



# **Bisha Mine, Eritrea: Social Management Plans (SMPs)**

For:  
BMSC

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# 1 Cultural Heritage Management Plan

## 1.1 Introduction

The *Cultural Heritage Management Plan* is designed to ensure that the Bisha Project has minimal impact on the cultural resources of the project area, through the implementation of effective mitigation and monitoring measures through construction, operation and closure. The plan contains the methods to map, document and excavate known cultural resources including the procedures for dealing with Chance Finds.

Cultural heritage encompasses a wide range of resources, including archaeological deposits and remains, historical monuments, sites and buildings, historical and culturally-significant landscapes, places of worship, cemeteries and graveyards, places associated with local folklore, mythology and traditions and the location of historical and cultural festivals, events and rituals.

A large number of archaeological sites were identified during the three field surveys conducted for the Bisha Project, and can be summarised as follows:

- Evidence was collected in the project area and surrounds pertaining to a number of burial sites; oral traditions indicate that burial sites change frequently and that the Bisha communities were still burying their dead near the old Bisha village (up to 2006);
- Some of the tombs/burial sites recorded during the most recent survey may date as early as the Italian, Turkish or even the pre-colonial periods;
- Ethnographic inquiries indicated that the area seems to have been occupied before the Turkish colonial period, which began in 1557 and oral traditions alluded to a long and unstudied history that included social, cultural, and economic transformations;
- Ceramics were identified in all field surveys conducted, and they displayed various features indicating both recent and ancient formation (the art of pottery making was reportedly still continuing, but due to widespread use of plastic and metal utensils, the use of clay-made products has diminished); and
- Lithic materials identified included grinding stones, scrapers, blades, perforated stones, hammerstones, pestles, stone axes, mortars, polished stones, cores, flakes and debitage.

The National Museum of Eritrea concluded that the different cultural features observed in the Bisha region have chronological variability. Some of them appear to be ancient, while others are identified as being recent. Obsidian, quartz and flaked tools and the various ceramics decorated with unique decoration types that were observed on some of the sites, may point towards the ancient settlement of the region. Some circular tombs are also reported to be ancient.

## 1.2 Objectives

The objectives of this Management Plan are to:

- Establish effective plans and procedures for managing archaeological sites and cultural assets in the Bisha area, including potential Chance Finds during construction and operations activities;
- Define BMSC requirements and procedures to guide the Project Management Team and other Project contractors;
- Define roles and responsibilities; and
- Define monitoring and reporting procedures.

## 1.3 Scope

This plan describes the management of cultural resources associated with all phases of the Bisha Project, with a focus on construction when the most disturbances are likely to occur. The plan considers potentially adverse impacts related to:



- Site preparation and infrastructure;
- The construction of water retention features and diversion channels;
- Waste rock storage and waste management;
- Topsoil storage and replacement;
- Increased human presence;
- Mining and quarrying; and
- Site rehabilitation and reclamation.

The plan is a flexible document that shall be reviewed on a regular basis. This plan applies to BMSC as well as to EPCM Contractor personnel. The EPCM Contractor, SENET, shall make sure that this plan is available to their own staff and subcontractors and that all procedures/actions included within the plan are recognised, adopted and applied by them prior to commencing construction works.

## 1.4 Regulatory Requirements

### 1.4.1 Corporate Policy

BMSC has established a policy regarding Social Responsibility that includes the Company's commitment to protecting cultural resources, and sets out the goals that form the basis for all cultural heritage protection activities conducted by the Company.

### 1.4.2 Eritrean Requirements

The primary Eritrean legislation for dealing with archaeological sites is the Material Cultural Heritage Protection and Conservation Proclamation (2007), Article 24 "Creation of Protected Sites" is most relevant to the Project.

Other legal tools for dealing with cultural heritage protection in Eritrea are the Proclamation to Promote the Development of Mineral Resources No. 68 (1995) and Legal Notice No. 19/1995 Regulations on Mining Operations (the Regulations).

### 1.4.3 International Finance Corporation Guidelines

International Finance Corporation (IFC) Performance Standards for Social and Environmental Sustainability set out a range of recommendations with regard to cultural heritage (Performance Standard #8)<sup>1</sup>. BMSC will comply with Eritrean legal requirements in the first place in addition to the requirements of IFC Performance Standard 8 that are relevant to the Bisha project.

### 1.4.4 Other Relevant Guidelines

Other relevant guidelines include those of the International Commission on Monuments and Sites (ICOMOS), and the United Nations Educational, Scientific, and Cultural Organization (UNESCO). Eritrea ratified "The Convention Concerning the Protection of the World Cultural and Natural Heritage" (*The World Heritage Convention*) on October 24, 2001. The signatories to this Convention have agreed "to ensure that effective and active measures are taken for the protection, conservation and presentation of the cultural and natural heritage" on their territories.

## 1.5 Potential Impacts

Cultural heritage impacts will occur predominantly in the construction phase, because land clearance and other intrusive activities are required to prepare the site and build project facilities. Although construction will be phased, it is understood that the maximum extent of the facility footprint would be determined in the first year.

As a result, the project footprint was 'cleared' of archaeological/cultural sites prior to intrusive construction works (in August 2008) (see *Section 1.9*). This work involved further field investigation of known sites, and excavation and retrieval activities to relocate and protect artefacts from destruction as a result of Project activities. Since 2008, further surveys have been conducted of the Tailings Management Facility (TMF) footprint, the southern topsoil storage area and the proposed southern waste dump.

<sup>1</sup> International Finance Corporation. Performance Standards for *Social and Environmental Sustainability*; Performance Standard #2. 30 April 2006. pp 7-10.



Each phase of Project implementation presents different potential risks to cultural heritage/archaeological sites, and these are summarised for the construction, operations and closure/post closure phases.

### **1.5.1 Construction Phase**

Extensive excavation will arise during the Project as a result of open pit mining, in the Main Bisha Pit and Waste Rock Facility (WRF) areas. The pit and WRF areas have already been cleared as part of the pre-construction archaeological field work conducted in June 2008 and Spring 2009. As such, further disturbance/destruction of known archaeological sites is not expected. Issues arising during construction should be limited to the discovery of Chance Finds/new sites as the majority of the project area has now been subject to survey.

### **1.5.2 Operations Phase**

The concept of 'post construction' excavation should not arise during routine operations outside the pit area. If sites are threatened by the operations, either directly or indirectly, they will be surveyed prior to disturbance, if impacts cannot be avoided by other mitigation measures. If the sites are not threatened, then the principle of 'preservation in situ wherever possible', which is upheld in all relevant legislation, on both a national and international level, would indicate that no further excavation should take place.

### **1.5.3 Closure Phase**

The closure phase is not expected to involve additional impacts to archaeological/cultural sites as disturbance of new areas should not be required. However, there will be reclamation activities that may require consideration of the potential for chance finds/new discoveries of archaeological/cultural sites.

## **1.6 Roles & Responsibilities**

Overall responsibility for the implementation of this Management Plan shall rest with the Bisha Environment Manager. Others with responsibility for the implementation of this Management Plan shall include:

- SENET, as EPCM Contractor, shall be responsible for the integration of these procedures and requirements into their operating procedures and plans;
- The Environment Manager and his/her team shall be responsible for monitoring activities at locations deemed to require special attention in terms of cultural heritage/archaeological management; and
- Bisha Mine Manager shall be responsible for ensuring that these procedures and requirements are implemented for all mine operation.

## **1.7 Approach to Cultural Heritage Management**

The main objective of the overall approach to archaeological/cultural heritage is to ensure that cultural heritage issues are managed consistently across all activities related to the Bisha project. The *Cultural Heritage Management Plan* therefore includes provision for the following general activities:

- Site specific protection/retrieval plans will be developed for each known site potentially impacted by project activities.
- Subsurface evaluative testing will be conducted at potentially threatened sites prior to construction activities to determine if buried cultural deposits are present;
- All testing and collection will be done under an approved plan and conducted by experienced archaeologists/work teams recognised by the National Museum of Eritrea;
- Scientific and cultural analysis and interpretation of the archaeological data collected during mitigation is an integral part of the process and will be undertaken in a timely fashion;
- BMSC will work with both archaeologists familiar with the area and local communities on issues related to site interpretation of cultural resources;

- The Environment Manager will be employed to monitor activities at locations deemed to require special attention in terms of cultural heritage/archaeological management;
- The Environment Manager monitor will oversee any routine mine operations that require additional subsurface activities that may uncover new artefacts; and
- Close consultation with the National Museum will be maintained regarding specific assessment for each archaeological site to ensure it is protected adequately.

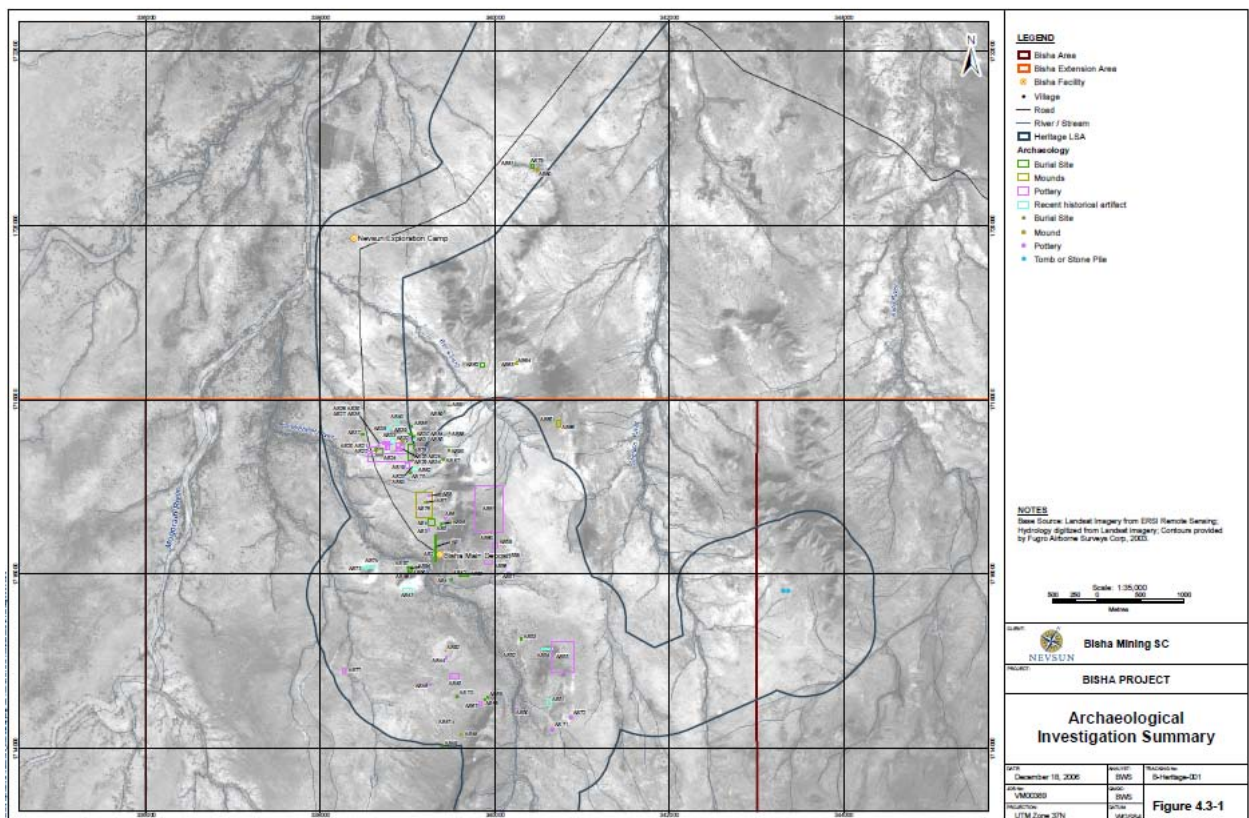
### 1.8 Identified Archaeological Sites

A number of sites were identified during the 2006 effects assessment that required further archaeological field evaluation and then subsequent excavation and/or protection prior to construction activities.

Figure 1 shows the location of the archaeological sites within the project area as well as the wider area of influence.

Comprehensive details of each of the archaeological sites that were identified in the Project area are available in the Social and Environmental Impact Assessment, Bisha Project, December 2006 and the SEIA Update Report 2009.

**Figure 1 Location of Archaeological Sites within the Bisha Project Area**



### 1.9 Cultural Heritage Activities Conducted (and Planned)

#### 1.9.1 Clearance Work Conducted to Date

In early 2008 further field investigations and analysis of known archaeological sites were conducted by the National Museum and a number of burial sites and some ceramic and lithic materials were confirmed to be at risk in the footprint area.

As a result, BMSC together with the National Museum, local administrators and local communities, devised a plan for the excavation and relocation of remains and artefacts, prior to the start of scheduled construction activities in mid-2008. The clearance activities conducted included:



- Archaeological field work was undertaken by a team of National Museum archaeologists following consultation between BMSC, the Museum, local Administration and representatives of affected communities:
  - The National Museum conducted the professional work required to clear the site and protect artefacts, which included the excavation, retrieval, documentation and storage of artefacts and cultural assets;
  - Six local high school field assistants were hired and trained on some basic aspects of excavation, retrieval, documentation and storage of artefacts and cultural assets to support Museum staff (for approximately 10 weeks);
  - Stone, pottery and lithic materials/artefacts were relocated from the project area during this field work, in order to avoid damage to them from earthworks and other construction activities; and
  - The National Museum prepared documentation for the archaeological field work that was undertaken at the site.
- A local committee was established to coordinate the relocation of graves out of the tailings footprint and included members of the community of Mogoraib:
  - Extensive consultation was conducted with Mogoraib residents to design and plan for the grave move works to ensure that it was fully supported by affected residents and carried out in the most culturally sensitive manner;
  - The grave move relocation began on June 10, 2008 and lasted 5 days and a total of 122 people from the communities of Mogoraib participated in the excavation and relocation of graves;
  - A further 15 BMSC employees helped with the work to relocate graves;
  - A total of 608 graves were relocated to 42 newly created grave holes established nearby to the village of Mogoraib (a site identified in consultation with community members and administrators);
  - BMSC provided all technical support and equipment required to complete the field work, including transportation for village members, and the provision of trucks, boxes, digging equipment, water and food; and
  - A *Grave Move Report* was prepared by BMSC (in Tigringa) and the findings are incorporated into this plan.
- All materials other than skeletal remains that were re-buried, were excavated, examined and recorded;
- Artefacts classified as of “national significance” were taken to Asmara to the National Museum for presentation and those classified as of “local/regional significance” were stored in a secure location at the Bisha camp; and
- Local people expressed a desire to establish a local museum to house the locally significant artefacts, and BMSC has committed to fund the local museum in Mogoraib to house the existing artefacts and any future discoveries in the nearby area. Terms of Reference and an implementation plan for the Mogoraib Museum will be drawn up by BMSC under the Community Assistance Plan (CAP).

In addition to establishing a local museum, BMSC and the Mogoraib village agreed that the Company would pay the 122 people who participated in the grave move for each of the 5 days they worked. Disbursement for archaeological assistance has now been made in full by BMSC.

### **1.9.2 Work Planned**

Recent work at Bisha has included in the archaeological investigation of the TMF footprint and southern topsoil storage areas. Further works are planned to survey the footprint of the water diversion area.



## 1.10 Cultural Heritage Management Procedures

The Bisha Project has developed a range of cultural heritage management procedures to ensure that unanticipated discoveries of archaeological sites are mapped, documented and protected as much as possible during construction, operations and closure activities.

### 1.10.1 Preparing Archaeological Work Specifications

Future archaeological work to be undertaken for the Bisha Project shall be preceded by the preparation of a work specification that outlines what work will be undertaken. The following procedures shall be followed:

- An Archaeological Work Specification Form (see Forms below) shall be used by each archaeologist/work team;
- Each individual specification shall be submitted for approval by the Bisha Environment Manager prior to the commencement of each archaeological mitigation measure;
- The specification will be presented sufficiently in advance of archaeological mitigation commencing to allow time for amendments to be made if required;
- Archaeological work specifications shall be developed in cooperation with construction teams that may be impacted by their implementation; and
- BMSC will keep SENET informed of cultural heritage work that will be conducted for the Project.

### 1.10.2 “Chance Finds” Procedure

Mineral workings have the potential to impact archaeological resources directly through land clearance and the disturbance of above or below-ground sites and indirectly, through ground vibration, the deposition of airborne dust, traffic movements and waste disposal.

This procedure provides guidance to BMSC employees and contractors on how to deal with “chance finds” arising through the following:

- Land clearance and topsoil stripping activities;
- Excavation activities;
- Construction of bridges and stream crossings;
- Well construction;
- Basement, foundation and concrete housing/HDPE liner construction; and
- Preparation and construction of project access roads.

For land clearance activities, the following procedures should be adopted:

- All personnel involved in land clearance and excavation should take responsibility for managing archaeological protection, and should be trained in these aspects;
- Should any archaeological artefacts (relics, bricks, bones, ceramics, graves etc) be encountered, activities should halt immediately and the site should be isolated and clearly marked;
- BMSC employees should respect the cultural and social significance of any such finds during the life of mine and should be strictly prohibited from interfering with or disturbing any such deposits;
- The Bisha Environment Manager should be informed immediately;
- The Bisha Environment Manager should liaise with the relevant ministry to determine the need for further investigation/appropriate action; and
- Any subsequent investigation or excavation works should be conducted by a suitably-qualified archaeologist.



Should archaeological deposits be identified or suspected, further detailed excavation works should be undertaken (under the guidance of the relevant national and regional authorities) as follows:

- All necessary permits and licenses for archaeological investigation should be obtained;
- Any archaeological finds should be discussed with the local community to establish local significance (even in the absence of legal protection status);
- Topographic mapping should be carried out, to identify the likely spatial extent of deposits;
- The exact area for excavation should then be selected according to the density and physical distribution of archaeological material;
- Trial pits should be dug by hand excavation at the conventional 5cm levels to register archaeological elements together with the physical characteristics of the strata;
- The excavation process and the different archaeological material (ceramics, stones, charcoal, seeds, bones, etc.) should be registered in detail using photographs and field diaries;
- Any material found in the pits should be treated (washed and tagged) and later classified in accordance with accepted criteria;
- Samples of material should be sent to specialised laboratories for carbon-dating (e.g. using the C14 method), together with samples of organic remains and soil, which should be analysed for the identification of pollen;
- An analysis of the spatial distribution of the material recovered at each of the levels surveyed should be carried out.

### **1.10.3 Archaeological Excavation/Retrieval**

If archaeological excavation or retrieval processes are required for chance finds/new discoveries of cultural sites within the project area the following additional procedures should be followed:

- An archaeological work specification (see Forms below) for the item to be retrieved and relocated must be completed;
- All staff must be suitably qualified and experienced for their roles within the work specification;
- Excavation/retrieval and relocation works should be monitored by representatives of the local communities/traditional owners of the area and at least one archaeologist (e.g. the archaeology/cultural resources monitor);
- Consideration should be given to supplementing excavation work with non-destructive means of investigation, e.g. geophysical survey, remote sensing, geochemical survey, field scanning;
- Immediately after the retrieval and relocation works have been completed the relocated items will be recorded as new sites within the Cultural Heritage Data Base;
- Full and proper records (written, graphic, electronic and photographic as appropriate) will be made for all work, using pro forma records and sheets appropriate to the work;
- The recording system used will be one that is appropriate to the requirements of the project, and will be agreed with relevant parties including the body that is to receive the archive;
- The recording system and data standards will be compatible with those of all other fieldwork related to archaeological mitigation for the Bisha project; and
- Following completion of the on-site excavation a post-excavation assessment report should be produced.

Unless other arrangements are made with local communities and authorities, BMSC expects to store any additional artefacts or materials retrieved from the project area, at a dedicated local Museum to be established in Mogoraib.



#### **1.10.4 Recording Sites which Cannot be Relocated**

Some items (e.g. ethnographic stone pits) cannot be salvaged and relocated. Procedures for recording sites which cannot be relocated will involve the following:

- Upon consultation and mutual agreement with all relevant parties (e.g. local communities, authorities and the National Museum), these items will be destroyed *in situ*;
- Prior to destruction the items will be recorded to document the physical extent of the item and the physical environment in which the item is located; and
- Photographs shall also be taken, including a context photograph.

### **1.11 Cultural Heritage Data and Documentation**

#### **1.11.1 Cultural Heritage Records System**

The Environment Department is responsible for maintaining a record of archaeological sites and related activities. Records will contain information on cultural heritage/archaeological sites, materials and items within the project area, activities conducted to manage known sites, as well as Chance Finds. Such data will likely include:

- Archaeological sites and the status of their protection/retrieval/relocation;
- Details of “watching briefs”/monitoring conducted;
- Results of field evaluations, excavations and relocations conducted;
- Identification and evaluation of unexpected/chance finds;
- Consultation with local communities and the National Museum;
- Complaints and actions taken; and
- Condition and operation of demarcation and protection measures.

The National Museum is responsible for maintaining detailed archaeological records for specific artefacts discovered and activities undertaken by museum archaeologists/staff.

#### **1.11.2 Forms**

The Environment Department will maintain an inventory of all archaeological monitoring activities and cultural heritage management documentation arising on site. SENET will be required to ensure a similar process is followed for construction activities. A selection of example forms is provided below.



For all archaeological works to be undertaken as part of the Bisha Project, an Archaeological Work Specification Form should be completed. An example of an Archaeological Work Specification Form is as follows:

**Example Work Specification Form**

<b>ARCHAEOLOGICAL WORK SPECIFICATION FORM</b>			
SITE NAME:			
<b>Permit Number (if applicable)</b>			
<b>Sector Number/Location Identification</b>			
<b>Item/Site Number</b>			
<b>Item/Site Coordinates</b>			
General and Specific Aims of the Fieldwork			
Site Type Geographical and Topographical Background Archaeological and Historical Background			
Detailed Site/Item Description			
Metres Below Ground Level			
Summary of Relevant Legislation			
Recommended Salvage Process/Field Methodology			
<b>Salvage/Retrieval Ranking</b>			
Collection and Disposal Strategy for Artefacts/Ecofacts			
Access			
<b>Condition</b>			
Occupational Health & Safety Risk and Requirements			
<b>Degree of Difficulty</b>		Contingency Procedures	
<b>Staffing</b>		Timetable (extent & duration of the archaeological work)	
<b>Site Plan/Map Attached</b>		Reporting/Publication/Archive Arrangements	
COMMENTS AND REQUIRED ACTIONS			



## 1.12 Monitoring & Reporting

Cultural heritage monitoring procedures shall be as follows:

- SENET shall report on a monthly basis to the Bisha Environment Manager on the implementation of this Management Plan during the construction phase, including:
  - "Watching briefs" they participate in at specific areas/construction sites;
  - The erection and maintenance of demarcation fencing around sites;
  - The protection of sites by careful siting of access routes or facilities;
  - Induction training including cultural heritage awareness given to staff and planned;
  - Cultural heritage-related complaints and actions taken; and
  - Cases of damage to, or disruption of, cultural heritage properties and actions taken.
- Bisha Environment Manager will conduct routine inspections of site activities in consultation with the Construction Manager and Mine Manager to assess the potential for chance finds at work sites and any other cultural heritage issues that may arise.
- Bisha Environment Manager will conduct an inspection of any cultural heritage field activities and documentation that are implemented as a result of a chance find or other event that results in archaeological field work. The inspection shall include:
  - Details of all work specifications prepared and implemented;
  - Monitoring/"watching briefs" conducted at specific construction and other sites;
  - Consultation with local communities related to cultural resources;
  - Communication and cooperation with SENET and the National Museum;
  - How the Cultural Heritage Database is being maintained;
  - Information dissemination regarding cultural heritage;
  - Performance of SENET in managing cultural resources at specific construction sites;
  - Cultural heritage-related complaints and actions taken; and
  - Cases of damage to, or disruption of, cultural heritage properties and actions taken.

The Bisha Environment Manager shall be responsible for record-keeping.

Regular reporting shall be undertaken via the monthly SEMS Report that shall be prepared and submitted to the Bisha General Manager. Reporting shall include:

- A summary of activities undertaken during the reporting period;
- Any material deviations or non-compliances to this Management Plan;
- Planned activities during the next reporting period;
- Any other issues of concern.

Further information on social monitoring and reporting requirements and procedures is set out in the Monitoring Plan and in the Social & Environmental Management System.



## 2 Stakeholder Engagement Plan

### 2.1 Introduction

The Stakeholder Engagement Plan (SEP) is designed to ensure effective engagement with local communities, government and key relevant stakeholders during the construction and operation of the Bisha mining Project. The plan contains the methods and recommendations for ongoing engagement with local communities, government authorities and particularly those responsible for permitting the Project, as well as other stakeholders that may be affected by or interested in the Project.

BMSC is committed to a technically and culturally appropriate approach to consultation and disclosure. Since the beginning of Project activities in 2004, the goal has been to ensure that adequate information is provided to Project-affected people in a timely manner whilst aiming not to unduly raise local expectations. The engagement process adopted for the Project comprises three consecutive phases:

- **First Phase:** Planning and Scoping the SEIA Process;
- **Second Phase:** Project Assessment Stage (including the SEIA report preparation); and
- **Third Phase:** Engagement during Construction and into Operations.

Between 2004 and late 2006, consultation and disclosure activities were conducted around the various feasibility studies being undertaken and also the submission of the draft SEIA documentation to the relevant authorities (Phases 1 and 2). Now the Project is moving into construction activities, engagement is focused on Phase 3, including keeping authorities and communities informed about progress during construction works and helping local people and other Eritreans to access employment, business and community assistance opportunities that will arise from the Project.

### 2.2 Stakeholder Engagement Principles

Maintaining the good relationships that the BMSC has established with stakeholders, particularly the communities of Mogoraib, Ad Ibrihim, Tekreret, Jimel, and Adarat, is the overall goal of the SEP. During construction and operations, the Project plans to build on the experience gained through early public consultation. To this end, BMSC will:

- Ensure that stakeholder engagement focuses on the environmental and social issues that are likely to affect local communities;
- Provide regular information about construction and operations activities in a pro-active and timely manner;
- Ensure the ongoing disclosure of Project information in a culturally appropriate way that is commensurate with the level of education/literacy of the target audience;
- Develop key messages on local employment and training, local business development, agriculture support programmes, influx related issues, environmental monitoring and community health and safety awareness;
- Achieve successful negotiations and participation related to land changes and other economic displacement issues;
- Identify new issues, concerns or needs of affected communities including resolution of community complaints in an expedited manner;
- Continue to build long-term relationships within the key stakeholders near the mine site as well as those relevant stakeholders along the transport route and at the port;
- Assess the effectiveness of environmental and social mitigation measures by using monitoring in communities and direct feedback, e.g. related to noise and dust; and
- Maximise Project benefits such as employment and procurement opportunities through effective engagement with local communities and the wider Zoba Gash Barka.



