land plots.

Stakeholders	Interests / attitudes
	<ul style="list-style-type: none"> <li>E&amp;S impacts of the Project</li> </ul>
Akimat of Enbekshi RD	May be affected by: <ul style="list-style-type: none"> <li>land acquisition for Project purposes.</li> </ul> May be interested in receiving information about the Project, including its E&S impacts
<b>Republican State Authorities</b>	
<ul style="list-style-type: none"> <li>Government of the RK</li> <li>Ministry of Industry and Construction of the RK</li> <li>Republican State Institution (RSI) Investment Committee of the Ministry of Foreign Affairs of the RK</li> </ul>	May be interested in: <ul style="list-style-type: none"> <li>attracting investments for the implementation of the Project;</li> <li>development of industry in the regions of the RK;</li> <li>creation of jobs;</li> <li>obtaining information about the Project, as well as its E&amp;S impacts;</li> <li>the Project's compliance with legislation (including the Project's receipt of a construction permit, sanitary and epidemiological review, etc.)</li> </ul>
<ul style="list-style-type: none"> <li>Committee of Environmental Regulation and Control of the Ministry of Ecology and Natural Resources of the RK</li> </ul>	May be interested in: <ul style="list-style-type: none"> <li>compliance by the Project with environmental standards and requirements of national environmental legislation;</li> <li>ensuring that new technologies are used by the Project in the production process;</li> <li>obtaining information about the Project, as well as its E&amp;S impacts.</li> </ul> May be concerned by: <ul style="list-style-type: none"> <li>environmental impacts of the Project.</li> </ul>
Committee of Culture of the Ministry of Culture and Information of the RK	May be interested in: <ul style="list-style-type: none"> <li>the Project passing an archaeological examination in accordance with national legislation;</li> <li>obtaining information about the Project, as well as its E&amp;S impacts.</li> </ul>
Water Resources Committee of the Ministry of Water Resources and Irrigation of the RK	May be interested in: <ul style="list-style-type: none"> <li>effective use of the water fund of the RK by the Project;</li> <li>obtaining information about the Project, as well as its E&amp;S impacts.</li> </ul>
<b>Regional State Authorities</b>	
<ul style="list-style-type: none"> <li>Akimat of Kyzylorda Region</li> <li>Municipal State Institution (MSI) Department of Entrepreneurship and Industry of the Kyzylorda Region</li> </ul>	May be interested in: <ul style="list-style-type: none"> <li>attracting investments to the region;</li> <li>creation of jobs by the Project for residents of the area during the stages of its construction and operation;</li> <li>obtaining information about the Project, as well as its E&amp;S impacts.</li> </ul>
Department of Ecology of Kyzylorda Region	May be interested in: <ul style="list-style-type: none"> <li>compliance by the Project with environmental standards and requirements of national environmental legislation;</li> <li>ensuring that new technologies are used by the Project in the production process</li> <li>obtaining information about the Project, as well as its E&amp;S impacts.</li> </ul> May be concerned by: <ul style="list-style-type: none"> <li>the impact of Project activities, in particular, vibration due to blasting operations, on the Sauskandyk Petroglyphs;</li> <li>vandalism by working personnel both during Project construction and operational work on the Sauskandyk Petroglyphs.</li> </ul>
State Institution Department of Culture, Archives and Documentation of the Kyzylorda Region	May be interested in: <ul style="list-style-type: none"> <li>the Project passing an archaeological examination in accordance with national legislation;</li> <li>obtaining information about the Project, as well as its</li> </ul>