## 2.3 Specific Objectives

The specific objectives of this Management Plan are to:

- Establish effective plans and procedures for engagement with local/national stakeholders for Project construction, operation and closure;
- Define BMSC requirements and procedures to guide the Project Management Team and other Project contractors;
- Define roles and responsibilities; and
- Define monitoring and reporting procedures.

## 2.4 Spatial Scope

### 2.4.1 Study Area and Social Zone of Influence

The Project zone of social influence includes the area of direct influence (i.e. mine site and surrounds) as well as the indirect social zone of influence resulting from implementation of all phases of the Project. The indirect area includes the transport route from Bisha and the port facilities at Massawa. It is expected that the Project's indirect zone of social influence will also extend beyond this, particularly in terms of taxes paid at the national level, direct and indirect labour, and because of anticipated in-migration to the Gash Barka region as a whole.

### 2.4.2 Bisha Mine Area

The Bisha mine area is located in the western lowlands of Eritrea and can be described as follows:

- The Project is located in Zoba Gash Barka, and the deposit itself is in Dighe sub-Zoba;
- Barentu (est. pop. 18,568) is the centre of Zoba Gash Barka (approx. 110 km from Bisha), while Agordat (est. pop. 14,770) is the sub-zoba centre and the nearest town to Bisha (approx. 50 km);
- Most local residents belong to the Tigre nationality and Tigre is the most common language;
- The local population has little to no mineral exploration or mining knowledge or experience;
- The majority of local residents are Muslim (reported to be over 95%) although there are reported to be a small number of Christians within the Bisha region; and
- During the mid-1990's smaller communities within Gash Barka were consolidated into larger resettlement centres and two of these resettlements were from the now Bisha area (the Bisha community were moved to Ad Ibrihim, and the Harenay community to Adarat).

Of the six villages in the study area, all except Takawda<sup>2</sup> have been classified as Project affected villages for the Bisha development. The direct social zone of influence can therefore be described as:

- The five nearby villages that are all within 4 to 35 km from the site (some of which are on the direct transport route to and from the mine):
  - **Mogoraib;**
  - **Jimel;**
  - **Ad Ibrihim;**
  - **Adarat; and**
  - **Tekreret.**
- The village of Mogoraib is the potentially most affected village in the area since it is only 4 km from the mine; and
- Mogoraib is also expected to be the village where some infrastructure and services can be established or expanded over the life of the Project to directly support mine activities.

<sup>2</sup> Takawda is not on the transport route to and from the Bisha site and is over 50 kilometres away from the area.



Figure 1 shows the five potentially affected villages. The rationale for identifying and selecting the five nearby villages as the Project affected population is as follows:

- **Tekreret** is 28 km from the Bisha Project and is the first village along the main road (heading west) after Agordat. This village will experience higher traffic levels and be a potential source of labour;
- **Ad Ibrihim** is 16 km from the Bisha Project and is on the same major road as Tekreret. The community includes the village of Bisha, whose members were resettled from the Bisha Project area as part of Eritrea's resettlement initiative in the mid -1990's. Bisha residents still use the Project area for farming and grazing their herds;
- **Mogoraib** (formally the administrative village of Mogoraib) is 4 km away from the current exploration camp and 6 km from the Project site. It may be the main source of labour as well as a centre for key services. It is also on the main road but is located past the Project site turn off;
- **Adarat** is 20 km from the current Bisha camp. The community includes the village of Harenay, whose residents have traditionally used the southern part of BMSC's concession. Based on their historic location, BMSC recognises that land use by the community extends into the Bisha Project area. It is not located on the main road and access to the community is poor, however, it could also be a source of labour; and
- **Jimel** is located 27 km away from the Bisha camp, on the main road and well past the Bisha Project turn-off. This community is included in the affected villages because there are plans to move the community closer to Mogoraib (in the west).

*Agordat* is the nearest town in the region and is currently on the transport route and thus considered in the indirect zone of influence. The regional centre of *Barentu* is also considered to be in the indirect zone of influence since it is the capital city of Gash Barka and is likely to be a source of labour and supplies for the Project.

#### 2.4.3 Massawa Port Site

A cement plant, owned by the Eritrean government and located near the port of Massawa is the most likely location for transportation of concentrate. The proposed port site can be described as follows:

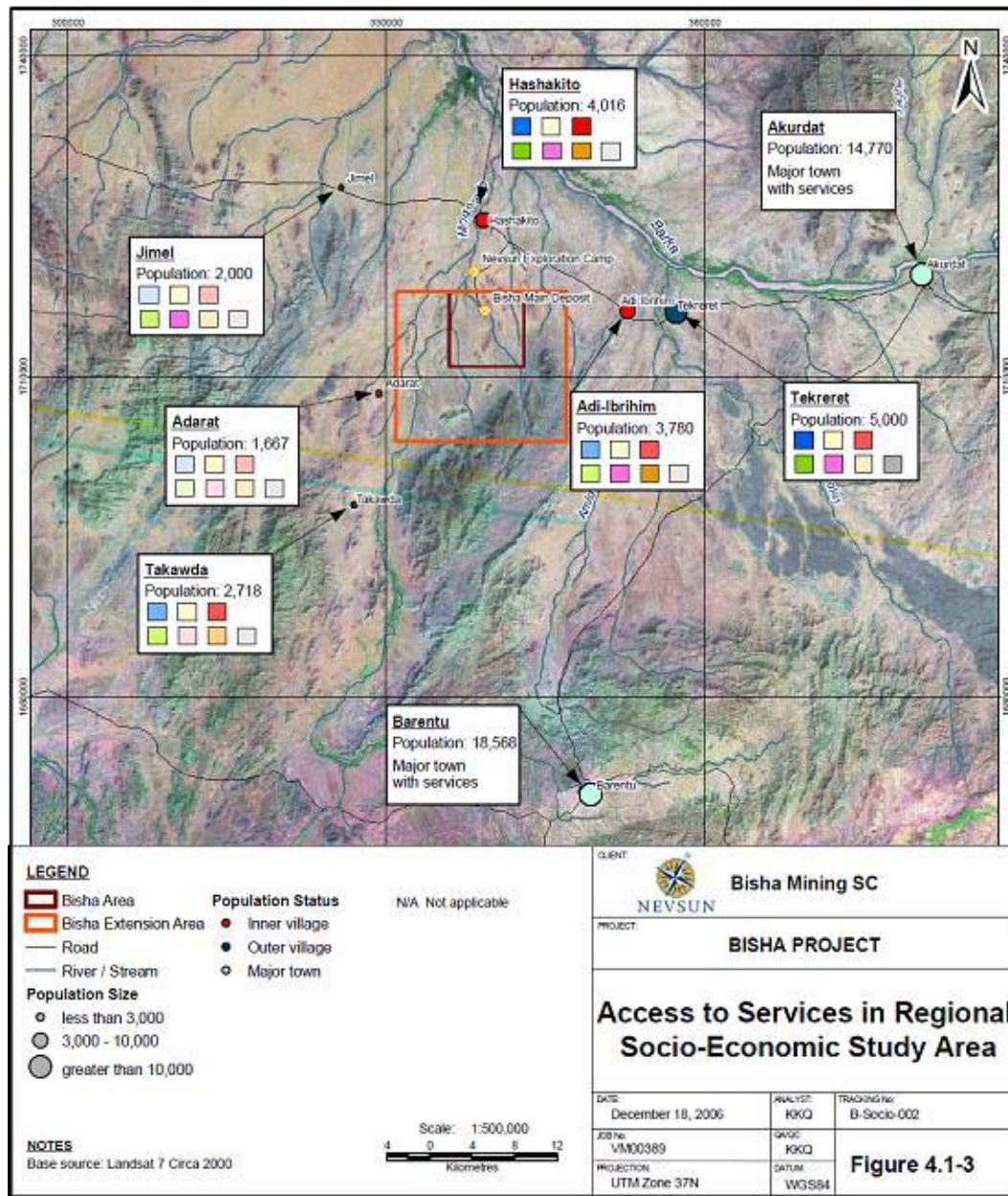
- Massawa is in Zoba Semenawi Keih Bahri in Eastern Eritrea on the Red Sea;
- The city and port of Massawa are located approximately 115 km southeast of Asmara, and approximately 347 km from the Bisha mine site;
- Massawa is a city with a population of 15,441 that is focused on commercial trade at the port as well as tourism, since it is the launching place for the Dahlak Islands; and
- Massawa and its environs have been designated a "Free Trade Zone" by the Eritrean Government.

#### 2.4.4 Transport Route

The preferred transport route between Bisha and Asmara and Asmara and Massawa has been chosen due to better road surface conditions. Nevertheless, some villages and towns along the route are likely to be affected indirectly by Project-related traffic. This is expected to be associated predominantly with the copper production phase when concentrate will be transported daily to port. Road haulage will reach a peak during years 5 to 10 of the Project.

Further investigations will be required to identify potential stakeholders associated with the transport route once arrangements are confirmed. There are likely to be a number of villages and towns along the transport route that will need to be engaged prior to production.

Figure 1 Project Affected Villages



## 2.5 Regulatory Requirements

### 2.5.1 Corporate Policy

BMSC has established a policy regarding Social Responsibility that includes the Company's commitment to consult with government and local communities on issues that affect them, and sets out the goals that form the basis for all engagement activities conducted by the Company.

### 2.5.2 Eritrean Requirements

The National Environmental Assessment Procedures & Guidelines (NEAPG) introduced in 1999, state that a *public consultation process should be included for any development where local communities or other stakeholders are interested or affected by the project.*

### 2.5.3 International Finance Corporation Guidelines

International Finance Corporation (IFC) Performance Standards for Social and Environmental Sustainability set out a range of recommendations with regard to stakeholder engagement. BMSC will comply with requirements of IFC Performance Standard 1 (30 April 2006, pp 7-10.). The guidance document that is most relevant to engagement related to the Bisha Project is Stakeholder Engagement: A Good Practice Handbook for Companies doing Business in Emerging Markets (2007).

## 2.6 Budget

The SEP can only be effectively implemented if adequate resources are in place for the Project. To this end, BMSC will:

- Develop a budget for stakeholder engagement activities for the construction phase and estimate an annual budget until operations;
- Review the indicative budget for stakeholder engagement after a reasonable period into construction activities (e.g. by end 2009) to ensure it remains valid; and
- Ensure that budgets proposed for stakeholder engagement are adequate to implement the SEP and that they are approved and in place for early enough to conduct each year's activities.

## 2.7 Approach to Stakeholder Engagement

### 2.7.1 Previous Consultation Documents

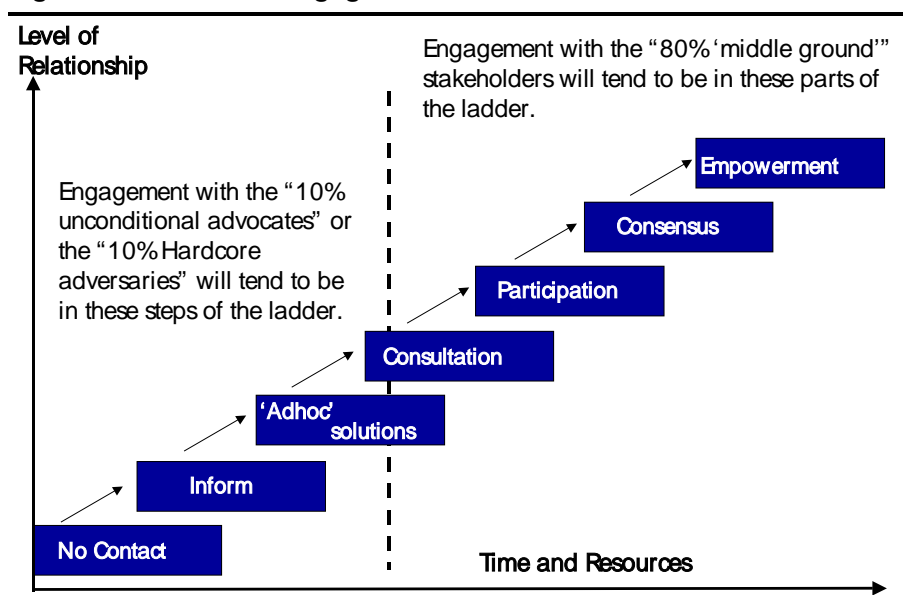
The SEP has been prepared with consideration of four documents related to consultation and disclosure that were produced and released for the Bisha Project, namely:

- A Public Consultation and Disclosure Plan (February 2006);
- An Addendum to Public Consultation Tools and Schedule (March 2006);
- An Interim Public Consultation Report (July 2006); and
- Chapter 5 Stakeholder Engagement Programme, SEIA document (December 2006).

### 2.7.2 Overall Approach

The range of potential levels of engagement for a project can be categorised by the degree of active involvement of the community (or other stakeholders). This range is shown in *Figure 2*. These successive phases of engagement and information disclosure are designed to provide for increasing involvement of stakeholders in the development of the project.

**Figure 2 Stakeholder Engagement Ladder**





During the early stages of the Bisha Project the level of engagement with the local communities was at the “Inform” level (Phase 1). Community leadership was informed of the Project activities and there were several meetings to start discussions regarding the commencement of baseline studies necessary for input to the SEIA process.

From February to December 2006, the level of engagement increased considerably and moved into a consultation approach with some participation in decision-making by communities themselves, e.g. on issues such as training and employment opportunities (Phase 2).

As the Project advances with construction the aim of further engagement (Phase 3) is to rapidly increase to a participation and consensus approach. The aim of this level of engagement is to ensure that communities feel that their concerns are being taken into account and implemented on the ground. It should also help build capacity and bring local communities to a level of higher participation and empowerment, so that they can make decisions around issues that affect them, and in particular, more readily access benefits from the Project.

**Table 1 Summary of Consultation Activities**

Description	Key Engagement Activities	Key Dates
<b>1. PLANNING AND SCOPING THE SEIA</b>		
Conceptual design and scoping consultations, stakeholder identification and limited information disclosure about exploration.	<ul style="list-style-type: none"> <li>Stakeholder identification</li> <li>Community and household surveys</li> <li>Focus group discussions</li> <li>Consultation with government agencies</li> <li>Round tables with government officials</li> </ul>	COMPLETED Pre 2005
<b>2. PROJECT ASSESSMENT STAGE</b>		
Preparing the Feasibility Study including the SEIA submission to Eritrean authorities.	<ul style="list-style-type: none"> <li>Consultation and negotiations during land acquisition activities</li> <li>SEIA preparation and consultation with Eritrean authorities</li> <li>Disclosure and dissemination of the SEIA documents</li> </ul>	COMPLETED Jan 05 – Dec 06
Engagement during land clearing exercises and planning for full construction activities.	<ul style="list-style-type: none"> <li>Submission of SEIA documents and review with Eritrean authorities</li> <li>Information on Project design and progress</li> <li>Maintaining Community Liaison Officers and Store Front Information Centres</li> </ul>	COMPLETED Jan 07 – Dec 08
<b>3. CONSTRUCTION, OPERATIONS AND CLOSURE</b>		
<b>Construction</b> Building community awareness of construction impacts and preparing local communities for operations.	<ul style="list-style-type: none"> <li>Regular construction updates for local villages</li> <li>Community-driven engagement, e.g. community newsletter</li> <li>Disclosure of printed materials (various topics)</li> <li>Awareness raising for communities to help them deal with mine impacts</li> <li>Addressing community complaints</li> </ul>	ONGOING ~ 2009 – 2011
<b>Operations and Closure</b> Ongoing engagement and community relations, throughout operations and into closure.	<ul style="list-style-type: none"> <li>Maintaining proven methods of engagement</li> <li>Early engagement on rehabilitation/reclamation</li> <li>Sustainable local development planning for</li> </ul>	FUTURE ~ 2011



Description	Key Engagement Activities	Key Dates
	beyond mining.	



## 2.8 Project Stakeholders

Stakeholders are individuals and organisations who need to be informed and consulted about the Bisha Project and who have an interest in the outcome of the Project. Stakeholders are those who may be directly affected by the Project or have a significant influence over the success of the Project. For the Bisha mine they include:

- People who live, use or have cultural ties to lands and resources within the footprint or zone of influence of the Project;
- People or villages who will be potential employees or will seek employment from the Project, within Zoba Gash Barka and other parts of Eritrea;
- Local disadvantaged groups such as women, children or the poor; and
- Authorising government and regulatory bodies in Eritrea as well as government agencies that have jurisdiction over resources potentially affected by the Project.

There are no permanent settlements within the Project mine footprint. However, the Project does affect seasonal dwellings, limited agricultural land, and herder activities in the Bisha area. Grazing land in the footprint was used by members of nearby communities prior to mine development.

### 2.8.1 Government Authorities

National government stakeholders include those Ministries responsible for permitting, approvals and monitoring related to the Bisha Project. Table 2 provides the list of national/ministry level authorities.

**Table 2 Stakeholders from the National Authorities/Ministries**

Authority
Ministry of Energy & Mines * particularly the Department of Mines
Ministry of Land, Water & Environment * particularly the Department of Environment
Ministry of Agriculture
Ministry of Fisheries
Ministry of Health
Ministry of Labour & Human Welfare
Ministry of National Development
Ministry of Transport & Communications
Ministry of Trade & Industry
Ministry of Justice
Ministry of Information
Ministry of Public Works
Ministry of Finance
Impact Review Committee

Table 3 provides the list of regional/local level authorities for the Project. Regional and local authorities include those from the Zoba Gash Barka and the Dighe and Gogne sub-Zobas, as well as local administrators (village) from the five villages nearest to the Bisha site. Authorities from Semenawi Keih Bahri Zoba, where the port of Massawa is located, as well as those along the transport route will also be important stakeholders.



**Table 3 Stakeholders from Regional/Local Authorities**

Administrative Divisions	Name	Specific Group/Persons
Zoba-level Authorities	Gash Barka	Zoba Administrator Regional Assembly (Baito) Regional Administrator Branch offices in Barentu of the Ministries of Land, Water, Environment, Energy & Mines, Education, Health and Agriculture
	Semenawi Keih Bahri	Zoba Administrator Regional Assembly (Baito) Massawa Port Authority
Sub-Zoba Administration	Dighe Gogne	Sub-Zoba and Deputy Administrators
Village Administration	Mogoraib Tekreret Adi Ibrihim Jimel Adarat	Village and Deputy Administrators oversee local village activities Anebaberti-Adi, Magistrates, Village Committees and Elders are other key figures in village administration

Source: Bisha Mining SC, Environmental Impact Assessment, AMEC, December 2006.

### 2.8.2 Affected Population

The affected population or Project-affected persons is the segment of the population that will be directly affected by environmental or social consequences of the Project during its construction or operation. For the Bisha Project the affected population comprises members of the five villages located near the Project site, which are shown in Table 4, along with key demographic data.

**Table 4 Project Affected Villages**

Village	Number of Households	Est. Pop.	Main Ethnic Group	Distance from Bisha site	Sub-Zoba or Administrative Region
Tekreret	1,200	5,000	Tigre, Hidarib	27 km (east)	Dighe
Adi Ibrihim	539	3,780	Tigre, Hidarib	17 km (east)	Dighe
Mogoraib	870	4,016	Tigre	4 km (north)	Dighe
Jimel	400	2,000	Tigre, Hidarib	27 km (west)*	Dighe
Adarat	342	1,667	Tigre, Nara	16 km (south)	Gogne

\* Jimel is expected to be relocated 9 kilometres closer to Mogoraib site by government (date unknown).

Source: Bisha Mining SC, Environmental Impact Assessment, AMEC, December 2006.

### 2.8.3 Affected Population for Transport Route and Port Facility

BMSC will assess transport route and port facility stakeholders during the SEIA to be conducted for Phases 2 and 3 of the Project. At this time a further SEP will be developed.

### 2.8.4 Differentially Affected, Vulnerable and Marginalized Peoples

Based on studies conducted for the Bisha Project and available research and literature, BMSC has identified the following potentially vulnerable or disadvantaged groups:



- Women and female headed households;
- Rural drought-affected residents and communities;
- Elderly and infirm; and
- War-affected residents and refugees, including those who lost assets during the war.

The Barentu and Dighe areas had the highest Global Acute Malnutrition rates within Gash Barka during the 2004 drought. The Project area and wider region also have a higher than average proportion of refugees due to the effects of conflict and proximity to international borders (i.e. with Sudan). Elderly and infirm residents may also be considered vulnerable groups because of their limited ability to access benefits from the Project, including participation in some employment and community assistance projects.

During construction and operations, BMSC intends to increase its efforts to engage women and ensure their full participation. BMSC will also assess the potential for other vulnerable groups and determine where special consideration on certain topics or issues may be required.

### **2.8.5 Civil Society and Other Organizations**

There are few international NGOs remaining in the country as a result of shifts in the Government of Eritrea approach to international aid. Only one NGO, the International Fund for Agricultural Development (IFAD), which is a specialised branch of the United Nations, has been active in the Bisha area in recent years. Due to National leadership sensitivity about NGOs, no formal consultation sessions have been held with IFAD, however, the sub-region IFAD representative, an Eritrean National, has supported the Bisha consultation process by acting as a facilitator for many of the workshops held with the villages.

National unions/quasi governmental organisations such as the National Union of Eritrean Women (NUEW) and the National Union of Eritrean Youth and Students (NUEYS) are active in Zoba Gash Barka and the Project area.

Members of the NUEW and NUEYS have been represented at national and local meetings and workshops related to the Project since 2006 and their contribution continues by the inclusion of a representative in regular community meetings held with Bisha.

BMSC has also engaged with the National Confederation of Eritrean Workers, Federation of Eritrean Employers, the Eritrean Chamber of Commerce (ECC) and the Lutheran World Federation and engagement is expected to continue during the Project.

Other secondary stakeholders that might be interested in or affected by the Project include potential investors and relevant international finance institutions (IFIs), other mining companies in Eritrea, and the interested international public.

## **2.9 Methods and Tools for Engagement**

The Bisha Project will continue to use proven methods of engagement that have already been established by BMSC, such as the village-based Community Liaison Officers (CLO) and the Store Front Information Centres. A selection of existing and proposed methods that are likely to be employed by the Project are described in the following sections.

### **2.9.1 Update and Briefing Sessions with Eritrean Government Representatives**

BMSC will continue to hold update and briefing sessions with government during construction and operation of the Project. To this end, BMSC will:

- At least annually, hold update and briefing sessions with interested government representatives in Asmara;
- Invite relevant Ministries and departments, including the Department of Mines and other permitting agencies to these update sessions, e.g. the Department of Environment;



- Invite the administrators of the Zoba Gash Barka and the sub-Zobas of Dighe and Gogne (and as appropriate others along the transport route and those responsible for the Port facility) to annual public update events;
- Use the update sessions to provide information to government on progress and performance of the Project with respect to plans and mitigation strategies, and the Project schedule; and
- Use a range of materials and methods such as power point presentations, or site tours, as appropriate, during the briefing sessions.

### **2.9.2 Information Update Committee (IUC)**

BMSC intends to conduct regular meetings with local communities during construction activities (and into operations) and to this end, will continue to meet with the “Information Update Committee” that has been established with local authorities and communities. The key features of the group are as follows:

- The committee consists of representatives from the five key communities of Mogoraib, Ad Ibrihim, Tekreret, Jimel, and Adarat, the village-based Community Liaison Officers, the Bisha Community Relations Manager, and other BMSC representatives as required;
- The committee comprises representatives from each village, including the following: (i) the village administrator or someone chosen by the administrator to represent them; (ii) a local woman representative of the National Union of Eritrean Women; and (iii) two members elected by the community;
- The committee is scheduled to meet each month and more often if circumstances require it during construction activities (in operations, quarterly meetings will likely be adequate);
- BMSC provides transportation, per diem expenses (e.g. 100 Nakfa per half day) and refreshments for all committee meetings;
- The committee will be targeted for opportunities to participate in education through the *Community Assistance Plan* because one of the potential barriers to effective engagement is the high level of illiteracy and the generally low level of education in the local communities; and
- BMSC will monitor progress and performance of the committee.

### **2.9.3 Community Liaison Officers**

BMSC has maintained a group of Community Liaison Officers (CLO) to support the Project since 2006. During construction and operations, BMSC will continue to employ CLOs for the Project, at least from the areas of:

- Barentu;
- Agordat;
- Mogoraib;
- Ad-Ibrihim;
- Tekreret;
- Jimel; and
- Adarat.

Community Liaison Officers are BMSC employees who represent the Project in their respective communities and conduct a range of support activities/duties for BMSC, including manning the relevant Store Front Information Centres. Specific issues arising, which may form the focus of the CLO work, are likely to include:

- Land use, land changes and compensation;



- Recruitment and employment;
- Water use, availability, quality and protection;
- Road maintenance;
- Student/youth issues;
- Induced and informal in-migration;
- HIV/AIDS and other communicable diseases; and
- Women and vulnerable groups.

#### **2.9.4 Public Education-Outreach**

Building on the success and effectiveness of the Road Shows and displays in local communities and at national festivals, BMSC will plan and enable community outreach and education events during the construction and operation of the Project, at both local and national levels.

##### **2.9.4.1 Local Events**

BMSC, in consultation with local communities, shall hold regular local events during construction and operations activities, and will:

- Plan and implement at least bi-annual public education events in each of the five key communities and, as needed at a particular time period, in other communities such as Agordat and Barentu (e.g., in conjunction with information on employment opportunities);
- Invite local, regional and national government representatives to local outreach events;
- Provide information at local events in an easy to understand and entertaining way in order to update communities and the wider public about the activities and plans of the Project;
- Post relevant documents/printed materials at these events and provide a venue for feedback;
- Use these events where appropriate, to conduct community awareness raising and education activities, such as on important topics like health & safety associated with the mine;
- Seek input into planning public events from local people and ask communities about what they would like to discuss with the Project and in what format;
- Target a range of different audiences, including school and youth groups, and other sections of local communities; and
- Use innovative and interactive communication tools, e.g. quizzes, role plays, videos and photos (i.e. means more easily absorbed by those with low literacy levels).

##### **2.9.4.2 National Events**

BMSC will build on the success of their displays at the Festival of Eritrea Expo in Asmara and the National Eritrean Youth Festival in Sawa in 2006, 2007 & 2008 to continue their wider public awareness and education throughout the life of the mine. To this end, BMSC will:

- Continue to participate in regular national events to promote information sharing about the Project at a national level;
- Seek opportunities to maintain public interest in the mine and enable the general population to understand the different activities related to the Project, particularly during construction and then into the operations phase; and
- Use national events to promote national employment and business development opportunities.



### 2.9.5 Website

BMSC will establish a Project specific website (or expand the information on the Nevsun website) by early operations. Annual reports including information about stakeholder engagement activities will be posted on the website. Other relevant documents, such as press releases about construction activities and other Project information will also be disclosed through the website.