Stakeholders	Interests / attitudes
	E&S impacts.
Kyzylorda branch of the Republican State Enterprise Kazvodkhoz of the Water Resources Committee of the Ministry of Water Resources and Irrigation of the RK	May be interested in: <ul style="list-style-type: none"> <li>• effective use of the water fund of the RK by the Project;</li> <li>• obtaining information about the Project, as well as its E&amp;S impacts.</li> </ul>
<b>District State Authorities</b>	
<ul style="list-style-type: none"> <li>• MSI Apparatus of Akim of Shieli District and its structures:</li> <li>• MSI Shieli District Department of Entrepreneurship, Industry and Tourism</li> <li>• MSI Shieli District Department of Economics and Finance</li> </ul>	May be interested in: <ul style="list-style-type: none"> <li>• attracting investment to the area;</li> <li>• ensuring the development of entrepreneurship in the Shieli District through the implementation of the Project;</li> <li>• creation of jobs by the Project for residents of the district during the stages of its construction and operation;</li> <li>• improving the standard of living in the district as a result of the Project activities;</li> <li>• obtaining information about the Project, as well as its E&amp;S impacts.</li> </ul>
<ul style="list-style-type: none"> <li>• MSI Shieli District Department of Employment, Social Programmes and Civil Registration</li> <li>• Career Centre of Shieli District</li> <li>• MSI Department of Social Development of Shieli District</li> </ul>	May be interested in: <ul style="list-style-type: none"> <li>• creation of jobs by the Project for local residents during the stages of its construction and operation;</li> <li>• opportunities to receive social assistance from the Company for socially vulnerable segments of the population;</li> <li>• obtaining information about the Project, as well as its E&amp;S impacts.</li> </ul>
MSI Shieli District Department of Culture and Sports"	May be interested in: <ul style="list-style-type: none"> <li>• the Company's measures to preserve the Sauskandyk Petroglyphs.</li> <li>• obtaining information about the Project, as well as its E&amp;S impacts.</li> </ul> May be concerned by: <ul style="list-style-type: none"> <li>• the impact of Project activities, in particular, vibration due to blasting operations, on the Sauskandyk Petroglyphs;</li> <li>• vandalism by working personnel both during Project construction and operational work on the Sauskandyk Petroglyphs</li> </ul>
MSI Shieli District Department of Education	May be interested in: <ul style="list-style-type: none"> <li>• creation of jobs by the Project for local residents during the stages of its construction and operation;</li> <li>• allocation of funds to school graduates for education and their subsequent employment at Project sites;</li> <li>• obtaining information about the Project, as well as its E&amp;S impacts.</li> </ul>
Municipal State Enterprise at the Shieli Multidisciplinary Central District Hospital	May be interested in: <ul style="list-style-type: none"> <li>• increasing the number of Company employees undergoing periodic medical examinations on the basis of a paid contract;</li> <li>• obtaining information about the Project, as well as its E&amp;S impacts.</li> </ul> May be concerned by: <ul style="list-style-type: none"> <li>• socially determined diseases in connection with the migration of workers.</li> </ul>
Republican State Institution (RSI) State Revenue Administration for the Shieli District of the State Revenue Department for the Kyzylorda Region	May be interested in: <ul style="list-style-type: none"> <li>• attracting investment to the area;</li> <li>• receipt of taxes and payments from Project activities to the state budget</li> </ul>
RSI Department for Emergency Situations of the Shieli District of the Department of Emergency Situations of	May be interested in: <ul style="list-style-type: none"> <li>• conducting joint fire drills on the territory of the Project facilities;</li> </ul>