### 2.9.6 Open Houses

BMSC will use open houses and site tours at the Bisha mine, as required, to:

- Show representatives of the national, regional and local government and other interested people invited by BMSC the progress of the Project;
- Host other groups invited by BMSC such as youth or school groups, who for example, over the life of the mine, will be maturing and potentially becoming eligible for employment or participation in the stakeholder engagement process; and
- Update local communities on what the current state of construction or development at the mine actually looks like and to further enable them to contribute meaningfully to the stakeholder engagement process.

Visitors will not be permitted to enter parts of the Project site where conditions pose a danger or where hazardous work is in progress.

### 2.9.7 Disclosure of Printed Materials

Disclosure of information materials will continue to be an important part of the engagement process in the construction and operations phases of the Project. BMSC shall disclose regular information to stakeholders involving the following:

- Prepare and disseminate relevant printed information about the Project and in particular, construction and operations activities, e.g. a brochure to explain how to use the complaints procedure, or a pamphlet outlining recruitment procedures;
- All information materials shall be provided in relevant languages, e.g. Tigre/Tigringa/Arabic, and designed to provide details in a format readily understandable by local people;
- Materials shall also be prepared in English if necessary and relevant to the details being disclosed or for BMSC management approval;
- Particular attention will be given to ensuring that people with low literacy levels and other vulnerable groups receive printed information in formats that are appropriate for them;
- During construction, materials shall be prepared and disclosed on at least the following topics:
  - *Construction activities at site/in each area;*
  - *Hiring practices and employment opportunities;*
  - *Supplier opportunities;*
  - *Transport/traffic in the community;*
  - *Community health and safety briefings and awareness programs;*
  - *Ongoing compensation and resettlement activities;*
  - *Waste and environmental issues;*
  - *Road access restrictions/diversions;*
  - *Land access and associated issues;*
  - *Influx/informal in-migration issues;*
  - *Local worker training;*
  - *Worker camp management and the Code of Conduct; and*



○ *Complaints process.*

- The Community Relations Manager should maintain collection of disclosure materials prepared;
- BMSC will ensure that messages disclosed in various materials are consistent and that relevant approvals by management are in place for any sensitive information; and
- Public notice boards, community newsletters, Store Front Information Centres, and a range of other vehicles will likely be used to make information accessible to local communities.

### **2.9.8 Community Newsletter**

In order to actively engage communities during the construction and operations phases of the Project, BMSC will establish some form of “community newsletter”. To this end, BMSC will:

- Establish a Community Newsletter (or similar) that focuses on topics of most interest and relevance to local communities;
- The newsletter should be managed by BMSC but include input from residents themselves to ensure that the information provided meets the expectations and needs of the communities;
- Consider opportunities for the newsletter to be delivered in both written and oral format, to enable those that are not literate to also access the information; and
- The Community Newsletter should be produced at least quarterly during construction and distributed throughout the local communities and regional areas as appropriate.

### **2.9.9 Store Front Information Centres**

A number of Store Front Information Centres have been operated by BMSC since 2006. As at the end of 2008, centres were open in Barentu, and Agordat. BMSC will continue to use Store Fronts and other similar venues to provide local stakeholders with access to Project information. To this end, BMSC will:

- Maintain Store Front Information Centres in at least Barentu, Agordat and Mogoraib to act as an interface between BMSC and the public;
- Record visitors and comments received, including monthly statistics on the number of visitors, the nature of queries made, where visitors come from and other relevant indicators;
- Establish mobile information shops (“Info Shops”) or similar, to help disseminate regular information in other affected villages/towns and regional centres as required;
- These mobile or temporary Info Shops shall be established in order to ensure that affected people have easy access to Project information, as not all people will be able to attend the central Store Front Information Centres;
- Info Shops are generally not manned offices but spaces where Project information can be presented, such as brochures, copies of complaints forms and other materials; and
- Materials in Store Front Information Centres and Info Shops should be regularly updated to ensure that information is current and relevant to Project activities.

BMSC recognises that the local population has low literacy levels. As such, the community relations team will investigate creative methods of providing information to local people at the Store Front Information Centres that includes delivering information in written format but also in oral format.

### **2.9.10 Special Methods for Engaging Women**

BMSC will develop relevant measures to help to fully integrate women’s perspectives into its engagement activities, including:



- Obtain the full picture, as experience shows that women often have different perspectives and priorities than men and may be differentially impacted by the Project (i.e. seek out the views of women on all relevant topics);
- Disaggregate data to allow for a better understanding of gender differences related to the Project;
- Ensure that there is a representative sample by gender when undertaking surveys and interviews; and
- Tailor the community relations team and engagement activities to “get more women in the room” and make them more likely to participate, including holding separate meetings for women, using active facilitation, and having women staff and facilitators so women will be more comfortable talking to other women.

## **2.10 Stakeholder Engagement Procedures**

### **2.10.1 General**

BMSC recognises the need to actively engage with local communities and other key stakeholders during the construction and operations phases of the Project on key issues that may affect them. The following subsections describe the key elements of the SEP.

### **2.10.2 Action Plan for Engagement**

To support the engagement process, BMSC has developed an outline Action Plan for Engagement (included as Annex A). This plan identifies the different engagement activities which will be required during the construction phase and going forwards. BMSC will review the Action Plan at least quarterly during construction, to ensure that it remains valid and meets the needs of BMSC, local communities and other key stakeholders.

### **2.10.3 Stakeholder Analysis and Tracking**

BMSC will continue to complete a Meeting Record (see Forms below) for all stakeholder engagement activities. Records of stakeholder interactions shall be held centrally by BMSC. Procedures for ongoing stakeholder identification, analysis and tracking as the Project advances with construction, shall involve:

- BMSC will establish a stakeholder tracking system (see Forms below) to log all meetings with, and relevant information about, key stakeholders at national, regional and local levels;
- The stakeholder tracking system shall keep track of engagement activities, important comments, issues or outcomes and Project responses;
- BMSC shall circulate key stakeholder information to Project teams, including the EPCM Contractor, SENET;
- BMSC will incorporate stakeholders for the port site at Massawa and the transport route into this tracking system in due course;
- The stakeholder tracking system may be a spreadsheet, database or similar;
- BMSC will designate the Community Relations Manager (or other appropriate candidate) to be responsible for developing and implementing the stakeholder tracking system.

The Environment Department is responsible for maintaining a record of all stakeholder engagement activities. The record will contain information on key stakeholders and their engagement history with the Project, and will be updated to track changes as they occur. Such data will include:

- Meeting/activity records;
- Budget expenditure documents;
- Complaints forms, log and records detailing how complaints were resolved;



- Public comments books/other documents showing issues raised by stakeholders;
- Commitments register for local communities;
- Community relations staff reports;
- Correspondence received by government or other stakeholders; and
- Disclosure materials disseminated;
- Statistics on visitors to Store Front Information Centres;
- Responses provided to stakeholders by the Project;
- Community attitudes and perception surveys; and
- Training records.

An example Stakeholder Engagement Tracking Matrix is as follows:

**Example Stakeholder Engagement Tracking Matrix**

Category	Description
<b>Stakeholder organisation</b> /	The name of the individual, main contact, with full contact details
<b>Role / position</b>	Describe who this group / individual is and their relevance (e.g., government regulator, influential environmental NGO representative)
<b>Relationship</b>	Describe in detail what their relationship is with the Company
<b>Issue / interest / concern</b>	Describe main issues (e.g., want employment, concerned about social or environmental impacts)
<b>Ranking</b>	Describe the level of importance e.g. from 1-5, 1 not very important, 5 important
<b>Engagement history</b>	Describe previous contacts and dialogue held, and their outcomes
<b>Commitments made</b>	Describe what was committed to during engagements
<b>Project Responses</b>	How issues/interests/concerns are inform management plans or other responses
<b>Methods for engagement</b>	Describe how this individual/group should be engaged in the future including the level of engagement (e.g., partner, participant, observer)
<b>Frequency / timing</b>	Plan for frequency of engagement
<b>Responsibility</b>	Who in BMSC is responsible to implement the engagement activity
<b>Resources</b>	Estimate the cost and other resources that are required to manage this relationship
<b>Additional information</b>	Any additional comments or observations

The Environment Department shall ensure that minutes/records of each engagement event or activity are completed and filed. The Bisha Meeting Record Form is as follows:



Nevsun Resources Ltd.  
Bisha Project, Eritrea

**Nevsun Resources**                      **Bisha Project - Eritrea**

**Record of Telephone Conversation / Meeting Notes**

Meeting:                      Telephone:

Title/Topic: \_\_\_\_\_

Date: \_\_\_\_\_

Time: \_\_\_\_\_

Meeting Location and language preference: (if appropriate) \_\_\_\_\_

Person(s) Involved: \_\_\_\_\_

---

Key Discussion Points:

Concerns Raised: \_\_\_\_\_

Conclusions: \_\_\_\_\_

Commitments for Follow-up: \_\_\_\_\_

Recorded by: \_\_\_\_\_

---

Commitment Sent to Database:        Date: \_\_\_\_\_    Commitment Number: \_\_\_\_\_

Nevsun Resources Ltd.  
Addendum to Public Consultation Plan  
March 16, 2006

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Source: Addendum to Public Consultation Tools and Schedule, Nevsun Resources Ltd., March 16, 2006



#### 2.10.4 Coordination between Different Teams

As activities increase on site, it will be important for the community relations team to interact regularly with other Project teams and departments. The Project shall implement the following procedures for internal coordination related to stakeholder engagement:

- Establish a schedule of regular meetings with relevant Departments to discuss stakeholder engagement activities and issues;
- Meet regularly with the human resources, engineering/design, environmental, health & safety, and construction teams to discuss local communities and common issues;
- BMSC teams and Departments dealing with local communities and stakeholders shall keep the community relations team informed of their activities; and
- The community relations team shall coordinate all meetings, disclosure materials and other engagement events that take place with primary stakeholders, particularly local communities.

#### 2.10.5 Coordination with Government

BMSC recognises the importance of coordinating its stakeholder engagement activities with local/regional and national government, and as such, has already developed a good relationship with local administrators, the Department of Mines and other relevant line ministries. Cooperation with government related to stakeholder engagement for the Project shall include:

- BMSC will keep the Department of Mines and relevant local authorities informed of its engagement activities, at least on a quarterly basis;
- BMSC will work closely with various government agencies and ministries to co-ordinate any activities that the Project may want to undertake with local communities (e.g. agriculture extension program);
- BMSC will maintain records of all engagement activities and make these available to relevant government officials upon request; and
- Report to local/regional authorities and the Department of Mines about community complaints received by the Project and actions being taken to resolve issues.

#### 2.10.6 Consultation and Disclosure of New or Updated SEIA-related Documents

BMSC has been through an extensive consultation and disclosure process regarding the original SEIA documentation that has been prepared for the Project. Since some of the documentation is being updated it will be appropriate for some documents to go through a specific, although more limited, disclosure process. The updated or new *Management Plans* will be completed and published in early 2009, and an *SEIA Update Report* will also be made available in relevant formats for different stakeholder groups:

- **Locally:** summary materials on relevant Management Plans, particularly proposed mitigation measures which affect local people will be disclosed locally (e.g. at Store Front Information Centres, other relevant locations and in specific face-to-face meetings with local communities);
- **Regionally/Nationally:** relevant Management Plans and a copy of the SEIA Update Report will be available at the BMSC office in Asmara as well as disclosed to relevant authorities including the Department of Mines; and
- **Internationally:** the SEIA Update Report will be available on the Nevsun website.

BMSC will advise people how they can access a copy of the new or updated *Management Plans*, the *SEIA Update Report* and other relevant documentation, as well as the timetable and process for making comments where appropriate.



## 2.11 Complaints Management

BMSC will implement the following provisions ensure that a formal complaints management process is in place for the Project for construction and operations:

- Establish and implement a complaints procedure (see *Annex B*) which will allow BMSC to register and respond in a timely manner to complaints of people directly affected by the Project;
- The complaints procedure will incorporate the following principles:
  - It will be transparent and simple to understand by Project affected people;
  - It will be activated and completed in a timely manner;
  - It will be put in writing;
  - It shall define the responsibilities of each party involved; and
  - It will be free.
- BMSC will designate a person who is responsible for coordinating the receipt of and response to all complaints (e.g. the Community Relations Manager);
- Relevant managers are responsible for helping to resolve complaints that relate to their technical areas, e.g. environment, engineering, construction etc;
- The complaints procedure shall apply to all Project components and activities over which BMSC has direct control;
- The complaints procedure will be tested and refined as the construction phase progresses to ensure it is easy to use and adequate for capturing the complaints of local people; and
- All employees shall be trained to direct people with complaints to the designated person or, in their absence, to another member of the community relations team.

## 2.12 Roles & Responsibilities

BMSC shall remain in control of stakeholder engagement activities throughout the Project, though SENET will be required to identify/allocate appropriate staff to support engagement activities with the Bisha community relations team in the construction phase.

Overall responsibility for the implementation of this Management Plan shall rest with the Bisha Community Relations Manager who shall report on progress to the Bisha Environment Manager. Others with responsibility for the implementation of this Management Plan shall include:

- SENET, as EPCM Contractor, shall be responsible for the integration of these procedures and requirements into their operating procedures and plans;
- Bisha Community Relations Manager shall be responsible for designing and implementing engagement activities with local communities and local/regional government;
- Bisha Community Liaison Officers shall support Community Relations Manager with stakeholder engagement activities and act as the interface between local villages and the Project;
- Bisha Mine/Mill Superintendents shall be responsible for ensuring that these procedures and requirements are implemented for all operations.

## 2.13 Training

All employees of BMSC and Contractors to BMSC shall be provided with basic training on appropriate interaction with local communities, including requirements of the Code of Conduct. Additional specialist training shall be provided to community relations staff involved in engagement activities. BMSC will provide specific training to at least to the Community Relations Manager and village-based Community Liaison Officers on relevant stakeholder engagement activities.



## 2.14 Monitoring & Reporting

It is important to monitor stakeholder engagement to ensure that consultation and disclosure efforts are effective, and in particular that primary stakeholders such as local communities, are meaningfully incorporated into the process. Stakeholder engagement monitoring procedures shall be as follows:

- The Bisha Community Relations Manager shall report on a monthly basis to the Bisha Community Relations Manager, including on:
  - Engagement activities;
  - Visitors to the Store Front Information Centres;
  - Level of participation by different stakeholder groups (e.g. women);
  - Comments from, and feedback provided to, stakeholders;
  - Commitments made to local communities by the Project;
  - Disclosure materials disseminated: types, frequency, and location;
  - Community attitudes and perceptions;
  - Community complaints and their resolution;
  - Community relations staff, their duties/activities and staff changes;
  - Committees, groups and partnership activities related to engagement; and
  - Project website.
- Bisha Community Relations Manager shall regularly participate in engagement activities and shall inspect BMSC documentation on a monthly basis. The inspection shall include:
  - Stakeholder engagement records;
  - Budget expenditure records;
  - Complaints forms, log and records detailing how complaints were resolved;
  - Public comments books/ other documents showing issues raised by stakeholders;
  - The schedule/action plan for implementing the engagement program;
  - Commitments register for local communities;
  - Community relations staff reports;
  - Correspondence received by government or other stakeholders; and
  - Disclosure materials disseminated.

The Bisha Community Relations Manager shall be responsible for record-keeping.

Regular reporting shall be undertaken via the monthly SEMS Report that shall be prepared and submitted to the Bisha General Manager. Reporting shall include:

- A summary of activities undertaken during the reporting period;
- Any material deviations or non-compliances to this Management Plan;
- Planned activities during the next reporting period;
- Any other issues of concern.

Further information on social monitoring and reporting requirements and procedures is set out in the Monitoring Plan and in the Social & Environmental Management System.



**Annex A**  
**Proposed Action Plan for Engagement in the Construction Phase**

**BISHA PROJECT**  
**ACTION PLAN FOR CONSTRUCTION-RELATED ENGAGEMENT**

Revision: 2  
 Date: 26 March 2009

No.	Stakeholders	WHEN	WHAT/ METHOD	DESCRIPTION	RESPONSIBILITIES/SPECIFIC TASKS
	<b>Local</b>				
1	Local administrators/village elders	As required	Small group meetings	BMSC will engage with local administrators through the Information Update Committee and all other activities implemented with the Project affected villages (see below).	a. To be developed b. To be developed
2	Project-affected villages/residents	By 1st quarter 2009	Store Front Information Centres	Store Front Offices will be maintained in Barentu, Mogoraib and Agordet during construction. These Offices will be staffed by BMSC personnel and will be regularly updated with Project information.	a. To be developed b. To be developed
		By June 2009	Info Shops or similar	Info Shops or similar will be established in relevant locations within affected villages/towns that do not have Store Front Offices so that key Project information is accessible to all local residents.	a. To be developed b. To be developed
		Ongoing	Public Comments Books, "mailboxes" or similar	BMSC will continue to make Public Comments Books, mailboxes and/or similar available in public places, such as the Store Front Offices, to allow local population to make suggestions and requests to the Project.	a. To be developed b. To be developed
		As required but at least every 3 to 4 months	Regular "Construction Updates"	Regular updates on construction activities, hiring and employment opportunities, local worker training, community assistance and any other relevant issues will be displayed on notice boards or similar in villages.	a. To be developed b. To be developed
		By May 2009	Frequently Asked Question system	BMSC will establish a Frequently Asked Question system or similar in order to respond to common questions and concerns of local communities in an efficient and consistent manner. This may need to be implemented both in printed and oral formats to ensure the responses can be readily understood by local people.	a. To be developed b. To be developed
		At least twice a year	Local events/public meetings	The Project will arrange local events with the five key communities to provide progress reports about the Project, conduct community awareness raising/education about Project impacts and hear any concerns from local villages.	a. To be developed b. To be developed
		As required	Open houses	Open houses will be organised at the mine site to update participants on the status of construction activities and enable them to see what the Project actually looks like on the ground.	a. To be developed b. To be developed
		As agreed (approx. every quarter)	Distribution of a regular Community Newsletter	BMSC will establish a regular newsletter during construction (and likely into operations) for local villages about the Project, which will be prepared with input from residents themselves.	a. To be developed b. To be developed
		Annually	Disclosure of printed materials on relevant topics e.g. through fact sheets, brochures, pamphlets etc	Disclosure materials will be prepared to support engagement activities. BMSC will ensure that all important Project information is provided in written (as well as oral) format; so that local people can have a record of the information provided. e.g. brochure on how to use the complaints procedure, recruitment processes, etc.	a. To be developed b. To be developed
		Annually	Perception and attitude surveys	The Project will conduct a perception and attitude survey with a sample of the affected populations to gauge their level of support for the Project, and their interests and concerns about current activities.	a. To be developed b. To be developed
		As available	Disclosure of new or updated SEIA-related documents	BMSC will disclose Project related documents which are of interest to local stakeholders related to both current and future activities of the Project. This may include documents such as a summary of the Human Resources and Employment Plan and the Community Health & Safety Plan.	a. To be developed b. To be developed
		At least monthly	Community Liaison Officers	The CLO team will meet the Public Consultation Officer regularly and will also attend meetings of the Information Update Committee and others events as directed by BMSC.	a. To be developed b. To be developed
		At least every 2 months	Information Update Committee	BMSC will facilitate at least two monthly meetings with the Information Update Committee (made up of local village authorities and other representatives).	a. To be developed b. To be developed
		As required	Mediation Committee	The Mediation Committee will meet to address complaints that cannot be readily resolved between BMSC and complainants.	a. To be developed b. To be developed
To be determined	Other working group/committees	Bisha staff will facilitate regular meetings with any committees/working groups established to support manage specific community-related issues about the Project (e.g. recruitment/employment, water management etc)	a. To be developed b. To be developed		
3	Local women	At least twice a year	Small women only group meetings	BMSC will facilitate women's participation through separate women only meetings and other discussions. This will be arranged for all relevant topics to ensure that impacts to women are properly understood and their opinions are adequately considered in planning activities in the communities.	a. To be developed b. To be developed
		As required	Women focused surveys and interviews	In addition to separate meetings and other forums, BMSC will implement specific surveys and associated interviews with women when gathering data to inform on programs within the community. This is to ensure that gender differences related to social and environmental issues are incorporated into Project planning.	a. To be developed b. To be developed



## Bisha Mining Share Company

### BISHA PROJECT ACTION PLAN FOR CONSTRUCTION-RELATED ENGAGEMENT

Revision: 2

Date: 26 March 2009

No.	Stakeholders	WHEN	WHAT/ METHOD	DESCRIPTION	RESPONSIBILITIES/SPECIFIC TASKS
<b>Regional</b>					
3	Regional authorities	As required	Small group meetings	BMSC will invite Gash Barka, Dighe and Gogne authorities to local community meetings and other events from time to time, and when the issues being discussed require it.	a. To be developed b. To be developed
		Once or twice a year	Site tours	In addition to open houses with national government, BMSC will invite regional authorities to tour the site and discuss issues with BMSC at least once or twice a year.	a. To be developed b. To be developed
4	Regional public	At least annually, but otherwise as required	National events	BMSC will participate in relevant regional events to help promote understanding about the Project in the region. Store Front Information Centres will also be used to communicate with the regional public in Barentu and Agordat. Printed materials will also be disclosed regionally where appropriate.	a. To be developed b. To be developed
<b>National</b>					
5	Ministries & other government agencies	At least annually	Update and briefing sessions	BMSC will hold formal update and briefing sessions with interested authorities including relevant Ministries a(nd Gash Barka, Dighe and Gogne Authorities).	a. To be developed b. To be developed
		As required	Informal discussions and meetings with key authorities/line ministries	BMSC already has regular contact with the Department of Mines on all aspects of Project implementation. This will continue during construction and the Company will ensure to inform/invite other relevant national authorities to discuss topics that affect their governmental remit (e.g. agricultural, land, water issues).	a. To be developed b. To be developed
6	National public (and interested international parties)	As required	BMSC public website	Regular updates about the Project on the public website.	a. To be developed b. To be developed
		As required	Meetings/tours/other national events	BMSC will host national and international parties at the site and hold meetings and other events as required during Project construction. This is expected to include tours by potential investors, Eritrean mining and other companies, as well as other Dignitaries and interested parties. BMSC will continue to participate in relevant national events such as the Festival of Eritrea Expo and the National Eritrean Youth Festival.	a. To be developed b. To be developed
		As required	Media (advertisements and other channels)	Relevant media channels will be used to keep the national public informed about the Project.	a. To be developed
		Annually	Annual reports	The Project will produce an Annual HSEC Report that details the Project's performance on HSEC issues, including stakeholder engagement. This report would be disclosed to the general public.	a. To be developed b. To be developed



## **Annex B Complaints Procedure**

### **B.1 General**

The Complaints Procedure is summarised in Figure B.1 which outlines the key steps to be taken in the complaints management process. Each of these steps is described in further detail below.

### **B.2 Recording and Logging the Complaint**

Recording and logging complaints will include the following procedures:

- A Complaint Action Form (see Figure B.2) will be prepared;
- Record information about the complaint, e.g. when it was raised and by whom (complainant);
- BMSC will either help people complete a complaint form directly or fill it in on their behalf; and
- A Complaints Log will be established so complaints can be tracked by BMSC (see Box B.1).

#### **Box B.1 Content for Complaints Log**

The Complaints Log ensures that each complaint has an individual number and that the tracking and recording of follow-up actions is undertaken. The Log will include the following information:

- complaint registration number.
- date complaint received.
- brief summary of complaint.
- complainant details (name, address, other contact information).
- company's response / corrective action.
- date of response sent to complainant.
- follow up actions required.
- final resolution.

### **B.3 Responding to Complainants**

Procedures for responding to complaints include:

- A site visit and/or interview with the complainant in order to understand the issue raised;
- Information may need to be verified or further investigated through another source and BMSC will endeavour to collect this additional information at no cost to the complainant;
- All complaints received shall be acknowledged in writing within a specified time period (no greater than two weeks) and where appropriate, verbal responses may also be given, and will be documented in the Complaint Log (e.g. complainant may initial the Complaint Log entry);
- As not all complaints can be readily resolved, the initial response may be a summary of what is planned and when it is likely to occur;
- For issues and/or corrective actions that take longer to address, or where the complainant(s) are not satisfied and additional activities are required, the Project will keep complainant(s) informed of progress; and



- Once a complaint has been addressed, the Company will communicate the resolution of the issue to the complainant, and will coordinate any further communications that may be necessary.

#### **B.4 Assessing and Resolving Complaints**

Procedures for assessing and resolving complaints are:

- BMSC will aim to resolve complaints quickly and in an effective and appropriate manner;
- BMSC together with the complainant, will explore through discussion or negotiation, possible remedies that will resolve the issue;
- BMSC will utilize relevant managers to help resolve complaints (e.g. if complaint is related to an environmental issue, the Environmental Manager may lead resolution activities, or if it has to do with safe driving in communities, the Safety Manager would likely lead resolution efforts);
- Where complaints do not require corrective action (e.g. where complaint is not directly relevant to Project or where complaint is already the subject of another process) the initial acknowledgement of the complaint will incorporate the response/resolution to the complainant; and
- When the Project cannot resolve a complaint, BMSC will not inhibit the complainant taking action in a court of law.

#### **B.5 Reporting and Monitoring Complaints**

Monitoring of complaints will include review of the number and status of complaints and any outstanding issues to be addressed. Reports on complaints monitoring will be produced and sent to the General Manager no less than once each month. The reports shall include, as a minimum, information on:

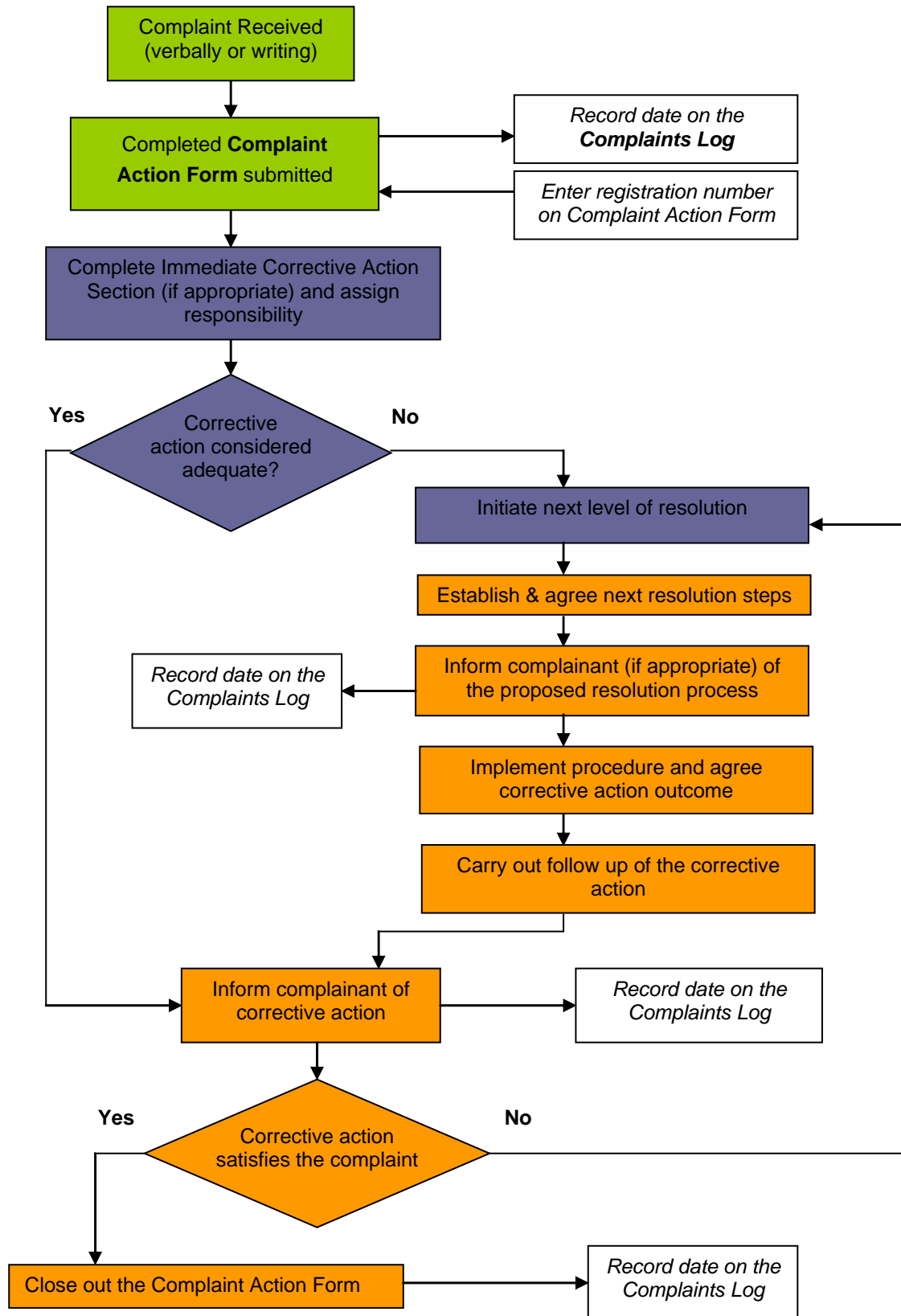
- Subject/classification of the complaints received;
- Discussion of each complaints validity;
- The importance of the issues raised;
- Measures taken, and any required follow-up;
- Involvement of the mediation committee, if any;
- Analysis of types of complaints and complaint levels;
- Actions taken to reduce complaints; and
- Time taken to solve the complaint.
- The effectiveness of the complaints process should be evaluated by independent evaluators, e.g. every 1 to 2 years during operations;
- BMSC will include Project affected people in the assessment of the complaints mechanism, e.g. by using participatory monitoring methods; and
- The outcomes of the complaints process will be reported in the monthly SEMS report.

The volume of complaints may be such that the current paper system will not be able to cope with it. As such BMSC will investigate the use of an electronic registration system for managing complaints. This could include a mechanism to ensure that Bisha staff knows when complaints are not closed out – which is an essential aspect of the complaints management process.

#### **B.6 Disclosure of Complaints Procedures**

In order to ensure that the complaints management process can be accessed and used by local stakeholders, BMSC will disclose the complaint procedure to local stakeholders in a relevant format and in appropriate languages. This may include providing a copy of the procedure and explaining its purpose and use to local, sub-Zoba and Zoba authorities as well as local communities.

Figure B.1 Proposed Complaints Procedure Flowchart









## 3 Human Resources & Employment Management Plan

### 3.1 Introduction

The *Human Resources and Employment Management Plan* is designed to ensure that local employment, one of the main benefits of the Bisha Project, is maximised and enhanced through effective procedures for recruitment, employment and training of personnel during the construction, operations and closure phases of the Project.

The plan contains the methods that shall be used to maximise local/national employment together with procedures to ensure that recruitment, employment and training is conducted in a fair and transparent manner.

Local employment is the main socio-economic benefit that the Project can directly bring to people living in the villages nearest to the Bisha Mine. The relevant sub-Zoba, Zoba and wider Eritrean populations are also likely to be able to access employment opportunities. During the Project assessment process, the following employment estimates were made:

- Approximately **358 workers** will be required for the construction of the Bisha Mine and ancillary facilities. The majority of the construction workforce is expected to be skilled Eritreans from Asmara and the highlands; although the Project intends to hire suitable locals for positions to the extent they are available. It is estimated that 90% of construction workers will be Eritrean nationals.
- At the peak of the Project operations, jobs will be created for approximately **700 people**. By mid-way through the operations phase, the direct workforce is also expected to comprise 10% expatriates and 90% Eritrean nationals.

There is a high expectation of local employment in the local villages as well as within the wider Zoba Gash Barka and the country as a whole. Implementation of this plan is central to managing employment expectations as it sets out specific actions for the Project to ensure that opportunities for local employment are maximised, and that there is a fair distribution of jobs. This is vital to maintaining a good relationship between the Project, nearby villages and other stakeholders.

### 3.2 Objectives

The objectives of this Management Plan are to:

- Establish effective plans and procedures for local/national recruitment, employment and training;
- Define BMSC requirements and procedures to guide the Project Management Team and other Project contractors;
- Define roles and responsibilities; and
- Define monitoring and reporting procedures.

### 3.3 Scope

The plan describes the management of human resources, employment and training processes associated with all phases of the Project. The plan deals with hiring and training of local/national Eritrean personnel to support development of the Bisha mine and ancillary facilities and describes requirements from the assessment of new recruits through to the certification that relevant training has been completed. The plan considers potentially adverse as well as positive impacts related to:

- Direct employment;
- Wide distribution of employment opportunities;
- Recruitment process;
- Employment expectations;
- Working conditions;
- Enhanced local skills; and



- Indirect employment opportunities (e.g. local procurement and supply).

This plan is a flexible document that shall be reviewed on a periodic basis and amended where necessary changes are identified. The plan applies to BMSC as well as EPCM Contractor personnel. The EPCM Contractor, SENET, shall make sure that this plan is available to their own staff and that all procedures/actions included within the plan are recognized, adopted and applied by them prior to commencing construction.

Civil works activities for construction at the mine are being sub-contracted by SENET to Eritrean contractors. One of the main sub-contractors for the Project is Segen, a national company doing civil works throughout the country. Segen is a government run organisation and accordingly they have their own recruitment and employment procedures that are in accordance with the Eritrean Labour Law. BMSC shall also promote appropriate on-site procedures and practices for sub-contractors as far as are practicable (e.g. employee conduct, health, safety and environmental practices).

### 3.4 Regulatory Requirements

#### 3.4.1 Corporate Policy

BMSC has developed an *Employee Policy* to cover employees and contractors involved in the Project. BMSC shall ensure that the policy is communicated and distributed to all relevant staff.

#### 3.4.2 Code of Conduct

BMSC has developed a *Code of Conduct* to ensure that the local customs, traditions and the community way of life are respected. The Code of Conduct is intended to assist with preventing and mitigating impacts to the community and maintaining good relations between local residents and national and international employees.

The Code shall apply to all employees of BMSC and contractors undertaking work on or around the Bisha Project mine site (and other facilities as they are integrated into the Project, e.g. the port site at Massawa). Deviation from this Code shall be treated seriously.

The Community Relations Manager (or their delegate) shall induct all employees and contractors on the requirements of the Code of Conduct.

#### 3.4.3 Eritrean Requirements

The primary Eritrean legislation relating to employment is the Labour Law (118/2001). Applicable provisions in the Labour Law include:

- *Written contracts for a period of one year or longer, or for a team of employees (Article 3 (3));*
- *Provisions for termination including requirements for notice or valid reason for termination (Articles 22, 23, 24, and 30);*
- *Notice of compensation (Article 29);*
- *Severance pay (Article 32);*
- *Maximum working week (Article 48);*
- *Minimum wage (Article 41);*
- *Overtime work (Articles are 52, 53);*
- *Annual leave (Article 56);*
- *Minimum age (Article 68, 69);*
- *Provisions related to the prohibition of discrimination based on gender, disability and criminal history (Articles 63, 65, 68);*
- *Reasonable measures to protect the health and safety of employees and provision of a secure workplace (Article 20(4), 70); and*
- *Employees carrying out the same job and having equivalent qualifications must be treated equally (wages, salaries and agreements regarding termination of contracts are excluded).*



In addition, workers rights are also protected by the Constitution and collective agreement, which also governs the social benefits to which all workers, are entitled.

#### 3.4.4 International Best Practice

International Finance Corporation (IFC) Performance Standards for Social and Environmental Sustainability set out a range of recommendations with regard to labour and working conditions (Performance Standard #2)<sup>3</sup>. BMSC will comply with requirements of IFC Performance Standard 2 which include:

- *Adopt a human resources policy appropriate to its size and workforce that sets out the approach to managing employees;*
- *Provide employees with information regarding their rights under national labour and employment law, including their rights related to wages and benefits;*
- *Policy will be clear and understandable to employees and will be explained or made accessible to each employee upon taking employment.*
- *Document and communicate to all employees/workers directly contracted about their working conditions and terms of employment, including their entitlement to wages and any benefits;*
- *Comply with national law in countries where national law recognizes workers' rights to form and to join workers' organizations of their choosing;*
- *The project will not discourage workers from forming or joining workers' organizations of their choosing or from bargaining collectively, and will not discriminate or retaliate against workers who participate, or seek to participate, in such organizations and bargain collectively;*
- *The project will not make employment decisions on the basis of personal characteristics unrelated to inherent job requirements;*
- *Base the employment relationship on the principle of equal opportunity and fair treatment, and do not discriminate with respect to aspects of the employment relationship, including recruitment and hiring, compensation, working conditions and terms of employment, access to training, promotion, termination of employment or retirement, and discipline;*
- *In countries where national law provides for non-discrimination in employment, the client will comply with national law;*
- *Special measures of protection or assistance to remedy past discrimination or selection for a particular job based on the inherent requirements of the job will not be deemed discrimination;*
- *Develop a plan to mitigate the adverse impacts of retrenchment on employees, if it anticipates the elimination of a significant number of jobs or a layoff of a significant number of employees;*
- *Provide a grievance mechanism for workers (and their organizations, where they exist) to raise reasonable workplace concerns and inform the workers of the grievance mechanism at the time of hire, and make it easily accessible to them;*
- *The project will not employ children in a manner that is economically exploitative, or is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral, or social development;*
- *Children below the age of 18 years will not be employed in dangerous work); and*
- *The project will not employ forced labour, which consists of any work or service not voluntarily performed that is exacted from an individual under threat of force or penalty.*

#### 3.4.5 United Nations and International Labour Organisation Conventions

The international conventions negotiated through the International Labour Organisation (ILO) are relevant to the Bisha Project and encompassed in the Declaration on Fundamental Principles and Rights at Work. The Declaration covers four fundamental principles and rights at work:

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<sup>3</sup> International Finance Corporation. Performance Standards for *Social and Environmental Sustainability*; Performance Standard #2. 30 April 2006. pp 7-10.



- *Elimination of all forms of forced or compulsory labour:*
  - Convention 29 on Forced Labour; and
  - Convention 105 on the Abolition of Forced Labour.
- *Effective abolition of child labour:*
  - Convention 138 on Minimum Age (of Employment); and
  - Convention 182 on the Worst Forms of Child Labour;
- *Elimination of discrimination in respect of employment and occupation:*
  - Convention 100 on Equal Remuneration; and
  - Convention 111 on Discrimination (Employment and Occupation).
- *Freedom of association and the effective recognition of the right to collective bargaining:*
  - Convention 87 on Freedom of Association and Protection of the Right to Organize; and
  - Convention 98 on the Right to Organize and Collective Bargaining.

Eritrea has signed the core conventions listed. BMSC will comply with the core conventions and other relevant conventions signed by Eritrea. IFC Performance Standard 2 also references these conventions in its requirements.

### **3.5 Potential Impacts**

Opportunities for employment (both direct and indirect) will occur in all phases of the Bisha Project. Benefits are expected to be greatest during operations, when positions will be longer term and will be predominantly filled by Eritrean nationals.

Employment and associated skills training and development is likely to be one of the most significant benefits of the Bisha Project. The potential positive effect is increased wage employment for skilled and semi-skilled Eritrean nationals. There will also be a limited number of employment opportunities for unskilled (and predominantly local) people.

Development of a competent and skilled Eritrean workforce for the Bisha Project will be a challenge for BMSC and its contractors. Eritrea currently has no modern mining sector and a largely unknown, and limited, pool of available, appropriately skilled labour from which BMSC can draw.

At the same time, Zoba Gash Barka has a high rate of illiteracy, high dropout rates and substantial cultural obstacles to educational advancement by females. In general, the quality of educational facilities is limited and there are very few technical training programmes.

#### **3.5.1 Construction Phase**

The construction workforce is expected to peak at approximately 358 people but will fluctuate depending on the activities being conducted on site. Employment during construction will be a predominantly short-term assignments for the majority of staff, with only a limited number of employees retained for the entire construction period. The construction phase will last approximately 2-3 years.

#### **3.5.2 Operations Phase**

Direct and indirect employment associated with Bisha is expected to amount to a maximum of 700 jobs when in full operation. During operations, the workforce is expected to include approximately 10% expatriates and 90% Eritreans, most of them non-locals.

#### **3.5.3 Closure Phase**

There will be some employment required during the closure phase and this is expected to consist of a limited number of Eritrean nationals.



## 3.6 Approach to Recruitment, Employment and Training

### 3.6.1 Overview

The BMSC approach to recruitment, employment and training involves ensuring that the Project is compliance with the Eritrean Labour Law. Eritrea places a statutory requirement on mining companies to use Eritrean employees when it is reasonable to do so. At the same time, BMSC recognises the need to have experienced mining staff. The *Human Resources and Employment Plan* addresses the need for some expatriates and the steps to be taken to maximise employment of Eritreans. The main elements of the BMSC approach are:

- Utilisation of skilled and experienced mining industry expatriates as required; expatriates will only be brought in to fill positions for: (a) skilled and experienced operators for specific mining and processing plant and machinery, not available in-country; (b) skilled and experienced mine trained supervisors in mining, processing and engineering; and (c) high level mining industry professionals;
- Hiring of experienced Eritrean nationals with transferable skills, for example from the construction industry – Eritreans identified will be trained to enable them to perform their job to the standards required for an international mining project;
- Training of Eritrean employees will commence during the construction phase and intensify during and following production start-up;
- Training shall be provided to ensure that all recruits have the necessary skill and knowledge levels defined for each position;
- Replacement during the operations period of many expatriates following building of training and experience levels among Eritrean employees;
- Recruitment procedures will be transparent, public and open to all and shall be publicised in advance, including distribution of information to affected communities and regional stakeholders;
- The Project shall manage some form of recruitment office (e.g. the existing Store Front Information Centres) in each of the regions (or local centres) as appropriate through construction and operations;
- The Project team will ensure that forced labour is not used by BMSC or its contractors, specifically the use of Eritrean National Service personnel on extended service;
- Lists of “ Preferred Individuals” will not be accepted (e.g. lists provided by non-BMSC personnel to seek favour for certain individuals outside of the formal recruitment process);
- Unwarranted influxes of individuals into the Project area will be minimised through proactive policies and procedures to reduce in-migration in search of employment; and
- Employment conditions will meet national laws and international standards and there shall be no discrimination on the grounds of religion, ethnicity, gender or other factors.

### 3.6.2 Categories of Employment

The following definitions for employee categories apply to this plan:

- **Skilled worker:** Skilled workers will include experienced staff in categories such as “professionals” (e.g. geologists engineers), “artisans” (e.g. electricians, instrument fitters, technicians, welders, riggers), “supervisors”, and “operators” (e.g. crane, truck);
- **Semi-skilled worker:** Semi-skilled workers will include experienced *drivers, steel man, electrical helper, security guards, cooks* etc; and
- **Unskilled worker:** Unskilled workers may include *concreters, cleaners, waiters, loaders, sand fillers* etc.



### 3.6.3 Preferential Local/Regional Employment

Recruitment for **unskilled workers is to be held at the Local level**. Priority is to be given to residents of directly affected villages where these are defined as follows.

- First preference is given to Mogoraib.
- Second preference is given to:
  - Jimel;
  - Ad Ibrihim;
  - Adarat; and
  - Tekreret.

Those resident in directly affected settlements are again to have priority for **semi-skilled employment**, followed by those living in Agordat and Barentu, and the Dighe and Gogne sub-Zobas, and then the Zoba Gash Barka.

**Skilled workers** are to be recruited on a nationwide basis in line with national employment targets for the Bisha Project.

The exact nature of the arrangements at the Port facility have not been determined, nor has the transport route for Phase 2 and 3 been confirmed. BMSC will apply relevant preferential recruitment policies for these Project components at an appropriate time during the implementation process.

## 3.7 Recruitment and Employment Procedures

BMSC has developed a number of policies in relation to recruitment and employee working conditions. These will be summarised in a Human Resources (HR) Manual. Key recruitment and other HR procedures are described below.

### 3.7.1 Identifying Labour Needs

Forecasting labour needs in a systematic and consistent fashion will be important to ensuring that sufficient time is allowed to find suitable local/regional candidates, particularly for unskilled positions, which should be readily able to be filled by local residents. The general procedure for identifying labour needs shall include:

- Relevant BMSC/SENET Departments will create Employment Forecasts for the relevant positions required for their teams (*Annex A*);
- Departments shall draw up detailed job descriptions (identifying whether they are categorised as skilled, semi-skilled or unskilled), employment numbers and durations of employment; and
- BMSC/SENET shall conduct an audit of current skills available in the local area and compare it with skills requirements.

### 3.7.2 Recruitment Offices

Recruitment offices are an important part of ensuring that recruitment and employment procedures and processes are accessible for local/national people, particularly those located in the five villages nearby to the mine site. Designated recruitment places are also a key mitigation measure for managing in-migration issues related to job seekers. A recruitment office will be established within the following locations (as a minimum) during construction:

- Asmara (at the Head Office);
- Agordat (in the Store Front Information Centre)
- Barentu (in the Store Front Information Centre); and
- Mogoraib (most likely a temporary office used on an as needs basis).



The requirement for recruitment offices will be reviewed prior to the operations phase to determine which centres need to remain or be relocated. The procedure for establishing and operating a recruitment office shall include:

- The office should be established at a suitable location within reasonable proximity from the persons being targeted for recruitment, e.g. town centre or on main bus route;
- There shall be suitable infrastructure and equipment such that the office can process employment applications;
- Each office is to be adequately staffed (e.g. by an Employment Officer) for the period between the job advertisement and the closing date for all positions;
- Relevant details are to be provided to allow job seekers to communicate with the relevant company during employment periods, e.g. a 'hotline' number, poster(s) with details of the Employment Officer and so on; and
- Recruitment offices will form the central point for local/regional recruitment activities, and shall be the only locations where recruitment activities may take place.

### **3.7.3 Identification of Candidates and Application Process**

#### **3.7.3.1 Application for Employment for Unskilled Workers**

The Project expects that local/regional candidates from the five identified nearest communities, as well as the Dighe and Gogne sub-Zobas and then wider Zoba Gash Barka, can fill the majority of unskilled positions.

##### **3.7.3.1.1 Stage 1: Identification of Candidates**

Procedures for identifying potential candidates for unskilled positions will include:

- Departments will complete a "Job Requisition Form" (see Forms below) which is to be submitted to the BMSC Human Resources Manager;
- All recruitment requests will be reviewed by BMSC prior to advertisements being developed and posted in relevant locations; and
- Advertisements will be prepared by the relevant Department and reviewed by BMSC and the local labour office/local administrator who will provide appropriate approval for the advert to be posted (*Annex B* shows an example advertisement);
- Advertisements are to be first placed in the local villages (e.g. labour office in Mogoraib) and then expanded to other villages and also Agordat and Barentu as required (and then the Zoba Gash Barka and nationwide);
- Screen applications and prepare a "Short-List Form" (see Forms below) of interested persons according to relevant criteria, including: residential location based on preferential hiring policies, ability to meet other job requirements, and working experience;
- Record candidates in the employment database (short-listed and non-selected candidates to be filed separately for potential future employment);
- Contact short-listed candidates and arrange interviews and other testing/screening that is required;
- Complete a Potential Candidate Interview Form (see Forms below) for each interviewee and inform candidates of the relevant employment conditions;
- Relevant Line Managers (and as appropriate an Employment Officers or other personnel management representative) should conduct interviews and make the final selection;
- The final selection must be documented on the interview form and all records forwarded to the Human Resources Department;



- Residents of directly affected villages and then the Dighe and Gogne sub-Zobas, followed by the Zoba Gash Barka will receive priority for semi-skilled and skilled employment;
- If there is a shortage of semi-skilled or skilled workers within the priority areas, the Project shall select personnel from other the national population; and
- An explanation and evidence to be provided to the BMSC Human Resources Department where employment targets can not be met (e.g. where an expatriate is required).

### **3.7.3.1.2 Stage 2: Application for Employment**

Procedures for managing applications for unskilled positions will include:

- For unskilled employment, local residents are to submit an application form to the Employment Officer directly or through the relevant recruitment office, or village representative (e.g. Local Administrator – if appropriate);
- Where applicants require assistance with application forms this will be provided by Employment Officers or the village representative;
- The application forms are to be forwarded to BMSC/SENET Human Resources Department, following assessment of application forms by the relevant Employment Officer;
- For each village, the Employment Officer will identify the most suitable village representative (e.g. Local Administrator) for a coordinating role – this selection is to be based on BMSC perceptions/experience of who is most trusted and respected in the settlement as well as who is most willing and able to carry out this responsibility;
- Each applicant is to receive a registered receipt of their application. This receipt is to indicate that the registration is free of charge and can be used to audit the Employment Officer or relevant village representative;
- If required, applicants may be asked to present an appropriately authorised document showing location of residence;
- After the application deadline, the list of applicants is to be prepared by the Employment Officer and posted in public places for a minimum of three days;
- The list shall also be reviewed by the Human Resources Department and a relevant village representative; and
- An applicant may notify the Employment Officer within these three days if he/she is not on the posted list. Receipt to be provided as evidence. No late applications will be accepted.

This mechanism shall be designed to create a fair and transparent system that will ensure that each applicant has been registered.

### **3.7.3.1.3 Stage 3: Selection of Candidates**

Procedures for selecting candidates for unskilled positions will include:

- Screen applications and prepare a “Short-List Form” (see Forms below) of interested persons according to relevant criteria, including: residential location based on preferential hiring policies, ability to meet other job requirements, and working experience;
- Prepare a main list and a standby list for each position or group of positions from the screened candidates;
- Record candidates in the employment database (short-listed and non-selected candidates to be filed separately for potential future employment);
- Post lists at the recruitment offices and other relevant locations in the villages and local/sub-Zoba administration offices;



- Interviewing of applicants will be conducted by BMSC/SENET in the Store Front Information Centres, designated recruitment office or other appropriate venue such as at site;
- No applicant (from a directly affected settlement) will be required to travel for more than one hour on public transport;
- If a settlement does not have access to public transport or if there are cases where the journey by public transport will exceed one hour, then the Project will provide transportation for the applicants concerned;
- Following the selection of applicants, the BMSC/SENET line manager is to notify the selected personnel and forward their names/details to the Human Resources Department; and
- An explanation and evidence to be provided to the BMSC Human Resources Department where employment targets can not be met (e.g. where a non-Local person is employed in an unskilled position).

#### **3.7.3.1.4 Random Selection**

The selection process for unskilled positions may require random selection. General conditions and procedures would include:

- Where the number of screened candidates greatly exceeds the required number of vacancies random selection may be required to get a short-list;
- The random selection process shall be carefully executed in coordination with relevant local/regional authorities and respected village representatives.

#### **3.7.3.1.5 Disadvantaged Candidates**

As part of the application process, the Project will consider a process for identifying disadvantaged candidates. This would likely include procedures such as:

- Applicants would be required to fill out an evaluation form that assesses the extent to which an applicant is disadvantaged;
- Employment Officers would actively take part in this process to ensure consistency and to verify that the most disadvantaged sections of the population are identified;
- Any process for evaluating vulnerable/disadvantaged persons must be completed in coordination with relevant local authorities and village representatives; and
- The Project would then be required to select employees from the identified disadvantaged group with approval from relevant local authorities and village representatives.

The purpose of this process would be to ensure that the most vulnerable members of the local communities have support in accessing employment opportunities with the Project. It would also aim to ensure that they are not further marginalised by processes that would normally be difficult for them to participate in.

#### **3.7.4 Age Verification**

In Eritrea the minimum working age is 16 years. BMSC also intends to comply with international standards which require a minimum age of 18 years for any high risk work. Procedures for verifying the age of relevant candidates will be implemented by BMSC and will include some or all of the following:

- Relevant applicants will be asked to present an appropriately authorised document showing proof of their age;
- Where relevant documentation is not available BMSC will work with relevant local authorities and community leaders/families to try to verify an applicant's age;
- BMSC will inform applicants where age verification is required and keep them informed of progress of such activities; and



- Where minimum age cannot be satisfactorily verified, BMSC will not proceed with the application process.

### **3.7.5 Information Provision/Advertisements**

In Eritrea advertisements are legal papers which should be controlled by the employer and the relevant local/regional authorities. All advertisements must have an appropriate “seal” from the relevant authorities and be posted in designated areas. The advertisement process will require at least the following:

- BMSC will make sure that advertisements are prepared at least one month prior to the positions needing to be filled;
- Ensure that there is effective coverage of advertisements in local and national media, as well as in other accessible locations (e.g. Asmara office, public places etc);
- In addition to advertisements, BMSC will distribute recruitment leaflets and posters in directly affected villages, and sub-Zoba and Zoba centres, e.g. at public places such as bus stops, markets and coffee houses;
- Other non-written avenues for advertising recruitment may also be adopted, e.g. Request Imam to announce during Friday prayers or Minister during Church services;
- All information disclosure regarding employment opportunities and processes to be provided in relevant languages, with particular attention to local dialects for villages near the mine site; and
- Ensure that information/adverts regarding employment do not raise unrealistic expectations, the extent and duration of employment to be accurately communicated such that the limitations to employment opportunities are known.

An example Advertisement/Vacancy Announcement is included in *Annex B*. BMSC shall keep the Department of Mines informed about all upcoming vacancy announcements related to the Project.