Stakeholders	Interests / attitudes
the Kyzylorda Region of the Ministry of Emergency Situations of the RK	<ul style="list-style-type: none"> <li>obtaining information about the Project, as well as its E&amp;S impacts.</li> </ul>
Utility State Enterprise Shieli Industrial-Agrarian College of the Department of Education of the Kyzylorda Region	May be interested in <ul style="list-style-type: none"> <li>organising educational practice for college students at Project sites;</li> <li>training of personnel for the Project;</li> <li>employment of college graduates at Project sites;</li> <li>obtaining information about the Project, as well as its E&amp;S impacts.</li> </ul>
<b>Local State Authorities</b>	
Akimats of Shieli village, Kosuyenki village	May be interested in: <ul style="list-style-type: none"> <li>attracting investment to the area;</li> <li>ensuring the development of entrepreneurship in settlements through the implementation of the Project;</li> <li>creation of jobs by the Project for residents of settlements during the stages of its construction and operation;</li> <li>improving the standard of living in settlements as a result of Project activities;</li> <li>obtaining information about the Project, as well as its E&amp;S impacts; social activities of the Company in populated areas.</li> </ul>
Akimat of the Aksumbe village	May be interested in: <ul style="list-style-type: none"> <li>creation of jobs by the Project at the stages of its construction and operation;</li> <li>improving the standard of living in the village as a result of Project activities;</li> <li>obtaining information about the Project, as well as its E&amp;S impacts;</li> <li>assistance to the Company in the repair and/or construction of cultural and sports facilities.</li> </ul>
<b>NGOs</b>	
Regional and district environmental and/or social non-governmental organisations such as the Public Association (PA) Syr Ekologiya, PA Narodny Nadzor, Regional Centre for Ecology and Health Protection of the Aral Sea Region, etc.	May be interested in <ul style="list-style-type: none"> <li>obtaining information about the Project, as well as its E&amp;S impacts</li> <li>monitoring the progress of the Project and how their views/suggestions are taken into account during the implementation of the Project</li> </ul>
National, regional and local media such as the regional newspaper Kyzylorda News, The TV channel QYZYLORDA, the newspaper Oskan-Onir, etc.	May be interested in <ul style="list-style-type: none"> <li>publicising about the Company's activities and releasing information to the public and other stakeholders;</li> <li>obtaining information about the Project, as well as its E&amp;S impacts</li> </ul>
Small and medium-sized businesses operating in the area, for example, suppliers of building materials, food, fuel, etc.	May be interested in <ul style="list-style-type: none"> <li>opportunities for cooperation with the Company at the stages of construction and operation of Project facilities;</li> <li>creation of jobs by the Project for local residents;</li> <li>obtaining information about the Project, as well as its E&amp;S impacts.</li> </ul>

## 6 PRELIMINARY STAKEHOLDER ENGAGEMENT PROGRAMME

The preliminary Stakeholder Engagement Programme (**Table 2**) was developed to ensure the most effective engagement with all identified stakeholders, create and maintain respectful relationships between the Company and stakeholders and prevent possible conflict situations.



The Programme is developed in the form of an action plan indicating responsible parties and deadlines for the implementation of the proposed activities. It covers the design phase of the Project. The Programme will be updated prior to the start of construction and then shall be reviewed and updated at least annually after the start of construction and until Project facilities are placed into service. The Programme is also subject to updating in the event of changes in the circumstances of the Project that will require modification of the mechanisms for interaction with stakeholders and/or in the event of the identification of new stakeholders.

The stakeholder engagement activities will include several components to facilitate meaningful consultation and information about the Project and its E&S implications:

- Disclosure of information and engagement with the local population with the support of the Company and local authorities within the framework of:
  - Preliminary assessment as part of the ESIA. The relevant report, SEP and information leaflet about the Project and the preliminary ESIA will be disclosed. Public consultation meetings will be held in Shieli village, Kosuyenki village, city of Kyzylorda and Aksumbe village. Comments will be accepted until the E&S documents are disclosed at the next stage of the assessment (see below).
  - Full scale assessment. The Project E&S package includes: ESIA report, Environmental and Social Action Plan (ESAP), this SEP, Non-Technical Summary (NTS), Cultural Heritage Action Plan. Public hearings will also be held in Shieli village, Kosuyenki village, city of Kyzylorda and Aksumbe village. The duration of disclosure of the ESIA package is at least 60 days<sup>16</sup>.
- Thematic discussions on issues such as sustainable use of water resources and cultural heritage.

The list of activities can be expanded as necessary / based on consultations.

Public hearings as part of the national EIA procedure are not part of the ESIA. However, comments received from local residents will be reviewed by the Company and this SEP will be updated as necessary. The possibility of holding single hearings for the purposes of ESIA for international requirements and EIA for national requirements will be clarified.

Stakeholders will be notified of any meetings in advance.

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<sup>16</sup> The duration of disclosure may depend on additional requirements of international financial institutions (for example, 120 days).