### **3.7.6 Prohibition of Hiring at Work Site**

The Bisha Project has adopted the policy not to hire at work sites or construction camps during construction. BMSC/SENET will recruit only from designated recruitment offices and not via informal requests or approaches from community members, either at camps or at work sites.

The procedure to ensure that adequate information is provided about prohibition of hiring at work sites is as follows:

- Appropriate signs will be installed at all work sites, camps, entrance gates, and where practical, at locations within local/regional centres themselves (e.g. on job adverts);
- Information disclosed will make it clear that individuals appearing at the job site that have not been previously screened by BMSC/SENET elsewhere WILL NOT BE HIRED;
- Only once an individual has been formally hired, will administration and other complementary activities such as personnel badging, and training of employees hired locally, be implemented.

This procedure will be reviewed prior to operations at which time it may be appropriate to conduct on-site recruitment. However, this review will take into consideration past lessons learnt and any current issues related to in-migration of job seekers.

### **3.7.7 Selected Candidates**

Once candidates are selected by the relevant BMSC or SENET Department, they are to be provided with written contracts that state:

- Job description;



- Hours;
- Working conditions;
- Wage level (normal and overtime);
- Rules including Code of Conduct and Alcohol and Substance Abuse policy; and
- Disciplinary procedures.

The contents of this work contract will be clearly explained to each worker. An example Employment Contract is shown in *Annex C*. For temporary employees this is a modified and simpler version but this shall still contain the requirements mandated under the Eritrean Labour Law.

All permanent and temporary employees (e.g. daily labourers) are required to sign the employment contract relevant to the work being undertaken.

### **3.7.8 Exclusion of Workers on National Service**

The Proclamation on National Service (No. 82, 1995) states that National Service is obligatory for any Eritrean citizen and the mandatory length of active service is 18 months, followed by membership in the Reserve Army until the age of 50.<sup>4</sup>

Extension of active National Service beyond the obligatory 18 months is involuntary and use of National Service personnel for commercial project work constitutes “forced labour” under both the Mining Agreement between the GoE and BMSC and the principal International Labour Organisation definitions of and conventions on forced labour.

BMSC and SENET shall ensure that National Service personnel on extended service are not used by BMSC or its contractors, and demobilisation certificates shall be required to be kept on file for all Eritrean workers. Conditions to this effect shall be included in contracts with all contractors.

## **3.8 Employment Conditions**

The Human Resources Department is responsible for ensuring that all specific employee terms and conditions are adequately identified, documented and made clear to all employees (eg. details on probation periods, holidays, overtime, sick leave, absences, visitors, visas, travel etc).

In addition to those conditions set out in the employment contract, BMSC has a Staff Handbook that it provides to all employees before they commence employment with the Project. The handbook provides further detail and guidance about working conditions.

### **3.8.1 Wages**

All wages paid for the Project shall be in accordance with Eritrean legislation. The following procedures will be employed to ensure wage related issues are properly managed:

- The calculation and payment of wages for all BMSC/SENET and their staff/contractors shall be consistent with the Eritrean Labour Law;
- BMSC/SENET and their staff/contractors will pay at least the minimum wage for national workers in accordance with the Eritrean Labour Law;
- BMSC/SENET shall establish appropriate salary scales for all positions required during the Project for construction and operations;
- Wages will be calculated using time sheets that will be filled by timekeepers at sites and then approved by the relevant manager (e.g. Construction Manager);

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<sup>4</sup> Termination age of obligatory Reserve Army service is given in the Proclamation as 50 years in some clauses and 40 or 42 in other clauses.



- Payment will be on a regular basis (e.g. monthly basis). Where practical, a local bank will be engaged to handle employee salary payments through their local branches in the nearby villages so as to avoid large amounts of cash being handled at construction or other sites;
- BMSC/SENET shall investigate opportunities to support employees (e.g. particularly Daily Labourers who are generally paid in cash) to effectively managing their wages;
- In the event of termination of employment, employees will be paid in accordance with the Bisha Project termination payment policy which will be in accordance with the Eritrean Labour Law;
- BMSC/SENET will present an information session in each area when initial wage payments are made in order to explain clearly worker pay statements (i.e., gross pay, deductions, net pay), answer any questions, and record any grievances;
- Payroll assessments shall be undertaken on BMSC contractors to ensure that workers are being paid wages consistent with project pay structures and agreed levels and that contractors are not unreasonably withholding pay from workers (to avoid perceptions of wage inequity); and
- A log of wage-related grievances shall be maintained, and all grievances will be addressed in accordance with the BMSC employee grievance process.

### **3.8.2 Working Hours**

- Working hours will be in compliance with the Eritrean Labour Law;
- Work hours for the Bisha Project are 10 hours per day (with a 2 hour break) for 6 days per week. The standard work hours for employees at the Bisha Project will therefore be 48 hour per week;
- Overtime and related conditions are to follow Eritrean Labour Law, including strict provision for the maximum number of hours that can be worked in any one period; and
- BMSC and contractors will consult with employees where alternative working schedules are required to complete construction or other activities in a timely manner.

### **3.8.3 Termination**

All worker terminations will be performed strictly according to Eritrean Labour Law and shall include the following procedures:

- At the time of hiring, the likely period of employment and the conditions for hiring and layoff will be clearly explained to the new recruits and recorded in the employment contract;
- During regular meetings held with worker representatives, personnel management will share information on the Project's schedule and potential forthcoming layoffs (particularly for temporary construction jobs);
- It is the intent of Bisha Project not to lay off large numbers of workers on the same day and SENET will be required to apply this policy;
- The Project is responsible for returning workers to the place where they were recruited or to their domicile (the place of hire will be specified and transport service or cost will be covered).

### **3.8.4 Housing and Feeding Project Workers**

The Bisha Project will clearly explain its housing and meal provision policies to all workers at the time of recruitment. In particular, each worker will be clearly told at the time of his/her hiring what (if any) housing and/or meals will be provided by their employer (e.g. BMSC, SENET or sub-contractor as relevant).

#### ***3.8.4.1 Housing and Feeding of Non-Local Permanent Employees***

During Project construction activities, the Contractor's expatriate and non-Local National workers will be housed in temporary construction camps.



National and expatriate workers residing in Contractor's camps will be provided with all meals in camp. The Contractor will ensure that there is a sufficient supply of food and potable water for all residents of the camps.

During Project operations, the majority of BMSC expatriate and non-Local National workers will also be housed in camps at the site. Other accommodation/housing facilities may be developed with local authorities (e.g. in Mogoraib) at a later stage, however the details for such arrangements have not yet been confirmed.

#### **3.8.4.2 Housing and Feeding of Non-Local Temporary Employees**

During both construction and operations, non-Local temporary employees, such as those persons who take up a short-term contract with the Project, will be provided with meals at the camp. In terms of housing, they will be given an allowance for accommodation that is suitable to find rental housing in a nearby village or town (e.g. Agordat).

#### **3.8.4.3 Housing and Feeding of Local Project Workers/Daily Labourers**

All Local National workers will return to their own homes each night and will not be housed in worker camps. In addition, Bisha Mining SC/SENET shall supply such workers with potable water at the work sites.

### **3.8.5 Transportation**

BMSC/SENET will provide daily bus transportation of Local workers from their home villages to pre-established work locations and back to their home-villages (including for non-Local temporary workers residing in nearby villages). Employees may be paid for travel time at the discretion of the Company where the travel time is deemed to be excessive.

### **3.8.6 Clothing for Workers**

#### **3.8.6.1 Clothing for Full-Time Project Workers**

All full-time workers (i.e., those who will have an employment period that exceeds 14 days) will be issued a basic uniform and appropriate Personal Protective Equipment (PPE).

Specific craft/field workers will be issued additional appropriate clothing and PPE as required. Replacements of worn items may be obtained upon return of the original item; lost items will be replaced but the cost (less any adjustments for normal wear and tear) will be deducted from the worker's salary. Worker's would be notified in advance of any intended deduction.

Employees will be allowed to keep the basic outfit of work clothes (safety shoes, socks, overalls) at the end of their employment with the Project.

#### **3.8.6.2 Clothing for Temporary Project Workers**

Temporary workers will be provided with the same basic set of work clothes as provided to full-time workers for use on the work sites, and appropriate PPE to perform their job. Such workers must return these work clothes at the end of their period of employment. Otherwise they will be charged for the cost of the item adjusted for normal wear and tear. The employee will be notified before the sum will be deducted from their salary.

### **3.8.7 Laundry**

BMSC/SENET will provide laundry services in its camp for all clothing it distributes to its workers. Private cloths will be laundered free or charge for the residents of the camp (within reasonable limits). Workers living in camps will follow arrangements set by camp management.

Workers living in Local housing can wear one uniform and hand in a dirty uniform in exchange for a clean one for the next day's work.



### 3.9 Labour Relations

The Bisha Project shall seek to work in good faith with trade unions and other bodies that employees collectively choose to represent them, within the appropriate local legal framework. The Bisha Project shall not seek to prevent by any means whatsoever the formation of trade unions or any other legally established worker group. To maintain strong positive relationships with trade unions, the Bisha Project will act as follows:

- BMSC/SENET and other responsible parties to consult on relevant labour-related regulations and inspections required by governmental authorities;
- This may include rates of pay, premium payments, election of worker representatives, signing of work contracts, working hours, labour laws, overtime etc;
- Provide facilities to labour union representatives to conduct their labour relations activities at all sites, in accordance with the requirements of current labour conventions and regulations;
- Comply with the Eritrean Labour Law and any other regulations concerning relations with authorized labour organisations;
- Line management to communicate with trade unions through meetings, as required, and deal with all problems or issues regarding employment.
- Line management and the trade union representative in accordance with site-specific issues will identify frequency of those meetings;
- Record and discuss the sessions with BMSC senior management; and
- All issues to be dealt with and responded to in a verbal or written manner, with appropriate records maintained.

#### 3.9.1 Plans To Handle Work Stoppages/Strikes/Demonstrations

Although it is unlikely to occur in Eritrea, it is legal to strike/conduct stop work demonstrations. In case of a stoppage of work or strike BMSC will:

- Ensure relevant managers, Contractors and other parties are informed (as per Article 115/2);
- Arrange meeting with designated labour representatives in order to determine the cause of work stoppage (as per Article 122);
- Discuss potential solution and if possible, reach and document resolution (as per Article 123);
- Discuss agreed solution with BMSC (and Contractor where relevant) management and, if necessary with labour officials from Government (as per Article 122);
- Any agreement to return to work to be signed by the parties involved in the dispute, and, as appropriate, Ministry officials (as per Article 124);
- In the event of a continuing dispute/work stoppage, the relevant requirements of the Labour Law are to be exercised, using intervention and arbitration by lawyers; and
- Prohibit immediate layoffs after a work stoppage or strike and follow appropriate requirements of the Labour Law.

### 3.10 Employee-Related Grievances

The Bisha Project shall establish a grievance process for employees. The Human Resources Department will be responsible for this process. SENET (and other relevant contractors) shall develop their own equivalent procedure or adopt that of BMSC.

Grievances related to employment and training shall be managed through the following general mechanism:

- The relevant Line Manager will inform Human Resources Department about employment related grievances raised from his/her employees;



- Upon receiving a complaint, this Department shall ensure that a Complaint Action Form is completed. Afterwards Complaints Log should be forwarded to relevant Department managers and should be appropriately dealt with and responded to;
- The timelines for possible actions will be determined upon the nature of the grievance;
- Line Managers remain responsible for tracking the complaint and ensuring that it is dealt with. The complaints investigation reports will be generated and submitted to the Human Resources Department; and
- The Human Resources Department is responsible for all grievances related to employment/working conditions/training.

In addition to the employee grievance process, BMSC has a “Suggestion Box” at the site for employees to register their suggestions and ideas for employee arrangements on site.

### 3.11 Training

#### 3.11.1 Training Process

Eritrean workers will be employed and trained during the construction phase, with a view to preparing some of them for operations. The training of Project workers, both Eritrean nationals and semi-skilled or unskilled locals, will largely involve health & safety and other worksite inductions and a mix of on-the-job and separate formalised training. Table 2 shows the general training process to be employed by the Project.

**Table 2: Bisha Project Training Process**

<b>Training Category</b>	<b>Training Content</b>
<b>Work Ethic Training &amp; HSEC Induction</b>	<p><b>Compulsory for all workers</b></p> <p><b>Conducted by SENET in construction and BMSC in operations in relevant languages (team work, work rules, respect, etc.)</b></p> <p><b>Safety awareness explaining BMSC/SENET’s site safety process.</b></p>
<b>Skills/Craft Training</b>	<p><b>Theoretical input required for relevant discipline.</b></p> <p><b>OR</b></p> <p><b>Practical skills in each discipline imparted in the training institute’s various workshops.</b></p>
<b>On the Job Training</b>	<p><b>Training institute/facility instructors will coordinate this phase with relevant BMSC/SENET Department. Trainee shall maintain the Log Book detailing the work carried out during the on the “Job Training” signed off by their supervisor on a daily basis.</b></p>

The following general mechanisms will be employed to ensure that training is properly delivered:

- The training programme will seek to enhance the skill levels of national employees to maximise opportunities to gain employment in skilled and semi-skilled roles;
- Specific training requirements for workers will be determined during the final selection process and recorded on the Job Interview Form (see Forms below);
- Training will be delivered in relevant languages, e.g. Tigre/Tigrinya/Arabic;



- All training is the responsibility of the relevant Department and is to be implemented in accordance with other relevant systems and procedures (as long as they do not contradict the details contained herein);
- Competency assessment shall be in place for all relevant training modules to not only assess initial training needs but to also assess the effectiveness of the training itself;
- No employees are to start work until minimum training requirements have been satisfied for their position;
- It is the responsibility of the relevant Department/line manager to identify additional training requirements and notify the the Human Resources Department; and
- SENET shall keep BMSC up to date regarding training arrangements and shall seek approval for the training programmes the company plans to implement.

### **3.11.2 Training Facilities**

The Bisha Project will establish a training centre (or centres) in Eritrea. The general measures will be employed to establish appropriate training facilities:

- Training facilities will be provided with relevant audio-visual aids books, graphics and multi-lingual support to enable training to be given effectively to all levels of personnel;
- The Project will consider opportunities to utilise existing facilities wherever feasible to help maximise use of Eritrean resources;
- The use or establishment of any training facilities will be coordinated with relevant local, regional and national authorities, as well as other potential partners such as training institutes and private companies; and
- Qualified and experienced training personnel will be sought to manage training programmes and facilities and where this involves expatriate trainers, skills transfer will be prioritised.

### **3.11.3 Health, Safety, Environmental and Community (HSEC) Training**

All employees will receive general health, safety, environmental, and social awareness training that emphasizes each employee's responsibility for complying with relevant laws, regulations, and commitments as well as BMSC/SENET policies and standards.

In addition, employees will receive safety training in hazard recognition, first aid, and cardiopulmonary resuscitation (CPR), emergency response procedures, job-specific health hazards and safe operating procedures etc.

Induction training will be provided for all new employees. Experienced personnel will provide periodic specialized training in specific job tasks as needed on a case-by-case basis. In some instances, it may be necessary to retain specialty consultants to provide certain specialized training.

Contractors and consultants who work at the Project will be required to adhere to all of the health, safety, environment, and community policies and procedures that BMSC/SENET has committed to throughout their tenure with the Project.

All personnel will carry ID and certification on site, i.e. a Safety Passport (with photograph), or equivalent, scheme will be operated. Only persons who are in possession of certification will be permitted on site.

As a minimum, an environmental awareness briefing will be provided as part of the HSEC induction given to all personnel employed on the project. In addition, a series of toolbox talks on environmental awareness will be delivered as part of the follow-on programme from the initial induction briefing.

Training for expatriates and non-Local Eritreans will include awareness of national sensitivities. Training for non-local staff and third country nationals will include awareness of local cultural sensitivities. Updates on specific local issues, such as important religious or cultural dates and taboos will be provided regularly to employees at the site.



## 3.12 Employment Data and Documentation

### 3.12.1 Personnel Database & Records System

The Human Resources Department is responsible for maintaining a record of all personnel employed. SENET are expected to maintain a similar system and share it with BMSC (or make it available for inspection). An example Human Resources Checklist for each employee is shown in *Annex E*.

The database will contain information on the employee, covering his/her terms of employment, and will be updated to track changes as they occur. Such data will include:

- Project Worker Status (Local/National/Expatriate);
- Pre-Employment Screening Data (Job Application, Health-Related Data, Skills Testing, Interview Records, Information Verification, etc.);
- Employment Date;
- Job Classification and Wage History;
- Certifications;
- National Service demobilisation certificates;
- Hours Worked;
- Job Performance Evaluations and Skill Advancement/Promotion History;
- Termination Data; and
- Training Records.

## 3.13 Forms

The Human Resources Department maintains an inventory of all recruitment processes and employment documentation arising on site. SENET is also required to ensure a similar process is followed for construction activities. A selection of example forms is provided below.

The relevant Department requiring employees will prepare recruitment request documentation arising from positions required on site. SENET will be required to ensure a similar process is followed for construction activities. The Bisha Job Requisition Form is as follows:



**BISHA MINING SHARE COMPANY**

**Job Requisition (JR) Form**

*This form must be completed and authorized before any job is advertised or any job offer made. The Company will not recognise any offer made to a candidate unless first approved by the Human Resources Manager and the General Manager.*

Process for completing the form:

1. Form to be completed by relevant Manager or Department head.
2. Approved Job Description to be attached.
3. Form to be sent to Human Resources.
4. Form to be sent to General Manager for approval.

<b>Job Title:</b>		<b>Department:</b>	
<b>Job Grade:</b> <i>(Human Resources to complete)</i>		<b>Salary per month:</b> <i>(Human Resources to complete)</i>	
<b>Job Location:</b>			
<b>Duration of Contract:</b>		<b>Commencement Date:</b>	
• Indefinite Period	YES / NO		
• Definite Period	YES / NO		
• Intermittent Periodical Work	YES / NO		
<b>Job Description Attached?</b>	YES / NO		
<b>Probation Period:</b>			
From		To:	
<b>Work Days/Shift:</b>		<b>Working Hours:</b>	
<b>Other comments:</b>			

**RECOMMENDATION:**

DEPARTMENT MANAGER	DATE:
SIGNATURE:	

**APPROVALS:**

HUMAN RESOURCES MANAGER:	
SIGNATURE:	DATE:

GENERAL MANAGER:	
SIGNATURE	DATE:



The relevant Department will prepare a short-list arising from applications for a position or positions. SENET will be required to ensure a similar process is followed for construction activities. The Bisha Short-List Form is as follows:

**Position Applied:** \_\_\_\_\_

	Name	Age	Education	National Service	Related Experience	Other Experience	Remark	Contact/Telephone
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								



For all positions a Candidate Application Form should be completed (with assistance from Employment Officer if appropriate). An example of a Candidate Application Form is as follows:

**Example Candidate Application Form**

<b>CANDIDATE APPLICATION FORM</b>			
<b>(FOR ALL POSITIONS)</b>			
Closing date for application:			
<b>Personal Details</b>			
LAST NAME			
FIRST NAME			
AGE		Gender	
Contact Details			
City / Village			
Telephone number (if available)			
Address			
Ethnic Origin  (This is requested for information only and is not a requirement. Selection for employment will in no way depend on ethnic origin. If you do not give this information, it will not affect your application.)	<b>Tigre</b> <b>Tigrinya</b> <b>Hidareb</b> <b>Nara</b> <b>Other (please indicate)</b>		
<b>Education and Work Experience</b>			
Qualifications			
<b>Education</b>			
<b>Work Experience</b>	<b>Manual Laborer</b> <b>House keeper</b> <b>Cook</b> <b>Guard</b> <b>Office / clerical</b> <b>Other</b>		
<b>POSITION (S) APPLYING FOR:</b>			



For semi-skilled and skilled positions an interview will be conducted with each short listed candidate individually using a Candidate Evaluation Form to assess and record relevant personal/professional attributes. The interviewing Department is required to complete the form and submit to the Human Resources Department. An example of a Candidate Evaluation Form is as follows:

**Example Candidate Evaluation Form**

<u><b>POTENTIAL CANDIDATE INTERVIEW FORM</b></u>	
Candidate Name	_____
Interviewer Name	_____
Open position	_____
Interview Date	_____
<b>N.B: Please keep specific requirements of Position in process and rate only those items that relate to that Position Requirement.</b>	
<b>Interview Questions:</b>	
1. Introduce the Candidate with the Interviewers.	By Chair person
2. Request the Candidate to briefly explain about himself	
3. Invite the Candidate to describe the Basic Functions of the POSITION	
4. Request the Candidate to explain the main documents or Materials that have to be used in executing the Job in the POSITION	
5. Ask Candidate's National service status	_____
6. Ask Candidate Salary Expectation	_____
<b>PERFORMANCE INDICATORS (Scales: 0 1 2 3 4 5 6 7 8 9 10)</b>	
• Educational background	_____
• Work Experience	_____
• Substance in the Subject matter	_____
• Communication Skill and Reliability	_____
• Computer Skill	_____
TOTAL	=====
<b>Interviewer Final Comment</b>	
_____	
Interviewer Signature _____	Date _____



### 3.14 Roles & Responsibilities

Overall responsibility for the implementation of this Management Plan shall rest with the Bisha Human Resources Manager who shall report on progress to the Bisha General Manager.

Others with responsibility for the implementation of this Management Plan shall include:

- SENET, as EPCM Contractor, shall be responsible for the integration of these procedures and requirements into their operating procedures and plans;
- Bisha Community Relations Manager shall be responsible for aspects related to interaction with local/regional communities related to employment and for relevant environmental and social training and other functions;
- Bisha Employment Officers shall be responsible for coordinating employment related activities at the local level and act as the focal point for local/national people seeking employment with the Project; and
- Bisha Mill/Mine Superintendents shall be responsible for ensuring that these procedures and requirements are implemented for all operations.

BMSC requires that SENET allocate its own Human Resources Manager as well as a relevant number of Employment Officers to support implementation of the requirements in this plan during the construction phase.

### 3.15 Monitoring & Reporting

It is important to monitor employment and training to ensure that employment targets are met and that efforts to enhance local and national skills and employment opportunities are maximised. Human resources, employment and training monitoring procedures shall be as follows:

- The Bisha Human Resources Manager shall maintain records on the following:
  - Recruitment conducted;
  - Recruitment and employment targets;
  - How the Employment Database is being maintained;
  - Training conducted/given to staff and planned;
  - Interviews and random selection processes;
  - Job descriptions and selection criteria;
  - Information dissemination regarding employment, including vacancy announcements;
  - Operation of recruitment offices;
  - Equities and inequities in recruitment process (e.g. gender, ethnicity, age);
  - Employee grievances and actions taken;
  - Cases of corruption and disciplinary actions taken; and
  - Working conditions and related issue.
- Bisha Human Resources Manager shall inspect recruitment offices and BMSC/SENET documentation on monthly basis and shall maintain appropriate records. The inspection shall include:
  - Records of recruitment processes;
  - Records of employees hired;
  - Records of hours worked;
  - Records of wages paid (and against project pay structures as a cross reference);
  - Records of National Service demobilisation certificates;
  - Records of grievances and of disciplinary actions taken;
  - Condition of workers on site and worker camp areas;
  - Records of training given to staff;
  - Condition and operation of recruitment offices;



- Other spot checks of relevant practices and documentation;
- Compliance with applicable regulatory and corporate requirements.
  
- SENET will report on a monthly basis to the Bisha Human Resources Manager on the implementation of this Management Plan during the construction phase.

The Bisha Human Resources Manager shall be responsible for record-keeping.



**Annex A**  
**Example Employment Forecast Schedule**

**ERITREAN RECRUITMENT FORECAST SCHEDULE – BISHA PROJECT (EXAMPLE ONLY)**



Key Dates

Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Jan-10
--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------

ACTIVITY/SITE													
<b>TRADES</b>													
Tracked Excavator Opp		5	5	5	5	5	5	5	5				40
Crane Operator				2		2							2
Grader Operator		2	4	2	2								10
Welder		2	2	2	4	4	4	2					20
Structural Steel Plater		2	2	2	2	2	2	2					14
Electrician		2	2	2	2	2	2	2					14
Heavy Duty Drivers		6	6	6	4	4	2	2					10
Auto Mechanic		2	2	2	2	2	2	2					14
Auto Electrical		2	2	2	2	2	2	2					14
Plumber		2	2	2	2	2	2	2					14
Mason		2	2	2	2	2	2	2					14
Carpenter		2	2	2	2	2	2	2					14
<b>Total</b>	<b>0</b>	<b>44</b>	<b>52</b>	<b>53</b>	<b>53</b>	<b>53</b>	<b>38</b>	<b>32</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>168</b>
<b>SEMI SKILLED</b>													
Unloading & Transport		60											60
Banksman		20											20
U/Ground service crew						10		10					20
Hand Excavations						20							20
Fencing			20		20		20						60
Front End Power Brush					10			10					20
Grinder					10								10
Pre-heat					4								4
<b>Total</b>		<b>100</b>	<b>40</b>	<b>80</b>	<b>64</b>	<b>50</b>	<b>20</b>	<b>20</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>234</b>
<b>UNSKILLED</b>													
Labourers		20	10	30	30	30	30	30	30	30	30	30	80
Reinstatement						10	10	10	10	10	10	10	50
<b>Total</b>	<b>0</b>	<b>28</b>	<b>14</b>	<b>34</b>	<b>34</b>	<b>44</b>	<b>44</b>	<b>44</b>	<b>44</b>	<b>40</b>	<b>40</b>	<b>40</b>	<b>166</b>
<b>TOTALS</b>	<b>0</b>	<b>172</b>	<b>106</b>	<b>167</b>	<b>151</b>	<b>147</b>	<b>102</b>	<b>96</b>	<b>49</b>	<b>40</b>	<b>40</b>	<b>40</b>	<b>568</b>



**Annex B**  
**Example Recruitment Announcement**



**BISHA MINING SHARE COMPANY**

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**BISHA MINING SHARE COMPANY INVITES ELIGIBLE APPLICANTS TO APPLY FOR THE FOLLOWING VACANT POSITIONS**

**Information and Requirements for all Positions**

- Place of Work:** Bisha (unless indicated otherwise)
- Type of Contract:** Definite period
- Salary:** As per Company salary scale
- Additional**
- 1) Provide evidence of completion or exemption of national service
  - 2) Applicants currently employed must hold release paper from former employer
- Reference** Applicants must write three references with current address.
- Date of closing** : 7 days from the day put in the Company Notice Board
- Address**
- 1: Human Resources, Bisha Mining Share Company  
P.O.Box 4276 Asmara, Eritrea  
Or
  - 2: Bisha Project Site, Mogoraib
- Application:** Attach all testimonial documents (photocopy only).