**Table 2. Preliminary Stakeholder Engagement Programme**

No	Activity	Target group	Information Materials	Timeframe	Responsible party	Means of communication/ location
<b>1. Formation of Communication Mechanisms</b>						
1.1	Establish a grievance mechanism and notify the public of its existence	Stakeholders	Notice, information announcement	February – March 2025	Firma Balausa LLP	Website of the Project and/or Company, social networks of the Company, information board in Shieli village, Kosuyenki village and Aksumbe village
1.2	Creation of the Company or Project website or a page on the FAR website for the publication of E&S documentation for the Project	Stakeholders	Notice, information announcement, Project brochure	February – March 2025	Firma Balausa LLP	Website of the Project and/or Company, social networks of the Company
1.3	Open a public reception office for the implementation of the Project and publish information about its opening	Stakeholders	Notice, information announcement	February – March 2025	Firma Balausa LLP	Shieli village
1.4	Presentation of information on Project status and E&S impacts on the Project website and in national, regional and local media	Stakeholders	Publications about the status of the Project	February – March 2025	Firma Balausa LLP	National, regional and district media
1.5	Ensure that forms are available for filing grievances and suggestions	Local residents, stakeholders	Grievance Forms	Prior to construction work	Firma Balausa LLP	Construction sites of the Company, the Company's office in the village of Shieli, akimat buildings of Shieli village, Kosuyenki village and Aksumbe village
1.6	Establish a hotline for the Project	Stakeholders	Information announcement	February – March 2025	Firma Balausa LLP	Website of the Project and/or Company, social networks of the Company
<b>2. Information Disclosure and Consultations as part of the Preliminary Assessment (Stage 1 ESIA)</b>						
2.1	Publication of E&S documentation for the Project: <ul style="list-style-type: none"> <li>• Preliminary assessment report as part of the ESIA,</li> <li>• SEP,</li> <li>• Information leaflet.</li> </ul>	Stakeholders	ESIA Preliminary Assessment Report (in Russian and English), SEP and Leaflet (in Russian, Kazakh and English)	February – March 2025	Firma Balausa LLP	Website of the Project and/or Company, social networks of the Company  Printed copies of documents in the akimat buildings of Shieli village, Kosuyenki village and Aksumbe village, as well as at the