**Application papers and documents will not be returned back to sender**



**1. Position Title CARPENTER**

Major Duties and Responsibilities

- Studies blueprints, specification sheet, and drawings to determine style and type of window or wall panel required.
- Examines wood surfaces for defects.
- Measures and marks location using tape measures, template, and marker.
- Cuts sidings and mouldings, section of weatherboard using hand tools and power tools.
- Trims overlapping edges of wood, weatherboard, using portable power saw and hand tools.
- Installs prefabricated windows and doors, insulation, wall ceiling and floor panels or sidings, using adhesives, hoists hand tools and power tools.
- Aligns and fastens materials together using hand tools and power tools to form building.
- Repairs and replaces defective locks, hinges, cranks, and pieces of wood using glue, hand tools and power tools.

Required Qualifications

- Long experience in construction carpentry.
- Knowledge to use power tools, hand tools and tape measures.
- Good physical fitness to keep body balance and stay uprights in high ground.
- Ability to read blueprints.
- Experience in prefabricated houses fittings.
- English is the working language.

**Position Title: LABORERS**

Major duties and responsibilities

- Apply protective coverings such as masking tape to articles or areas that could be damaged or stained by work processes.
- Clean work areas and equipments and fill cracks or breaks in surfaces of plaster articles or areas with putty or epoxy compound
- Erect scaffolding and do support duties to masons carpenters painters etc. mix plasters
- Supply or hold tools and materials ,smooth surfaces to be painted, using sanding and buffing tools and equipments
- Remove articles such as cabinets, metal furniture, and paint containers from stripping tanks after prescribed periods of time.

Required qualifications

- Strong and physically fit.
- Ability to listen and follow instructions.
- Experience as a helper in one or all the construction trades.

*December 5, 2008*



**Annex C**  
**Example Employment Contract**

**Employment Contract**

This Contract is made between **BISHA MINING SHARE COMPANY**, Asmara, hereafter called the "Employer" and Mr. / Mrs. \_\_\_\_\_, ER. ID. ----- Address ----- hereafter called the "Employee".

The Employee and the Employer hereby agree to enter into a Contract of Employment based on the following Terms and Conditions:

**1. JOB TITLE:** The position of the Employee will be \_\_\_\_\_

**2. DUTY STATION:** the location of work place of the Employee will be in \_\_\_\_\_ though the employee may be required to travel to other Company locations from time to time. Travel or Transfer will be done with accordance of company policy and the Labour Law of Eritrea.

**3. DATE OF HIRE** \_\_\_\_\_

**4. CONTRACT TYPE** \_\_\_\_\_

**5. PROBATION PERIOD** \_\_\_\_\_

**6. SALARY:**

1. The monthly Gross salary will be \_\_\_\_\_
2. Salary is paid at the end of each month
3. Salary will be paid in local currency i.e. Nakfa
4. The amount of monthly salary is determined in accordance with the internal Company salary scale in force.
5. Salary reviews will normally take place on first of January of each year, but can be delayed at the discretion of the Company.

**7. BENEFITS:**

Housing allowance \_\_\_\_\_

Accommodation \_\_\_\_\_

Transport \_\_\_\_\_

Food allowance \_\_\_\_\_

Medical allowance \_\_\_\_\_

If you suffer a non-workplace related illness the Company will reimburse 100% of the cost of medical treatment up to maximum of Nakfa 7,500 per year.

**8. WORKING DAYS:** Six days per week or 48 hrs per week

**9. ANNUAL LEAVE:**

- a. You are entitled for 14 working days for the first year of service and an additional one day per every year of service thereafter up to a maximum of 35 days
- b. The Company requires annual leave to be taken not later than two years. However by mutual agreement
- c. Annual leave may be taken later than two years or settled by payment.
- d. If you fail to take annual leave within two years of entitlement you will forfeit your entitlement.

**10. ADDITIONAL CONDITIONS:**

- a. Any matter not specifically mentioned in this Employment Contract and/or in the Staff Regulations Policy and Procedures shall be covered by the provisions of the relevant Labour Laws of Eritrea.
- b. You agree in accepting this position perform such duties as the Company may designate from time to time, and devote your full time and best efforts to the business of the Company.
- c. You agree to hold all the Company information in confidence and you will not disclose, use, copy, publish, distribute or summarize any confidential information, except, (a) as necessary to carry out



## Employment Contract

your assigned responsibilities as the a Company Employee, or (b) as specifically authorized in writing by the Company.

- d. You shall have an on-going responsibility to treat as confidential all confidential information provided to you by Company and all information developed by you on behalf of the Company even after termination.
- e. You confirm that you have been released from National Service and that you hold a demobilisation certificate that will be provided to the Company before your employment is confirmed.
- f. This Contract cancels and replaces all previous verbal or written agreements concluded before the below date.

**Approved and signed on behalf of the Company by :**

\_\_\_\_\_  
Afewerki Kebreab  
Manager, Human Resources  
Date \_\_\_\_\_

\_\_\_\_\_  
Stan Rogers  
General Manager.  
Date \_\_\_\_\_

**EMPLOYEE ACCEPTANCE,**

I \_\_\_\_\_ have fully understood the Terms and Conditions of this Contract and affix my signature below in agreement with and confirmation of this Contract of employment:

Signature \_\_\_\_\_

Date \_\_\_\_\_

**TWO WITNESSES:**

1. Name and Signature \_\_\_\_\_

2. Name and Signature \_\_\_\_\_



**Annex D**  
**Example Human Resources Checklist**

<b>HUMAN RESOURCES CHECKLIST</b>	
<b>Guide to International &amp; Local Employees</b>	
Employee Name _____	DOH _____
<input type="checkbox"/> Application Letter	_____
<input type="checkbox"/> Educational Certificate	_____
<input type="checkbox"/> Experience	_____
<input type="checkbox"/> ID Photocopy	_____
<input type="checkbox"/> Passport Copy	_____
<input type="checkbox"/> National Service	_____
<input type="checkbox"/> Medical Certificate	_____
<input type="checkbox"/> Police Certificate	_____
<input type="checkbox"/> Job Requisition	_____
<input type="checkbox"/> Job Description	_____
<input type="checkbox"/> Interviewers' Opinion	_____
<input type="checkbox"/> Employment Contract	_____
<input type="checkbox"/> Payroll Notification	_____
<input type="checkbox"/> Company ID	_____
<input type="checkbox"/> Staff Regulation	_____
<input type="checkbox"/> Other (If any)	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____



## 4 Community Assistance Plan (CAP)

### 4.1 Introduction

The *Community Assistance Plan (CAP)* is designed to ensure that the Bisha Project contributes beyond direct mining activities, to the social and economic well-being of the host communities in which it operates. The aim of the CAP is to ensure that local/host communities will be better off for BMSC being there than not being there.

The overall goal of the CAP is to improve economic conditions of Eritrea and its citizens through diversifying income opportunities, enhancing people's ability to take advantage of diversified opportunities, and building local government capacity to carry out its development responsibilities. In short, the strategy aims at helping communities enjoy greater control over their livelihoods and quality of life, thus facilitating their direct participation in the larger economic and social development process.

### 4.2 Objectives

The specific objectives of this Plan are to:

- Establish procedures for identifying community needs, working with the community and other partners, planning and implementing community projects and managing financial arrangements;
- Define roles and responsibilities; and
- Define monitoring and reporting procedures.

### 4.3 Scope

The CAP considers the potential for providing contributions to community development, which are:

- In addition to actions taken to mitigate direct Project impacts;
- Focused on the Project affected communities near to the Bisha mine site;
- Integrated with regional development plans already in place for communities;
- Aimed at improving the health and well-being of the local population;
- Able to deliver enhanced local skills; and
- Aimed at providing additional income generation opportunities for local people.

The plan is a flexible document that shall be reviewed on a periodic basis and amended where necessary changes are identified. This plan applies to BMSC, although the EPCM Contractor, SENET, will be expected to support the Project (mostly in-kind) to contribute to community assistance during construction.

### 4.4 Corporate Policy

BMSC has established a policy regarding Social Responsibility that includes the Company's commitment to sustainable community development and sets out the goals that form the basis for all development activities sponsored by the Company.

### 4.5 Approach to Community Assistance

The BMSC approach to community development includes the following guiding principles:

- Coordination with the Eritrean government is critical for successful implementation, hence:
  - BMSC will work closely with various government agencies and ministries to co-ordinate local development priorities with regional/national programmes in order to create a coherent development process;
  - Proposals for specific community development initiatives will be introduced to national and Zoba level governments first, prior to final approval;



- It is expected that line ministries within Gash Barka as well as local authorities will take the lead on community assistance initiatives in collaboration with BMSC (e.g. Department of Agriculture in Barentu would lead agriculture extension service projects to be implemented);
  - Any external implementing partners that may be required will be introduced to the government and the community prior to any visits to the area; and
  - BMSC shall consult with government on the best approach to allocate community assistance funds including how this information should be disclosed to the Project area population and other interested parties.
- Community development initiatives should benefit the community as a whole or a large portion of the community (rather than individual households);
  - It is the ethos of BMSC that only independent projects that have ownership within the community will deliver sustainable and development beyond the life of the mine;
  - Initiatives that contribute to or promote the health and well-being of communities are a priority for funding, and vulnerable and disadvantaged groups will also be targeted;
  - Eritrean organisations and government agencies will provide expertise in the design, planning and achievement of development goals;
  - Partnerships will be used to allow the Company to tie its community assistance projects into longer term programmes and plans for the Dighe and Gogne sub-Zobas, Zoba Gash Barka and the country as a whole (*Annex A* provides details of several potential partners in the CAP);
  - All projects that are proposed for implementation under the plan will be carefully reviewed to ensure that the goals and objectives are in line with those of BMSC; and
  - Project proposals must demonstrate how the project benefits will be sustainable in the long-term and funds should not be used for supporting the operating costs of projects.

Funding under the CAP will not be available for the following types of activities:

- *Political actions or support for government unrelated to community development;*
- *Social obligations (such as weddings or funerals) or activities that are directed at individual gain;*
- *Programmes which are not focused on the communities and residents affected by the mine, although district and regional programmes will be considered;*
- *Programmes which do not demonstrate a sustainable benefit to the community or are not supported by the community; and*
- *Programmes that discriminate according to religion, ethnic group, age or gender (programs targeted at a particular segment of the population must clearly show why the proposed beneficiaries require special assistance).*

#### 4.6 The Need for Community Development

The Bisha Project area is characterised by a rural setting, with a narrow economic base, that is heavily dependent on subsistence agriculture, particularly pastoralism (which is the predominant livelihood activity for most communities). The Project is in a region where there are acute unmet development needs. Much of the public and social infrastructure, such as schools and health clinics, consist of basic buildings and equipment. Clean water supply and sanitation facilities are lacking in many areas.

Studies conducted for the purpose of the Bisha Project social and environmental assessment highlight a range of socio-economic conditions that further demonstrate the current needs of local area communities. The Project has conducted an initial assessment of community development needs during construction activities. The needs assessment shall be reviewed (and re-done if necessary) at least annually, e.g. at the beginning of each year, to ensure the priorities identified remain relevant.



## 4.7 Management of the CAP

The CAP will evolve through various stages of proposal, planning, selection, implementation and evaluation, and a variety of parties will be involved at each stage. In order to effectively manage community assistance projects, BMSC will implement the following management processes and practices.

### 4.7.1 Community Assistance Steering Committee

BMSC will continue to facilitate discussions with its Board, relevant government agencies and Zoba and sub-Zoba administrators to establish a multi-stakeholder forum for developing and implementing community assistance projects. A Steering Committee (or similar) will be established and is likely to include the following:

- The Community Relations Manager will be responsible for the setup of the Steering Committee, including terms of reference for its operation and the logistics and fund management;
- The Steering Committee will have primary responsibility for the selection, monitoring, evaluation and reporting of projects and activities implemented through the CAP;
- Initially the Steering Committee shall be part of the management structure of BMSC, directed by the General Manager and funded by BMSC on an annual basis;
- The Steering Committee will initially be formed of representatives of BMSC, the local community, as well as Zoba/sub-Zoba and local government;
- The Steering Committee shall be responsible for the approval of recommended projects and will conduct a monitoring process to evaluate the success of the various initiatives; and
- The Steering Committee may eventually be adapted to become a “Foundation” that can act as an autonomous organisation with its own social development agenda based on resources.

The following specific steps will be required to establish the Steering Committee, and shall be implemented by BMSC, preferably by early in the operations phase:

- Preparation of a definitive terms of reference for the Steering Committee;
- Selection of criteria for membership on the Steering Committee;
- Establishment of the Steering Committee;
- Development of operating procedures for the selection, approval and execution of programs;
- Preparation of administrative and accounting procedures;
- Selection and contracting with an audit firm; and
- Establishment of monitoring, evaluation and reporting procedures, including those for regular reporting to BMSC management and local communities.

It is envisaged that the Steering Committee would include the following initial membership (which should generally be not more than 15 members):

- Bisha General Manager;
- Bisha Community Relations Manager;
- Bisha Finance Manager;
- Government Representatives: e.g. relevant national level authorities, 01 each from sub-Zoba Dighe and Gogne, 01 from Zoba Gash Barka; and
- A Non-Governmental or Quasi-government representative, e.g. from a reputable NGO, or a relevant representative from the National Union of Eritrean Women.



#### 4.7.2 Community Action Group

In order to achieve effective community mobilisation, the Steering Committee will be supported in the day to day management and implementation of the community assistance program by a Community Action Group. The Community Action Group will generally include the following:

- The Community Action Group shall comprise a selection of local people who are elected to act on behalf of their communities to work with government, BMSC and other relevant partners;
- The Group shall comprise an equal number of representatives from each of the five Project affected villages as well as relevant regional representatives (e.g. from Agordat and/or Barentu) to facilitate planning for initiatives that need to be implemented on a wider basis;
- The Community Action Group will coordinate community input into identifying, planning, implementing and monitoring community development projects for the Bisha Project; and
- The Community Action Group shall organise working teams at each community, as needed, for each approved project to be implemented.

#### 4.7.3 Financial Arrangements

BMSC will establish an annual budget for community assistance. Prior to production, BMSC has defined an initial budget for community assistance which has been approved by the Board for the year 2009. This initial budget shall be reviewed at the end of 2009 and additional funds allocated for the remainder of the construction phase. The funds available prior to operations will be focused on establishing pilot projects (or "short term investments") that can be developed over time to create sustainable community initiatives.

By the operations phase, BMSC will implement the following financial arrangements:

- Prior to production at the mine, an annual budget shall be estimated for at least Years 1 to 3 of operations;
- Early in the operations phase, the annual budget shall be confirmed and will be based on the actual production level from the preceding financial year (or a similar concept);
- A minimum amount for community assistance should also be set regardless of production levels;
- BMSC will seek financial independence for its CAP in the long-term with respect to fundraising and financial activities, to achieve sustainability following the cessation of mining activities and financial support by BMSC; and
- Wherever feasible, the allocated budget will be leveraged for maximum return value through partnerships and fund matching with various organisations in both the private and public sectors.

BMSC contributions to community assistance will be used to directly improve conditions in the local communities and as such, it is important to use as much of the contribution in the early years as is possible to offset the impacts of construction. BMSC will investigate the establishment of an escrow account at the commencement of operations to put aside a small stipend (perhaps 1 to 3 %) into escrow each year. During later years of mine operations, the feasibility and benefits of apportioning a greater percentage of BMSC contributions into escrow will be examined. Earnings from the escrow account would then be available to provide for development initiatives following closure of the mine and withdrawal of active BMSC support.

#### 4.8 Target Stakeholders

Community assistance initiatives are intended to benefit the wider Eritrean community, with particular emphasis at least in the near term on Project area communities and local Government. The five communities nearest the Project area are the intended beneficiaries of the programme.

As such, these programs are not directly part of the compensation and other entitlements intended for people who are affected by land acquisition or other social impacts related to the Project. People who are directly affected by land acquisition, however, are entitled to participate in community assistance programs. The **community assistance initiatives** that will be implemented through this plan **are in**



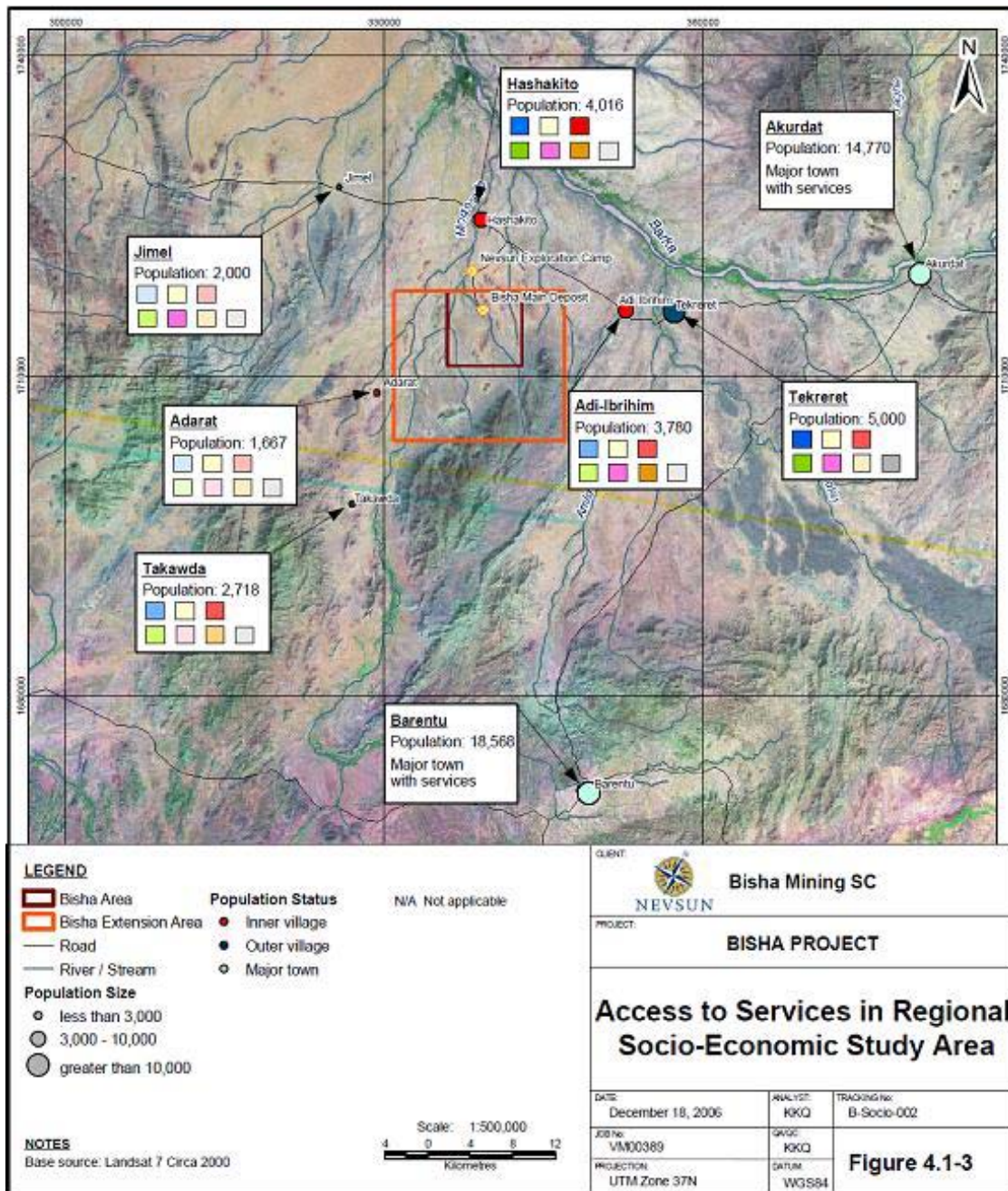
**addition** to the mitigation measures that will be implemented to minimise/offset impacts. Community assistance initiatives will be focused on enhancement of potential benefits.

#### 4.8.1 Target Communities

There are no permanent settlements within the Project mine footprint. However, the Project does affect seasonal dwellings, limited agricultural land, and herder activities in the Bisha area. Grazing land in the footprint was used by members of nearby communities prior to mine development. For the Bisha Project the direct social zone of influence has been identified to include the five villages located nearest to the mine area (Figure 1), which are:

- Mogoraib;
- Adarat;
- Ad Ibrihim;
- Tekreret; and
- Jimel.

**Figure 1 Project Location and Target Communities**





These will be the target communities for the CAP and further details are provided in the SEIA Update Report.

#### 4.8.2 Vulnerable and Disadvantaged Groups

Based on studies conducted for the Bisha Project and available research and literature, BMSC has identified the following potentially vulnerable or disadvantaged groups:

- Women and female-headed households;
- Rural drought-affected residents and communities;
- Elderly and infirm; and
- War-affected residents and refugees, including those who lost assets during the war.

#### 4.9 Specific Actions

CAP components respond to the current dependence on subsistence activities, the need for food security, and the need for more profitable and diverse income opportunities and development activities. Table 1 shows the indicative categories and objectives for the next 3-5 years.

**TABLE 1 SUMMARY OF THE COMMUNITY ASSISTANCE PROGRAM**

Category	Objectives
Land based productivity	<ul style="list-style-type: none"> <li>• Provide local communities with a safety net.</li> <li>• Commercialise land based products.</li> <li>• Increase crop productivity through programs such as more intensive land use, improved seeds, different crops, and the use of inputs.</li> <li>• Increase animal productivity through programs such as improved animal husbandry practices, new breeds, quality control, veterinary programs, range land improvements, and development of watering holes.</li> </ul>
Training and skills development	<ul style="list-style-type: none"> <li>• Maximise the number of Eritreans who can be employed by the Project through special construction and mine training programs.</li> <li>• Enhance local skills through land-based and non-farm training initiatives for local people.</li> </ul>
Small and medium enterprise (SME) development	<ul style="list-style-type: none"> <li>• Maximize the economic benefits that flow from the Project to the region and the country.</li> <li>• Help diversify local people's income streams.</li> <li>• Increase local people's income and improve their standard of living.</li> </ul>
Micro-credit loans	<ul style="list-style-type: none"> <li>• Increase local people's access to credit.</li> <li>• Enhance money management through education and awareness.</li> </ul>
Infrastructure and services	<ul style="list-style-type: none"> <li>• Enhance local transportation routes to facilitate transition to a more cash-based economy and allow residents to participate in the economic activity generated by the Project and other opportunities.</li> <li>• Improve sanitation facilities and practices in the Project's area of influence.</li> <li>• Improve the supply of safe drinking water.</li> <li>• Expand provision of electricity outside the immediate project footprint where feasible, e.g. using a pay-as-you-use, self-sustaining model.</li> <li>• Improve housing stock to meet requirements of a growing population.</li> </ul>
Health and sanitation	<ul style="list-style-type: none"> <li>• Increase local access to staffed and equipped health facilities.</li> <li>• Improve the quality of the health care provided in local facilities.</li> <li>• Improve the management of major health care facilities.</li> </ul>
Education	<ul style="list-style-type: none"> <li>• Expand access to staffed schools in the Project's area of influence.</li> <li>• Improve the quality of the education at local schools.</li> </ul>



## 4.10 Current Initiatives

In response to acute development needs, and to the commencement of construction works, BMSC has already began the planning and implementation of urgent projects under the CAP.

### 4.10.1 Infrastructure Projects

Detailed planning has been completed for several initial infrastructure rehabilitation projects and funds have been committed by BMSC towards these projects. Additional investigation and planning work by the Steering Committee and Community Action Group will also be required to develop these projects and initiatives to the point where they can be implemented.

### 4.10.2 Cultural Heritage Projects

BMSC has been working closely with local residents of Mogoraib, local authorities and the National Museum to protect cultural heritage of the area and recover artefacts and other materials where needed. A range of artefacts have been collected as part of clearance activities and local people have expressed a desire to establish a local museum to house the locally significant artefacts. BMSC has committed to fund the local museum in Mogoraib to house the existing artefacts and any future discoveries in the nearby area.

BMSC will also compensate in-kind, the village of Mogoraib, for the disruption caused to burial sites and cultural heritage of the area. A community assistance project will be identified with Mogoraib residents and the local authorities, and funded by BMSC (preliminarily agreed at 250,000 Nakfa or approximately USD \$16,000). These measures are scheduled for implementation by mid-2009.

### 4.10.3 Agricultural Extension

An Agriculture Improvement Program (including both crops and animal husbandry) will initially be focused on providing a safety net for communities, while moving toward developing more commercial agriculture ("agbiz") opportunities through output intensification, complimented by business development training and other kinds of support.

Accelerated growth must involve a transition to more intensive farming and improved husbandry/livestock protection, applying increased inputs to farms, promoting livestock/crop integration, increasing crop diversification, and improving access to technical expertise, inputs, agricultural technology and credit.

Programme design will be based on further technical and market based assessment. Project implementation will be done in close collaboration the Ministry of Agriculture and their relevant offices in Agordat and Barentu. Land based productivity programs will initially be implemented in accordance with the *Land Use Management Plan* and focused on communities affected by land acquisition. However these initiatives will eventually be integrated with the community assistance program and as such, are expected to be extended to other communities in the Project area.

### 4.10.4 Infrastructure Rehabilitation Projects

BMSC has been working closely with stakeholders in the area to develop a funded community project which addresses the most immediate social-service problems of the target communities (Tekreret, Ad Ibrihim, Mogoraib, Jimel and Adarat) and which, for the investment level to be approved, will have maximum positive impact on the livelihood of their residents.

BMSC believes that it can best benefit the area by adding to and reinforcing existing infrastructure and facilities, rather than building new, isolated facilities. Taking local inputs into account (through an initial community needs assessment), BMSC has put together the elements of a comprehensive, but scope-limited intervention which can be described as follows:

- Rehabilitation of dilapidated classroom buildings, teachers' dormitories and administration buildings – replacing roofs blown away by windstorms, completing walls, installing new doors and



windows, fitting windows with glass panes and screens, providing additional classroom desks to offset shortages and repairing broken ones, install decent blackboards etc;

- Improvement of facilities in existing health clinics - e.g. repair of solar power installations, install new (or fix non-functional) indoor plumbing, provide extra rooms for use as short-term accommodation for referral bound in-patients; and
- Rehabilitation and expansion of community water supply systems: Provide and install solar pump systems, reservoirs and public fountains; carry out pipeline extensions to effect house or yard connections (at schools, teachers' dormitories, clinics and their staff residence), put a dysfunctional community livestock-watering facility back into operation.

Table 2 provides a summary of the actual works to be completed for each of the three projects that are in the detailed planning phase. BMSC has completed the detailed planning for these initiatives and expects to start implementation by mid 2009. The proposed projects will be implemented under the direction and supervision of a civil engineer who will be assigned to the project by BMSC. To the extent possible, residents of each of the beneficiary villages will be hired to perform all skilled, semi-skilled and unskilled (i.e. manual labour) rehabilitation tasks that will be implemented in their respective communities; and will be compensated at current market rates for the area.

**TABLE 2 PROJECTS PROPOSED FOR COMMUNITY ASSISTANCE PROGRAM IN 2009**

Summary	Resources/Budget
<b>Mogoraib</b>	
Partial replacement of roofing for a classroom building; provision of doors, windows and screens as replacement; supply blackboards, additional desks and repair broken ones; Install yard connection to teachers' dormitory and house connection to clinic and staff residence; repair of clinics dysfunctional indoor plumbing; extension of water supply pipeline to above locations; complete and renovate partially completed shelters for use as additional classrooms.	<ul style="list-style-type: none"> <li>• Budget estimate = USD 62,579 (approx.)</li> <li>• BMSC to provide additional resources including transportation, supplementary building materials, key technical staff, Bisha camp facilities (e.g. mechanical workshop</li> </ul>
<b>Ad Ibrihim</b>	
Construct a new teachers' dormitory to replace one that had collapsed; rehabilitate a dysfunctional community livestock watering facility; install a solar pump on an existing borehole along with construction of a reservoir and public fountains.	<ul style="list-style-type: none"> <li>• Budget estimate = USD 46,663 (approx.). BMSC to provide additional resources including transportation, supplementary building materials, key technical staff, Bisha camp facilities (e.g. mechanical workshop</li> </ul>
<b>Tekreret</b>	
Complete walls and install roofing on abandoned Village Administration Building; Ditto for abandoned classroom building unit and teachers' residence building; install replacement doors, windows and screens for the above; Construct a 6-bed prefabricated room as addition to existing clinic; implement extension of water supply pipeline to provide a yard connection to the clinic.	<ul style="list-style-type: none"> <li>• Budget estimate = USD 27,410 (approx.). BMSC to provide additional resources including transportation, supplementary building materials, key technical staff, Bisha camp facilities (e.g. mechanical workshop</li> </ul>

The total project cost indicated in the Bill of Quantities (see Table 3) that has been developed is likely to exceed the initial budget that BMSC has allocated for 2009. BMSC will therefore review project tasks and adopt a phased implementation approach focusing on those considered of high priority. The implementation of the remaining tasks will be deferred until such time as additional funds become available (or fund matching is achieved).

#### 4.10.5 Local Worker Training Programme

BMSC is committed to hiring local/national residents and will examine ways of increasing the skills base of employees, for example through apprenticeship programmes and providing basic literacy and skills training for a portion of the local population. Projects to promote adult technical training and skills development may include, but not be limited to:



- Skills training for local residents within relevant areas related to mine activities (e.g. driving, catering, cooking, housekeeping etc);
- Establishment of skills development centres;
- Educational support in the form of grants and scholarships;
- Supply of teaching and learning materials;
- Support of the few private training colleges in the region which offer training and skills development; and
- Support for mine supply contracts to local SMEs and to help them develop new and improved skills and expertise in their business.

To identify relevant training and skills development opportunities for local residents, BMSC will consider the following general activities:

- Examine adult education and training needs and ways in which they can be achieved in affected communities;
- Support the literacy programme being run by the Ministry of Education in Zoba Gash Barka, with a particular focus on Project affected communities;
- Build linkages with the Ministry of Labour and Human Welfare office in Agordat to support their existing efforts in training local people (e.g. in carpentry, metalwork, bricklaying, mechanical, electrical and other skills);
- Build linkages with the Ministry of Agriculture and Ministry of Health in Barentu which offer specialised training courses in land-based and health areas;
- Investigate the opportunity to support the re-opening of the vocational school (or similar) in Agordat with the Ministry of Education; and
- Establish partnership programmes with technical/vocational training colleges or other schools in Asmara or other relevant regions to help with training the mining workforce that will be required.

#### **4.10.6 Health and Sanitation Awareness**

BMSC has identified that there is a need to increase awareness of communicable diseases and sanitation, and to improve the capacity of local health clinics. This part of the CAP will consider the following activities:

- Health examinations for communities and residents, and support for specific medical programmes, e.g. for older residents to have cataract surgeries;
- Capacity building and support for the regional health centre and its network at village level, e.g. through training to health clinic staff, training of traditional midwives;
- Support for maternal and child health care, including through training kindergarten staff on nutrition and food safety, providing mothers with knowledge and skills on child care and organising rehabilitation for malnourished children;
- Education and prevention related to sexually transmitted diseases (including HIV/AIDS) such as health education, provision of condoms at the mine site and health clinics, treatment programmes and voluntary and confidential testing; and
- Support existing or planned local health service initiatives through in-kind support or direct funding initiatives.

To identify relevant health and sanitation awareness raising opportunities within local communities, BMSC will consider the following general activities:



- Meet with local/regional health officials and obtain their feedback about priority areas of health and sanitation awareness;
- Conduct a health needs assessment for all villages, focusing on health incidences, health facilities and health education in schools; and
- Prepare initial training and education materials and distribute through appropriate channels, particularly related to health and well-being issues that may be affected by mine activities, e.g. communicable diseases.

#### **4.10.7 Small and Medium Enterprise Development**

A robust and diverse small and medium-sized enterprise (SME) system will be established through capacity building, access to credit, and market linkages. BMSC will act as an initial market and will support programmes that build local business capacity to meet some Project needs, both during construction and operations. This support may include:

- Providing existing and potential small business operators with business management and other relevant training;
- Supporting operators in buying products and equipment to operate their businesses;
- Support in establishing local enterprises to support some of the services and needs that will arise from the Project and out of population influx into the area due to the Project;
- Support in establishing service teams (e.g. staffed by vulnerable groups) to become sub-contractors for the Company; and
- Support to establish or expand local/regional market areas, providing opportunities for additional small businesses to be operated at these markets.

To identify relevant SME development opportunities and help establish businesses that can supply to the mine and beyond, BMSC will consider the following general activities:

- Document local supply and procurement capacity in the area, including an inventory of what is available, and circulate to Project teams to promote local procurement;
- Document the required goods and services the mine will need during the different phases of the Project, including construction and operations, and disclose this to local/regional communities;
- Build procurement linkages with local businesses as well as identify new markets for those businesses.

BMSC shall require SENET to provide a detailed description of the goods and services required during construction, as well as the requirements that need to be met to supply such goods and services, e.g. performance criteria.

#### **4.10.8 Micro-Credit Loans**

Small micro credit loans can provide essential support for development of local industry and businesses. Promotion and support of alternative sources of income will help to reduce local dependence on the mine as an income source, mitigate the continuing effects of population growth and pressure on available agricultural land and help ensure sustainability of the area following mine closure.

Projects which will generally be considered for micro credit loans will be those that relate to the types of development initiatives in this plan such as, agricultural improvement activities and SME development or expansion. Money management education and awareness will also be prioritised by BMSC, either in collaboration with or separate to specific micro credit schemes. BMSC will consider where micro-credit schemes might be appropriate and shall investigate partnerships with relevant credit providers or other agencies that can facilitate micro-loans on behalf of the Company.



#### 4.10.9 Individuals Championing Promising Projects

On the theory that “success breeds success,” BMSC will prioritise projects that show significant promise for success and that have individuals or organisations that are willing to champion their development and implementation.

As long as a proponent, or proponent group, is championing a project that is consistent with BMSC’s community assistance program, if the project has a good chance of being successful, BMSC will encourage the Steering Committee to consider these projects on a priority basis.

### 4.11 Project Approval Process

#### 4.11.1 Project Proposal

The selection process for projects requires the Community Action Group, under the direction of the Public Consultation Officer, to submit project proposals to the Steering Committee. The project proposals to be submitted will include, at a minimum:

- A needs assessment, including how the project contributes to the BMSC community assistance programme objectives;
- A detailed description of the project including its target group and location;
- Intended outcomes and targets;
- Indicative budgets;
- Implementation process, including responsibilities and timelines; and
- Monitoring and evaluation process.

A **CAP Project Proposal Form** (see *Forms* below) shall be prepared to capture the relevant information for each proposed project proposal, and this can then be submitted to the Steering Committee for approval.

#### 4.11.2 Review of Project Proposals

It is the intent of BMSC to use a structured approach to project planning. On receipt of the Project Proposal from the Community Action Group, the Steering Committee will appraise each project on the basis of a range of criteria, including the following:

- *Community needs basis*: projects must be designed in consultation with communities and other relevant stakeholders;
- *Impact*: projects must deliver material and measurable social and/or economic benefits to communities directly or indirectly affected by the mine;
- *Sustainability*: projects must be designed to deliver lasting benefits, by securing matching funding and/or building increased self-reliance among affected communities (e.g. economic efficiency, long term human capacity building etc);
- *Policy contribution*: projects should illustrate how they comply with BMSC’s corporate policies and local obligations with regards to social investment;
- *Transparency*: programmes and projects must be transparent and open to internal and external scrutiny to allow potential beneficiaries and local authorities to understand the approach;
- *Prevention of duplication*: in selecting projects, all efforts must be taken to avoid duplicating the efforts of other companies, national and local agencies or government departments;



- *Enhancing linkages:* in selecting projects, due consideration must be given to the overall portfolio of activities and initiatives being undertaken by BMSC, its contractors and local and regional development plans, to ensure projects are complimentary and build on existing successes and relationships;
- *Measurement:* clear targets and measurements of success for the project must be identified;
- *Budget and price:* in selecting projects, consideration for the budget and price must be made in the overall context of the funds available versus the target audience and intended outcomes; and
- *Best practice:* BMSC must select projects that are 'best practice' in social investment in Eritrea.

Each project shall be identified and recommended using this selection and assessment process.

The project development, approval and implementation process is summarised below:

- Step 1. Identification of a potential project by the Community Action Group;
- Step 2. Development of the project proposal by BMSC staff together with the Community Action Group;
- Step 3. Discussion of the project by the Steering Committee including budget proposal;
- Step 4. Discussion of the project with the relevant village, sub-Zoba and/or Zoba authorities and key members of the local communities;
- Step 5. Negotiation of final conditions and arrangements with the partner organisation/s;
- Step 6. Final discussion and approval of the project by the Steering Committee;
- Step 7. If project approved, allocation of project funding by the Steering Committee;
- Step 8. If project approved, completion of project documentation and any appropriate implementation procedures;
- Step 9. If project approved, introduction of appropriate monitoring and evaluation processes.

#### **4.11.3 Information Provision related to Community Assistance Activities**

BMSC shall distribute information on the CAP that will be available to local people during construction and operations. The information disclosure procedure shall include at least the following:

- Provision of the BMSC approach to community assistance e.g. in a leaflet describing relevant policies and procedures to Zoba, sub-Zoba and local authorities;
- Distribution of community assistance information in directly affected villages, e.g. at Store Fronts and other relevant public places;
- Other non-written avenues for promoting community assistance opportunities shall also be adopted, e.g. Request Imam to announce during Friday prayers, or Priest during Sunday church services;
- All information disclosure regarding community assistance opportunities to be provided in relevant languages, with particular attention to local dialects for Project affected villages;
- Publication of a summary of the community assistance projects being planned and implemented in Project-affected communities so that residents can readily see when opportunities/initiatives will be coming up in their area (and to highlight the equal distribution of development initiatives by the Company); and
- Ensure that information on community assistance initiatives does not raise unrealistic expectations, the extent and duration of community assistance projects should be accurately communicated.



Information related to the CAP shall be approved by relevant authorities wherever necessary prior to its disclosure. BMSC will keep the Department of Mines, as well as relevant implementing partners and agencies regularly informed about upcoming community assistance activities related to the Project.

## 4.12 Community Assistance Data and Documentation

### 4.12.1 Community Assistance Database & Records System

A records system/database will be established by BMSC to capture information about the community assistance planning process. Information shall be recorded for each project regardless of the value of the contribution or where it was implemented, and will be updated to track changes as they occur. Such data will include:

- Project description and status (Local/Regional/National);
- Project planning and implementation details;
- Implementing partners, including a partnership assessment;
- Fund disbursement history;
- Commencement (and completion) dates;
- Steering Committee inputs and approvals; and
- Performance monitoring and evaluation.

The HSEC Department is responsible to ensure that all the above mentioned information is completed and obtained for each community assistance initiative and related activities.

### 4.12.2 Forms

The HSEC Department will maintain an inventory of all community assistance documentation related to the Project. A selection of example forms is provided below.

For all project proposals a Community Project Proposal Form should be completed (by the Community Action Group with support from the Public Consultation Officer). An example of a Community Project Proposal Form is as follows:

#### Example Community Project Proposal Form

COMMUNITY PROJECT PROPOSAL FORM				
<b>Problem/Issue:</b> E.g. Low crop production		<b>Description:</b>		
Location: Village 1				
Opportunity: Improved farming				
Actions	Resources Needed	Who Will Provide	Date to Start	Who Will Follow UP
1. E.g. Use of Manure				
2. Terracing Agriculture				
3. Extension Service Advice				
<b>Other notes:</b>				
<b>Completed by:</b>				
<b>Details approved by:</b>				



#### 4.13 Roles & Responsibilities

Overall responsibility for the implementation of this Management Plan shall rest with the Bisha Community Relations Manager who shall report on progress to the Bisha HSEC Manager. Others with responsibility for the implementation of this Management Plan shall include:

- SENET, as EPCM Contractor, shall be responsible for the integration of these procedures and requirements into their operating procedures and plans;
- Bisha Public Consultation Officer shall be responsible for identifying local/regional community needs, and for managing activities of implementing partners and related functions;
- Bisha Finance Manager shall be responsible for ensuring that financial arrangements and requirements in this plan are implemented in accordance with financial policies and legislation governing BMSC; and
- Bisha Mill/Mine Superintendents shall be responsible for ensuring that these procedures and requirements are implemented for all operations.

#### 4.14 Monitoring & Reporting

It is important to monitor community development activities to ensure that commitments are met and that efforts to make improve health and well-being of local communities are maximised. Community assistance monitoring procedures shall be as follows:

- The Bisha Public Consultation Officer shall monitor the implementation of the community assistance program and report to the Bisha Community Relations Manager on at least a quarterly basis, including:
  - The number and value of projects supported for community assistance;
  - Villages benefiting from improved water, sanitation or other similar systems;
  - New or improved infrastructure developments funded;
  - Training, skills development and capacity building provided including the number of sessions held and number of people trained;
  - The number of awareness raising materials distributed to target stakeholders;
  - Public attitudes to community development initiatives; and
  - Performance of the Community Action Group and implementing partners.
- The Bisha Community Relations Manager shall inspect community assistance projects and documentation on a quarterly basis and shall maintain appropriate records. The inspection shall include:
  - Records of community assistance activities/meetings/events;
  - Records of funds disbursed;
  - Feedback from local communities related to projects implemented;
  - Records of training given to communities;
  - Condition and operation of specific projects (e.g. for infrastructure projects);
  - Status of projects already implemented;
  - Review of projects being planned;
  - Spot checks on the activities of the Community Action Group; and
  - Review of progress and performance of implementing partners or operators.
- The Bisha Community Relations Manager shall report findings from regular inspections to the community assistance Steering Committee;



- Each project or initiative to be funded by BMSC as part of the community assistance program shall have its own specific monitoring and evaluation procedures; and
- The Community Action Group shall participate in monitoring Project progress of community assistance projects and related activities.

The Bisha Public Consultation Officer shall be responsible for record-keeping.

Regular reporting shall be undertaken via the monthly SEMS Report that shall be prepared and submitted to the Bisha General Manager. Reporting shall include:

- A summary of activities undertaken during the reporting period;
- Any material deviations or non-compliances to this Management Plan;
- Planned activities during the next reporting period;
- Any other issues of concern.

Further information on social monitoring and reporting requirements and procedures is set out in the Monitoring Plan and in the Social & Environmental Management System.



## **Annex A**

### **Potential Partners for the Community Assistance Plan (CAP)**

#### **4.15.1 Government Agencies and Departments**

The Government of Eritrea and in particular the Zoba and sub-Zoba line ministries and local authorities will be central to all activities related to the Bisha community assistance program. National, regional and local governments have sponsored and implemented various programs aimed at poverty reduction and overall rehabilitation in Eritrea. As such, there is experience in some of the ministries and associated institutions, which will be valuable in planning and implementing projects in the Bisha area. Such ministries and agencies include but are not limited to, the following:

- Ministry of Land, Water & Environment;
- Ministry of Agriculture;
- Ministry of Fisheries;
- Ministry of Health;
- Ministry of Labour & Human Welfare;
- Ministry of National Development;
- Ministry of Transport & Communications;
- Ministry of Trade & Industry; and
- The National Museum of Eritrea.

#### **4.15.2 Education Facilities and Training Providers**

Building local capacity and providing long-term skills improvement opportunities to local people, is central to all of BMSC's social programs, including community assistance initiatives that will be implemented through this plan. However, there is a severe shortage of training support centres, universities, vocational training enterprises and private sector training providers both country-wide, as well as in the local and regional areas.

However, there is a shortage of training support centres, universities, vocational training enterprises and private sector training providers both country-wide, as well as in the local and regional areas. BMSC has been in discussions with the Ministry of Education to research training providers in Eritrea. There are two types of training providers that have either recently been operating or are operating currently: 1) Technical and Vocational Training; and 2) Skill Development Centers.

##### ***Technical and Vocational Training***

The Ministry of Education is operating a nationwide Technical and Vocational Training Program implementing courses for secondary school students. Originally this program was a three year program where Grade 9 students entered the course for three years training in a technical Diploma. However, as of 2008 the program changed to focus on entry for Grade 12 students to receive a one year training course. The training centres that are in operation are:

- |                                    |                                  |
|------------------------------------|----------------------------------|
| • Wina Tech School                 | Nakfa (Zoba Semenawi Keih Bahri) |
| • Asmara Tech School               | Asmara (Zoba Maekel)             |
| • Maihabar Tech School             | Maihabar (Zoba Debub)            |
| • Dombosko Tech School             | Dekamare (Zoba Debub)            |
| • Hagaz Tech & Agricultural School | Hagaz (Zoba Anseba)              |
| • Sawa Tech School                 | Sawa (Zoba Gash Barka)           |
| • Archive & Library Science        | Asmara (Zoba Maekel)             |

##### ***Skill Development Centres***

A range of training programs used to be in place to admit students who completed at least 5th to 6th grade of schooling. They were funded by NGOs but now the program has completely stopped. The Skill Development Centres were:



- Mai-Atal (Zoba Semenawi Keih Bahri)
- Agordat (Zoba Gash Barka)
- Mendefera (Zoba Debub)
- Adi Keih (Zoba Debub)
- Haicota (Zoba Gash Barka)

The training equipment from all the centres is not available today except those of Mendefera and Adi Keih, according to the Ministry of Education. However, special arrangements could reportedly be made if there is a need for training groups at these centres in consultation with the Ministry.

BMSC will seek to support the improvement and expansion of education facilities and training providers through the community assistance program, to build capacity in the region, and thus improve the options for partnering with local education/training providers on future initiatives.

#### **4.15.3 Private Sector Organisations**

An important category of potential partners for the community assistance program is the private sector. Private sector organisations may be able to offer direct job opportunities and related skills training, particularly in non-farm based income generation activities.

The scarcity of agricultural land and conversion of existing lands to mining operations by the Bisha Project will result in non-agricultural industries and organisations playing an increasingly important role in the ongoing economic development of the local area. BMSC intends to promote the introduction and expansion of other industries in the area as part of its approach to community assistance. Industrial diversification and expansion will be particularly important for local communities after mine closure.

In the Zoba Gash Barka and the local area there are a number of commercial plantations in operation, and there are also lime processing plants which currently provides some local residents with seasonal wage labour. BMSC will seek to partner with existing organisations where there is an obvious synergy between the assistance being delivered and a company's commercial activities.

#### **4.15.4 Community Based Organisations**

There are very few typical 'community-based groups' or organisations active in the Project area. However, promotion of community interests and local organisational development is facilitated through unions that are part of Eritrean civil society. Unions are one of the most important channels of communication from the government to local people, and play a role in implementing policy.

The National Union of Eritrean Women (NUEW) for example, has had good success in propagating government programmes in basic health and sanitation. Other major groups include the Popular Front for Democracy and Justice (PFDJ) and the National Union of Eritrean Youth (NUEY). BMSC has engaged with a range of unions at various levels through its activities to date, and will seek to build on its existing relationships as part of the community assistance program.

Local development committees at the village-level also play a great role in making linkages between the community and the government, though this is usually in larger villages/towns. BMSC anticipate working most closely with these village-level committees as they will be critical to defining and implementing assistance projects to ensure that they are "owned" by the community.



## 5 Land Use Management Plan

### 5.1 Introduction

The *Land Use Management Plan* is designed to ensure that the BMSC mitigates and/or compensates for impacts to land and land use that will occur as a result of the Bisha Project.

The 2006 baseline studies and resulting Social and Environmental Impact Assessment (SEIA) report characterised the land use situation in the Bisha region and a preliminary list of Project affected people and communities was prepared. At the same time, a range of potential mitigation strategies for land-based impacts were proposed by BMSC and the Eritrean government approved this documentation in 2008 when it granted the Mining License.

No permanent residential was land identified in the Project area, although some seasonal dwellings had been constructed by herders for use throughout the year. A limited amount of opportunistic crop cultivation was also identified, but the majority of land in the Project area was classified as rangelands, used by herders from a number of nearby communities for domestic livestock.

Construction works have now commenced in the Project area, therefore most land access issues and related impacts have already occurred. Some negotiations and actions have been implemented to mitigate land use impacts since 2006, and further data and information has been gathered about the people and communities affected by land take for the Project.

Specifically, actions were taken by government to allocate replacement land for agricultural plots within the Project area, and BMSC has provided some in-kind support services including providing equipment for the preparation of replacement land for cultivation. However, further work is required, particularly in relation to impacts to farmers and herders that were previously operating within the area. Additional measures need to be identified to mitigate land-based effects and to ensure that affected people/villages are not worse off as a result of the Project.

### 5.2 Objectives

The objectives of this Management Plan are to:

- Establish effective plans and procedures to mitigate the effects of land take for the mine and ancillary facilities to ensure that affected people are not worse off as a result of the Project;
- Define BMSC requirements and procedures to guide the Project Management Team and other Project contractors;
- Define roles and responsibilities; and
- Define monitoring and reporting procedures.

### 5.3 Scope

The plan considers potentially adverse impacts related to:

- Land take for the Project;
- Loss of productive agricultural land;
- Loss of access to grazing land;
- Loss of seasonal dwellings;
- Loss of access to other assets such as water points; and
- Affects to livestock migration and related practices.

The plan is a flexible document that shall be reviewed on a periodic basis. This plan applies to BMSC, although the EPCM Contractor, SENET, will be expected to support the Project (mostly in-kind) to contribute to land use management activities during construction.

Associated plans which also incorporate activities related to local communities include the *Community Assistance Plan* which deals with providing sustainable community assistance to those affected and the *Cultural Heritage Management Plan* that seeks to ensure the protection and safeguard of local cultural heritage/resources.



## 5.4 Regulatory Requirements

### 5.4.1 Corporate Policy

BMSC has established a policy regarding Social Responsibility that includes the Company's commitment to respecting land use rights and addressing social issues through active consultation with local communities.

### 5.4.2 Eritrean Requirements

The Eritrean Land Proclamation (Proclamation No. 58/1994) declares that all land is the property of the State. This indicates that the village community has no collective ownership over land, but the Government allows villages to have continuous use and control over farmlands, rangelands and water resources. The law states the following, which are most relevant to the Project:

- *Every Eritrean citizen is entitled to land usufruct with regard to agriculture and residential land ("Tiesa") regardless of origin, sex and religion;*
- *According to the Proclamation land allotted shall be registered and granted in the name of the recipient usufructuary; the usufructuary shall use the land for his/her lifetime;*
- *An usufructuary may, in exchange for a fixed quantity of agricultural products, grant the right to use part of all of his/her land to any person, who would contribute labour or oxen, or both or other farming implements;*
- *An usufructuary may lease his/her right over land in whole or in part and duration of contracts shall be determined by an agreement to be made between the parties;*
- *The government or appropriate government body shall have the right and power to expropriate land that people have been settling on or land that has been used by others, for various development and capital investment aimed at national construction; and*
- *A government body that expropriates land in accordance to this provision shall pay compensation for given assets that may be built on the land but not for land itself.*

### 5.4.3 International Finance Corporation Guidelines

International Finance Corporation (IFC) Performance Standards for Social and Environmental Sustainability set out a range of recommendations with regard to land acquisition and involuntary resettlement (Performance Standard #5)<sup>5</sup>. BMSC will comply with requirements of IFC Performance Standard 5 that are relevant to the Bisha Project. Key requirements include:

- *The concepts of physical displacement (loss of shelter) and of economic displaced (loss of means of livelihood); both Physically Displaced and Economically Displaced People are to be considered in resettlement planning;*
- *The Project shall mitigate adverse social and economic impacts from land acquisition or restrictions on affected persons' use of land by: (i) providing compensation for loss of assets at replacement cost; and (ii) ensuring that resettlement activities are implemented with appropriate disclosure of information, consultation, and the informed participation of those affected;*
- *The Project shall improve or at least restore the livelihoods and standards of living of displaced persons;*
- *The Project is expected to "offer displaced persons and communities compensation for loss of assets at full replacement cost and other assistance to help them improve or at least restore their standards of living or livelihoods";*
- *"Where livelihoods of displaced persons are land-based, or where land is collectively owned, the client will offer land-based compensation, where feasible";*

<sup>5</sup> International Finance Corporation. Performance Standards for Social and Environmental Sustainability; Performance Standard #2. 30 April 2006. pp 7-10.



- The Project is to “consult with and facilitate the informed participation of affected persons and communities, including host communities, in decision-making processes related to resettlement. Consultation will continue during the implementation, monitoring, and evaluation”;
- The Project is expected to “establish a grievance mechanism consistent with Performance Standard 1 to receive and address specific concerns about compensation and relocation that are raised by displaced persons or members of host communities, including a recourse mechanism designed to resolve disputes in an impartial manner”;
- The Project is expected to “carry out a census with appropriate socio-economic baseline data to identify the persons who will be displaced by the project, to determine who will be eligible for compensation and assistance, and to discourage inflow of people who are ineligible for these benefits. In the absence of host government procedures, the client will establish a cut-off date for eligibility. Information regarding the cut-off date will be well documented and disseminated throughout the project area”;
- “If land acquisition for the project causes loss of income or livelihood, regardless of whether or not the affected people are physically displaced, the client will compensate economically displaced persons for loss of assets or access to assets at full replacement cost and meet a range of other support related requirements.

A summary of the measures that the Project is taking (and intends to take) relating to compliance with IFC requirements is provided in Annex 1.