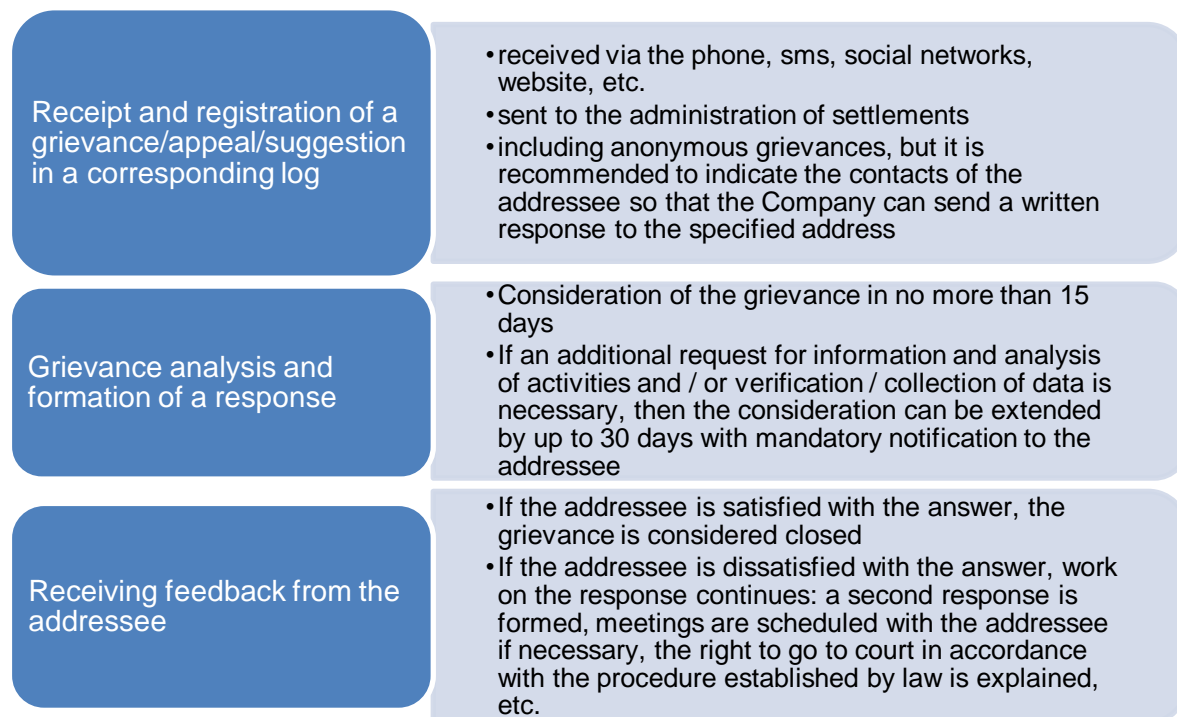
No	Activity	Target group	Information Materials	Timeframe	Responsible party	Means of communication/ location
	Announcement of the release of E&S documentation for the Project and planned consultation meetings					Company's office
2.2	Conducting consultation meetings in: <ul style="list-style-type: none"> <li>• Shieli village</li> <li>• Kosuyenki village</li> <li>• City of Kyzylorda (meetings/workshop with government agencies, NGOs, media)</li> <li>• Aksumbe village</li> </ul>	Stakeholders	Notice, Information Announcement, Booklet, Presentation	February – March 2025	Firma Balausa LLP	City of Kyzylorda, Shieli village, Kosuyenki village and Aksumbe village
<b>3. Information Disclosure and Consultations as part of the Full-Scale Assessment</b>						
3.1	Publication of E&S documentation for the Project: <ul style="list-style-type: none"> <li>• ESIA Report,</li> <li>• ESMP,</li> <li>• SEP,</li> <li>• NTS,</li> <li>• Cultural Heritage Management Plan,</li> <li>• Information leaflet.</li> </ul> Announcement of the release of E&S documentation for the Project and planned hearings	Stakeholders	Notice, information announcement  Disclosure of the ESIA Report, ESAP and Cultural Heritage Management Plan (in Russian and English); SEP, NTS and Leaflet (in Russian, Kazakh and English)	August – November 2025	Firma Balausa LLP + the Consultant	Website of the Project and/or Company, information board in Shieli village, Kosuyenki village and Aksumbe village, social networks of the Company  Printed copies of documents in the akimat buildings of Shieli village, Kosuyenki village and Aksumbe village, as well as at the Company office
3.2	Conducting public hearings on E&S issues related to the Project	Stakeholders	Notice, information announcement	August - November 2025	Firma Balausa LLP + the Consultant	Website of the Project and/or Company, information board in Shieli village, Kosuyenki village and Aksumbe, village, social networks of the Company
<b>4. Consultations as part of the National EIA Procedure</b>						
4.1	Conducting public hearings on the Project as part of the EIA in accordance with national legislation	Stakeholders	Notice, information announcement	To be confirmed	Firma Balausa LLP	National, regional and district media
<b>5. Thematic Consultations</b>						
5.1	Sustainable use of water resources	In the process of	Information materials	2025	Firma Balausa	Holding meetings

<b>№</b>	<b>Activity</b>	<b>Target group</b>	<b>Information Materials</b>	<b>Timeframe</b>	<b>Responsible party</b>	<b>Means of communication/ location</b>
	within the Project	clarification			LLP	
5.2	Cultural heritage	City of Kyzylorda and Shieli village MSI Shieli District Department of Culture and Sports	Information materials	2025	Firma Balausa LLP	Holding meetings
5.3	If stakeholders express interest, hold meetings with them to discuss issues related to the Project	Stakeholders	Information materials	Before the start of construction work and beyond	Firma Balausa LLP	Holding meetings

## 7 GRIEVANCE MECHANISM

The Company plans to develop and implement a grievance mechanism for external stakeholders in accordance with the IFC's requirements. According to IFC's PS1 the grievance mechanism will include methods to (i) receive and register external communications from the public; (ii) screen and assess the issues raised and determine how to address them; (iii) provide, track, and document responses, if any; and (iv) adjust the management program, as appropriate.

The grievance mechanism (**Figure 2**) will be introduced early in the Project implementation and will be maintained throughout its life cycle. The Company will also provide for receiving and responding to anonymous complaints.



Source: Developed by the Consultant

**Figure 2. Grievance Mechanism**

The Company will notify stakeholders about the functioning of the grievance mechanism in the process of engaging with them by publishing the following contact information and coordinates of the person responsible for the operation of this mechanism:

<b>Firma Balausa LLP</b>	
Full Name:	Tolegenov Abylay Rustemovich
Position:	Stakeholder Engagement Specialist
Address:	Kyzylorda region, Shieli district, Shieli village, st. GRP-2, building 1
E-mail:	tulegenov_ablai@mail.ru
Telephone / Telegram, WhatsApp	+7 771 530 7787

Prior to the start of construction, the Company will appoint a dedicated public relations officer who will assume the responsibility of receiving and recording grievances and inquiries regarding the Project.

Alternatively, grievances and suggestions can be sent to the Consultant, who will forward them to the Company:

<b>Green Bridge LLP</b>	
Full Name:	Aziza Aukarova
Position:	Chief Specialist
Address:	Republic of Kazakhstan, Astana, Nura district, Turan Ave. 59/2, Block C, entrance No. 12
E-mail:	<a href="mailto:info@green-bridge.kz">info@green-bridge.kz</a>
Telephone / Telegram, WhatsApp	+7 700 434 80 59; +7(7172) 98 68 07

Grievances and suggestions can be submitted in writing, in any form, or by filling out a special form for filing a complaint, a sample of which is attached to this document (**ANNEX 1**). Such forms will be posted electronically on the Company's website and/or on the Project web page in Kazakh, Russian and English. The same printed forms will be located next to the boxes for grievances and suggestions located in the Company's office, as well as in the akimat buildings of Shieli village, Kosuyenki village and Aksumbe village.

## 8 MONITORING, EVALUATION AND REPORTING

Successful stakeholder engagement depends on continuous effort, performance monitoring and evaluation, and adapting to changed conditions and stakeholder information needs. In order to successfully organise, implement, evaluate, and report on stakeholder engagement activities, a special person will be appointed to be responsible for these processes.

The following indicators will be used for monitoring and improving stakeholder engagement activities to support the Project implementation:

- The SEP is developed, regularly updated, and available to the public for review/comments;
- Actions listed in the SEP are completed in full and as scheduled;
- Topics discussed and questions raised during the public consultations;
- Number of public consultation events and number of participants (disaggregated by gender) in these events;
- Number of stakeholders' comments and suggestions received through various feedback channels disaggregated by gender of the senders (if possible);
- Number of stakeholders' grievances and claims received disaggregated by gender of the senders (if possible);
- Number of publications on the Project implementation process in the local, regional, and national media;
- Key categories of grievances received by the Company or its contractors (employment, permanent or temporary land use, environmental issues, labour relations, etc.);
- Number of grievances resolved within the maximum established timeline;
- Number of grievances remaining unresolved.

The SEP should be periodically revisited by the Company in order to identify activities that might need any corrective and/or preventative measures with the purpose to improve the efficiency of its implementation. In such cases the SEP should be updated and shared with the public with the notification of amendments made.

The outcomes of the stakeholder engagement process will be analysed on a monthly and quarterly basis, and a summary of the analysis will be included in the Annual E&S Reports for international financial organizations and the public. The stakeholder engagement activities should be recorded in a special log (**ANNEX 2**).

## ANNEX 1. SAMPLE PUBLIC GRIEVANCE FORM

Reference No. (for internal purpose)	
Full name:	First name _____ Last name _____ <input type="checkbox"/> I request not to disclose my identity and contact details without my consent
Contact information Please mark how you wish to be contacted (mail, telephone, e-mail)	<input type="checkbox"/> By Post: Please provide mailing address: _____ _____ <input type="checkbox"/> By telephone: _____ <input type="checkbox"/> By e-mail: _____
Preferred Language for communication	<input type="checkbox"/> Kazakh <input type="checkbox"/> Russian <input type="checkbox"/> Other, please specify _____
Description of Grievance	_____ _____ _____
Date 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) _____
What would you like to see to resolve the problem?	_____ _____
Signature:	_____
Date:	_____

## ANNEX 2. SAMPLE PUBLIC ENGAGEMENT LOGBOOK

*Note: the log can be maintained in the Excel format.*

ID/No	Engagement Activity	Participants	Stakeholder Category	Date	Location	Initiated by	Number of participants (women/men)	Purpose of Engagement	Topics discussed ad issues raised	Minutes of Meeting
1										
2										
3										
...										