#### **5.4.4 Practical Implications of the Legal Context for the Bisha Project**

The pre-Project land tenure situation in the Bisha area was relatively complex but can be summarised by the following:

- Residential land is allocated to all households in designated villages, however, ownership rights over seasonal/permanent dwellings are not formally allocated through either land use title or occupation license granted by the relevant authorities;
- Agricultural land is allocated to households, with each family generally having between 1 to 4 hectares of land of varying quality, although opportunistic crop cultivation is also practiced by families from time to time (there are certain families that claim the agricultural plots in the Project area);
- Grazing land is communal property; hence every member of the community has equal access to use the grazing land and, in the Bisha area, villagers have developed their own mechanism of managing and controlling their grazing land;
- The rangelands of the Bisha area are used by livestock originating from local communities such as Mogoraib, Ad-Ibrihim, and Adarat for most of the year, however during the dry season, and in particular the latter part of the season, some of the local herds migrate to other areas to access available forage and water; and
- A “security zone” has been established around the Project area (which limits access by local communities to the Project site as well as other land outside the site as defined by the government).

##### **5.4.4.1 Eritrean Law and IFC’s Requirements**

The main difference between national legislation and international land acquisition instruments is that Eritrean law concentrates on compensation for lost assets.

The requirements of international good practice are livelihood-oriented instead: displaced people must be restored in their livelihood, and must be no worse-off after displacement. Emphasis must be put not only on compensating lost assets but also on assisting people to restore incomes, ways of life and livelihoods. This includes access to income-earning opportunities such as agricultural production or to natural resources deemed critical for subsistence.

Eritrean legislation does not provide for compensation for loss of land (as all land is state-owned). Performance Standard 5 on the other hand, stipulates that where physical replacement of the land is not possible, compensation at full replacement cost should be provided.



If land is not available or if national policy does not provide for compensation, non-land based options, including employment opportunities, assistance to establish businesses or dedicated support services should be provided.

It is also important to note, that in Eritrea the majority of steps of the land acquisition and compensation process must be implemented by the Eritrean government.

A summary of potential landuse impacts is provided in Annex 2 to this plan.

## **5.5 Approach to Land Use Management**

The BMSC approach to land use management is driven by the following objectives:

- Mitigation measures, including any compensation for Project-affected persons, will be carried out in compliance with Eritrean legislation and only with the approval of relevant government representatives;
- BMSC shall also seek to comply with the IFC's requirements;
- Impacts from permanent or temporary land acquisition on assets and livelihoods will be mitigated, and both physical and economic displacement will be taken into consideration;
- Affected livelihoods will be restored as a minimum, or preferably improved, and living conditions of affected households will be improved;
- Cash compensation is not a preferable method of compensation for land use effects as a result of the Bisha Project (government do not agree there is a need to compensate for use of state owned land or assets on such land), however compensation will be provided in-kind;
- Families affected by the loss of cultivated land and/or seasonal dwellings will be provided with in-kind support for land-based activities or non-land based options including employment, in addition to the measures allocated by government;
- All mitigation measures related to grazing land and associated assets will be delivered at the community-level since the predominant impacts relate to loss of access to land used by various herders from a number of nearby villages;
- The implementation and outcomes of this plan will be monitored and evaluated as part of a transparent process involving independent parties;
- The complaints management process established for the Project will also be used to handle land use-related complaints (and shall be audited at regular intervals); and
- Affected families and communities will be engaged, informed and consulted during the course of plan development, implementation and evaluation.

## **5.6 Work Undertaken to Date**

BMSC has completed or been involved with, the following activities related to land use management since 2006:

- Conducted baseline studies, including three field surveys and preliminary census of affected land and assets in the local study area, including current and historical land use and ownership claims (2006);
- Consultation with a number of potentially affected families and communities during preparation of the impact assessment for information/discussion including land use and compensation issues;
- Conducted studies on potential losses to grazing/rangeland in the Bisha area (these losses are not easy to assess in view of the changes in land tenure in Eritrea in the 1990's where all ownership was transferred to the state);
- Prepared land use maps and reports describing the different agricultural and other land units in the local study area (2006);
- Conducted studies into the habits and habitats of domestic livestock in the Bisha region, including mapping local and regional migration routes and assessing forage/feeding patterns (2006);



- Supported government activities to provide replacement land for 19 families affected by loss of agricultural land in the Project area (2008); and
- Rented a tractor for farmers (displaced from farming near the Bisha mine) to plough their new agricultural land that was allocated by the local/regional authorities in the Mogoraib diversion channel area (2008).

## **5.7 General Mitigation Measures**

### **5.7.1 Background**

A range of mitigation strategies were proposed in the original SEIA report to address land use impacts. Commitments were made to provide appropriate compensation and other contributions to families/communities affected by land take for the Project. These strategies have been reviewed and developed into general mitigation measures that more closely reflect the actual impacts of the Project. The following sections briefly describe the approach to mitigation proposed for each impact category. Table 2 provides further detail of the general mitigation measures/entitlements proposed for each impact category as well as some of the measures that have been implemented to date.

### **5.7.2 Dwellings**

Impacts to dwellings (seasonal/permanent) will need to be mitigated/compensated at the individual/household level.

It is proposed to provide replacement wood for huts and other negotiated in-kind support (rather than cash) or give preference for employment with the Project (through appropriate training).

### **5.7.3 Recently Cultivated Land**

Impacts to agricultural land will need to be mitigated/compensated at the individual/household level.

Mitigation/compensation for the loss of cultivated land has been partly addressed since the 19 affected families were allocated 2 ha each of replacement land by the local authorities. At this time, BMSC provided in-kind support by renting a tractor for ploughing before the first rainy season. However, further inputs are needed to ensure that adequate mitigation is achieved.

It is proposed to firstly rehabilitate the diversion channel nearby to the replacement land to improve access to water. In addition, it is recommended to provide other farm inputs and services to affected families through an Agriculture Improvement Programme or to give preference for employment with the Project (through appropriate training) (see *Section 1.9* below).

### **5.7.4 Grazing/Fallow Lands and Associated Assets**

All impacts to lands defined as “rangelands”, “grazing” land and “fallow” land within the Project area will be mitigated/compensated at the community level only. This land is communal property and every member of the community has equal access to these areas.

It is recommended to provide grazing, herding and animal husbandry support, as well as replacement water points to affected communities through an Agriculture Improvement Programme.

Table 2 below provides a summary of land-use impacts and mitigation measures associated with the Bisha mining project.



**Table 2 Mitigation Measures Proposed for Land Use Impacts from Bisha Project**

Affected Land/People/Asset	Affected Right / Eligibility	Description/Action Taken to Date	Specific Mitigation/Action Proposed
<b>Seasonal/Permanent Dwellings</b>			
<b>2 permanent residents in four huts (in mine area)</b>	2 residents of Ad Faid clan (one hut each for living, and one each for goats)	<ul style="list-style-type: none"> <li>Permanent dwellings within mine footprint can no longer be used by occupants.</li> <li>Dwellings dismantled reportedly by military for security zone purposes (not by BMSC).</li> <li>Two residents are elderly and so it is not feasible to offer employment as option for livelihood continuation.</li> </ul>	<ul style="list-style-type: none"> <li>Replacement hut (or negotiated in-kind support for resident); but must ensure individuals have other secure shelter.</li> <li>In-kind support for any other assets associated with the dwelling such a well or other structures.</li> <li>Membership in <b>Agriculture Improvement Programme</b> (see Annex C) including support relevant to age group, e.g. animal husbandry.</li> </ul>
<b>8 seasonal dwellings (in mine area)</b>  And <b>Greater than 10 dwellings</b> from old Bisha village	5 dwellings near Bisha Main belonging to Ad Humed Sheik clan plus 3 dwellings near Fereketetet River belonging to Ad Faid clan  And Greater than 10 dwellings of old Bisha	<ul style="list-style-type: none"> <li>Seasonal dwellings within mine footprint can no longer be used by occupants.</li> <li>Dwellings dismantled reportedly by military for security zone purposes (not by BMSC).</li> </ul>	<ul style="list-style-type: none"> <li>Replacement wood for huts (and relevant support to re-establish hut in another location) <u>OR</u> other in-kind support preferred by family (e.g. 3-5 goats or access to water/well).</li> <li>Since residence is not permanent, no requirement to find replacement plot of residential land.</li> </ul> <p><u>OR</u></p> <ul style="list-style-type: none"> <li>Preference for employment with the Project should be given to those affected by loss of seasonal dwellings to mitigate livelihood effects (but training critical).</li> </ul>
<b>Agricultural Land</b>			
<b>Approx. 40 hectares of recently cultivated land</b>	19 families of Debuk and Ad Humed Sheik clan in Mogoraib	<ul style="list-style-type: none"> <li>Census of affected families conducted.</li> <li>19 families identified as affected by loss of recently cultivated land.</li> <li>Replacement plots of 2 hectares per family allocated through the traditional community land mechanism.</li> <li>BMSC provided in-kind support to farmers by renting tractor for ploughing before rainy season.</li> </ul>	<ul style="list-style-type: none"> <li>Rehabilitate the diversion channel in the Mogoraib area to improve access to water.</li> <li>Membership in <b>Agriculture Improvement Programme (see Annex C)</b> to provide farm inputs and services.</li> </ul> <p><u>OR</u></p> <ul style="list-style-type: none"> <li>Preference for employment with the Project should be given to families affected by loss of productive land to mitigate livelihood effects (but training critical).</li> </ul>
<b>Rangelands/Grazing Land (including Fallow Land)</b>			
Estimated 875 hectares of fallow land / range land (including local migration corridor and access to water points)	Communities of Adarat, Ad-Ibrihim and Mogoraib	<ul style="list-style-type: none"> <li>No specific action to date.</li> <li>Community support to be delivered exclusively in kind and directed at community level; not individual herders.</li> </ul>	<ul style="list-style-type: none"> <li>Replacement of water points affected in Mogoraib River area for Mogoraib and Adarat herders.</li> <li>Membership in <b>Agriculture Improvement Programme (see Annex C)</b> to provide farm inputs and services, modern grazing facilities.</li> </ul>



## 5.8 Agriculture Improvement Programme

### 5.8.1 Goals and Objectives

The main **goal** of the Agriculture Improvement Programme is to maintain or exceed pre-Project levels of agro-pastoralism activities and/or crop productivity; to support livelihood continuation of people in affected communities.

The specific **objectives** of the Agriculture Improvement Programme (including both crops and animal husbandry) will need to be focused on mitigating the actual effects from land and asset losses and shall therefore be determined by BMSC in due course.

### 5.8.2 Beneficiaries

The three villages of Mogoraib, Adarat and Ad Ibrihim that are affected by land take in the mine area are the intended beneficiaries of the Programme. However, the Programme could be extended to other villages later on such as Tekreret and Jimel as part of wider community assistance activities.

### 5.8.3 Phases of the Programme

The Agriculture Improvement Programme will be implemented in two phases:

- **Phase 1: Communities directly impacted by land acquisition** (short-term projects to specifically address land take impacts from the Project); and
- **Phase 2: Land-based initiatives for broader community assistance** (medium-term investments for land based productivity programmes that will be integrated with the community assistance programme).

**Phase 1** land-based initiatives will respond to addressing impacts for those communities that have been directly affected by land acquisition. These measures will be implemented as a matter of priority for the Project and will have a finite timeframe. The verification of land and asset losses and seasonal and cultivation elements will dictate the length of the Programme.

BMSC will integrate **Phase 2** land-based initiatives into the community assistance programme and target all Project affected communities. These initiatives will be further developed during the operations phase through the *Community Assistance Plan*.

### 5.8.4 Phase 1: Land Based Assistance

BMSC proposes to offer a limited range of land based productivity measures based on the provision of standard field inputs and extension services. Therefore, the programme would be expected to include initiatives such as:

- Field inputs and support:
  - Land clearing and weeding;
  - Fertilisers and pesticides; and
  - Crop storage assistance, seeds and so on.
- Agricultural extension services:
  - Agricultural training;
  - Animal husbandry support; and
  - Education and training for herders/agro-pastoralists.
- Access to water/irrigation:
  - Drilling of wells and generators to pump;
  - Building and rehabilitating diversion channels; and
  - Assistance to protect rain-fed crops.
- Establishing modern grazing facilities and forage improvements.
- Business planning and training (e.g. money/financial management, marketing and group management).



BMSC will collaborate with local communities, government and in particular the relevant branch offices of the Ministry of Agriculture, to conduct relevant technical and market assessments and complete detailed planning.

#### 5.8.5 Vulnerable Groups

*Vulnerable people* are people who by virtue of gender, ethnicity, age, physical or mental disability, economic disadvantage, or social status, may be more adversely affected by land acquisition than others and who may be limited in their ability to claim or take advantage of land-based assistance and related development benefits.

BMSC will work with local authorities to identify vulnerable people that have been affected by land take as a result of the Project, and may require specific assistance and monitoring. Assistance may take various forms, depending upon the requests and needs of each vulnerable person and the context of the effects from land take for the Project:

- Assistance to access the programme;
- Assistance to obtain training and access employment opportunities either directly or indirectly with the Project;
- Help to make sure their opportunities for assistance are well understood and in accordance with what they need for improving their livelihoods; and
- Counselling in matters such as family, health, money management, and livelihood continuation.

#### 5.8.6 Budget

Rather than calculating an amount based on the surface area of rangeland each community has user rights/claims to, or the number of livestock using the rangeland in the Project area (which would be very complex or impossible), it is proposed to allocate each affected village the same overall budget.

A budget shall be developed by BMSC for Phase 1. This is initially expected to be in the order of USD \$25,000 plus, for each village although this is to be confirmed by BMSC.

#### 5.8.7 Timing

It is expected that Phase 1 can begin by the end of 2009, depending on detailed planning and consultation. Further assessment work and detailed planning is expected to take approximately 3 – 4 months.

However, some projects and initiatives may need to be implemented to parallel with the rainy season, and therefore a number of activities might need to be postponed until 2010. Overall the implementation of the plan is anticipated to be completed early in the production phase (e.g. approximately end 2011).

At the same time, there are a number of smaller initiatives proposed that could likely be implemented readily before this time, upon agreement from all parties (e.g. rehabilitation of diversion channel near Mogoraib River). These are 'quick hit' (and low cost) activities that include existing commitments made to communities. If appropriate, these measures should not be delayed due to other planning processes.

### 5.9 Land Use Management Procedures

#### 5.9.1 Assess Land and Asset Losses

An assessment of the specific impact losses to individual households and communities from land take is required to determine if the mitigation measures proposed meet relevant standards and the needs of affected communities. To this end, BMSC will:

- Conduct an assessment of impacts from land take for the Project and confirm specific households/individuals and communities affected;
- Conduct consultation with government and affected communities to adequately characterise the affects from land and asset losses;
- Target the assessment to enable the BMSC to distinguish the impact of the Project from the impact of the security zone;



- Ensure the assessment includes analysis of the 'post-conflict' situation of the area and that relevant recommendations are incorporated into the specific initiatives identified;
- Ensure that the assessment includes preparation of relevant maps to clearly delineate land loss as a result of the Project; versus land loss as a result of the security zone; and
- Obtain input from a socio-economic specialist (or similar) to design and conduct the assessment.

### **5.9.2 Detailed Planning Process**

In order to complete detailed planning, BMSC will use the following general procedures:

- Review the results of the updated impact assessment;
- Develop a specific implementation plan for Phase I of the me clearly stating which actions are to be taken, when and by whom;
- Allocate responsibilities, costs and a schedule for each action or procedure required so that they will be implemented in the timeframe defined;
- Establish a Committee (or similar) to take responsibility for delivery of the land use management programme and this will likely be coordinated with a group to manage broader social programmes (e.g. the Steering Committee for the community assistance me);
- Work with the Ministry of Agriculture in Barentu and local authorities to complete detailed planning for Phase 1;
- Seek opportunities to involve local people as much as possible in the planning works for each of the land-based projects to be implemented;
- Identify specific partners for Phase 1 activities and complete relevant assessments of each individual or group;
- Complete contractual arrangements with partners (e.g. Memorandums of Understanding (MOU) for work to be completed); and
- Establish a monitoring and evaluation me.

### **5.9.3 Cooperation with Government**

Cooperation with the Eritrean government related to land use management will be critical and shall include:

- BMSC will work closely with various government agencies and ministries to continue discussions about land use impacts in order to create a coherent and agreed approach to the process;
- BMSC will not independently engage directly with communities on land use issues and related mitigation measures, but will work with the Department of Mines and relevant local authorities;
- Proposals for specific mitigation measures will be introduced to national and Zoba level governments first, prior to final approval;
- It is expected that line ministries within Gash Barka as well as local authorities will take the lead on implementing measures to be put into practice, with BMSC taking a supporting/funding role;
- Any external implementing partners that may be required will be introduced to the government and the community prior to any visits to the area; and
- BMSC shall consult with government on the approach to funding the implementation of this *Land Use Management Plan* and the mitigation measures proposed, including how this information should be disclosed to the affected population and other interested parties.

## **5.10 Land Use Data and Documentation**

The HSEC Department is responsible for maintaining a record of all land take impacts and associated mitigation measures and other activities related to land use management.



The database will contain information on the land based impacts and related mitigation measures. Information shall be recorded for each impact and mitigation measure, and will be updated to track changes as they occur. Such data will include:

- Each land use impact/category and the affected individual/group;
- Specific mitigation measures/programmes identified and agreed;
- Planning and implementation details for measures to be implemented;
- Implementing partners, including government;
- Consultation activities with government and local communities;
- Fund disbursement history;
- Commencement (and completion) dates; and
- Performance monitoring and evaluation.

### **5.11 Land Use-related Complaints**

BMSC will operate a complaints process for local communities through its stakeholder engagement me. The *Stakeholder Engagement Plan* describes the complaints management procedure.

Complaints related to land use or the agriculture improvement me and related activities shall be managed through the same complaints management process.

### **5.12 Training**

All employees of BMSC and Contractors to BMSC shall be provided with basic training on the requirements of the Code of Conduct, which includes requirements to protect natural resources in the local area. Additional specialist training shall be provided to community relations and environmental staff and key personnel involved in land use management activities.

### **5.13 Roles & Responsibilities**

Overall responsibility for the implementation of this Management Plan shall rest with the Bisha Community Relations Manager. Others with responsibility for the implementation of this Management Plan shall include:

- Bisha Environment Manager shall support the Community Relations Manager to design and implement land-based mitigation measures and foster the link between land use management processes and environmental management within the local/regional area;
- Bisha Public Consultation Officer shall be responsible for engaging directly with affected communities on land use management issues and supporting the Community Relations Manager to implement relevant land-based mitigation measures; and
- Bisha Mine Superintendent shall be responsible for ensuring that these procedures and requirements are implemented for all mine operations.



## 5.14 Monitoring & Reporting

Land use management monitoring procedures shall be as follows:

- The Bisha Community Relations Manager shall monitor the implementation of the programme and report to the Bisha General Manager on at least a quarterly basis, including:
  - Specific mitigation measures developed and implemented;
  - Engagement conducted with government and affected communities;
  - In-kind support provided to families/households;
  - Funds disbursement history;
  - Activities conducted by government versus BMSC related to mitigation measures;
  - Affected people involved with the Agriculture Improvement Programme;
  - Support for vulnerable people;
  - Performance of implementing partners;
  - Perceptions/attitudes of affected people towards the programme; and
  - Complaints process.
  
- Each measure or initiative to be funded by BMSC as part of this plan shall have its own specific monitoring and evaluation procedures; and
  
- Affected people shall participate in monitoring progress of each of the mitigation measures implemented through this plan.

The Bisha Community Relations Manager shall be responsible for record-keeping.

Regular reporting shall be undertaken via the monthly SEMS Report that shall be prepared and submitted to the Bisha General Manager. Reporting shall include:

- A summary of activities undertaken during the reporting period;
- Any material deviations or non-compliances to this Management Plan;
- Planned activities during the next reporting period; and
- Any other issues of concern.

Further information on social monitoring and reporting requirements and procedures is set out in the Monitoring Plan and in the Social & Environmental Management System.



**Annex 1**  
**Project Measures relating to Compliance with IFC Requirements**

Specific measures that will need to be adopted by the Bisha Project to meet the requirements of the IFC Performance Standards.

IFC Performance Standard Requirement	Compliance Approach
Prepare a Resettlement Action Plan	Project has prepared this Land Use Management Plan in accordance with IFC's Performance Standards for Social and Environmental Sustainability, specifically Performance Standard 5, Land Acquisition and Involuntary Resettlement. Since the scope of physical displacement is minimal, it was determined that a Land Use Management Plan would be sufficient to address economic displacement issues.
Avoid or at least minimize resettlement	Project is not in an area where residential land is located and resettlement has therefore predominantly been avoided. The Project has minimised the extent of economic displacement by minimising the size of Project components and the distances between them. The Project footprint is in a sparsely populated, rural area.
Compensate at full replacement cost	Project will compensate for all affected immovable assets at full replacement cost, although this is likely to be replacing assets or in-kind compensation rather than cash.
Provide displaced people with prompt payment	The Project will mitigate/compensate for economic displacement that has occurred, but this requires further consultation with government due to the sensitive nature of the situation in the Bisha area and the fact that these requirements are unprecedented in the country. In-kind support is likely rather than cash payment (and will include land-based and non-agricultural support services).
Improve or at least restore livelihoods of affected population	Project has elaborated several strategies for livelihood continuation, particularly access to employment with the Project and contributions to an agriculture improvement programme.
Improve living conditions among displaced persons	There are only two people displaced and these persons have already secured other shelter with the help of government. The Project will provide additional in-kind support, which may include preferential employment opportunities or land-based support services.
Security of tenure will be offered for offered for physically displaced persons to avoid future forced eviction	No applicable.
Absence of legal title not a bar to compensation	Because land is state owned people do not have legal titles to land. However, the Project will provide support to all those affected by loss of seasonal/permanent dwellings and agricultural land. For grazing land lost, support will be provided at the community level to those communities affected.
Include special measures to allow disadvantaged groups to participate meaningfully in the resettlement planning process, to access resettlement assistance and to benefit from Project development opportunities.	Project will identify groups and individuals who may be more diversely affected by Project land acquisition. Assistance measures to vulnerable persons will be elaborated in the Land Use Management Plan.
Ensure affected communities are appropriately engaged in the design and implementation of resettlement activities to facilitate their informed participation	Project has engaged proactively with Project-Affected Persons using a variety of culturally appropriate engagement techniques. More than 50 formal engagement activities involving all Project stakeholder groups have been concluded.



IFC Performance Standard Requirement	Compliance Approach
	Project-Affected People were consulted initially about proposed mitigation strategies for land-based impacts and will be involved in developing compensation packages and related processes.
Where land acquisition and resettlement are the responsibility of the host government, collaboration will be made with the responsible government agency to achieve outcomes consistent with Performance Standard 5.	The Project has collaborated extensively with the government through a variety of forums. The Project will seek approval for all its activities in the community and follow the direction of the government to ensure compliance with local laws. Host government is responsible for providing replacement land. Project will provide in-kind support measures in circumstances where losses caused by the Project are not covered by local laws.
Establish a grievance mechanism to receive and address specific concerns about compensation and resettlement, including a recourse mechanism designed to resolve disputes in an impartial manner.	Project is in the process of establishing a detailed process for community complaints, and this will incorporate the resolution process for land-based impacts.
<p>Cultural heritage will not be removed unless the following conditions are met:</p> <ul style="list-style-type: none"> <li>• There are no technically or financially feasible alternatives</li> <li>• The overall benefits of the project outweigh the loss of cultural heritage</li> <li>• Any removal of cultural heritage is conducted with the best available techniques</li> </ul>	Removal or relocation of tombs/burial sites and cultural resources found within the Project footprint has been conducted in cooperation with the National Museum and with the assistance and approval of local authorities and communities. The Project area is being cleared and cultural assets removed or relocated in advance of construction activities. A <i>Cultural Heritage Management Plan</i> has also been developed by the Project includes procedures for dealing with chance finds during construction and operations.



## Annex 2

### 5.15 Project Impacts

#### 5.15.1 Project Land Requirements

The Bisha Project will make use of 1,650 hectares (ha) of land permanently for the mine and ancillary facilities. This is the Mining License area that was granted in 2008 which includes the Project facilities and a buffer zone (see Figure 1).

#### 5.15.2 Project Footprint

Table 1 summarises the different impacts to land, people and structures as they were estimated at December 2008 for the Bisha Project. This information takes into account the 2006 baseline data as well as updated information that has been gathered by BMSC through its pre-construction activities and ongoing community engagement efforts. Impacts to each of the affected land units/assets are further described in the following sections.

**Table 1 Summary of Land Acquisition Impacts for the Bisha Project**

Affected Land/Assets	Land Take/Impact
Seasonal/Permanent Dwellings	<ul style="list-style-type: none"><li>• 5 seasonal dwellings near Bisha Main belonging to Ad Humed Sheik clan</li><li>• 4 dwellings near Fereketetet River belonging to Ad Faid clan (there is one permanent resident in an Ad Faid hut; the rest are used seasonally)</li><li>• Greater than 10 dwellings of old Bisha village</li></ul>
Agricultural Land	<ul style="list-style-type: none"><li>• Approximately 40 hectares of recently cultivated agricultural land (cropped in 2006)</li></ul>
Rangelands for Domestic Livestock	<ul style="list-style-type: none"><li>• Estimated 393 hectares (plus roads) of rangeland</li><li>• Estimated 482 hectares of historic agricultural land (fallow land not actively cropped for 20 years)</li><li>• Local migration corridor (northern route)</li><li>• Access to rangeland and water points</li><li>• Reduction in rangeland and forage quality</li><li>• Competition for range resources</li></ul>

Further work is required to adequately characterise the impacts to land and assets and potential effects to the livelihoods of agro-pastoralists, so that appropriate mitigation measures can be identified and confirmed.

The villages of **Mogoraib, Adarat and Ad Ibrihim are the affected communities** in terms of land take impacts, since a number of their residents were opportunistically farming land in the Project area and many households were using the area for livestock grazing prior to Project development.

Whilst the villages of Tekreret and Jimel are within the zone of social influence of the Project, their residents did not reportedly use land within the Project area prior to development of the Bisha mine.

#### 5.15.3 Seasonal/Permanent Dwellings

There are very limited effects to residential structures as a result of the Bisha Project. A summary of the impacts to seasonal/permanent dwellings are as follows:

- Five seasonal dwellings have been affected by the Project in the area known as the Bisha Main Deposit;
- Four permanent dwellings have been affected in the Project area in a location along the Fereketetet River; and
- There are greater than 10 dwellings that were in the old Bisha village that have been affected by the Project, however these were old structures left from when resettlement occurred in the 1990's, but were being used seasonally by the Ad Faid clan to herd cattle/goat (the Ad Faid clan are now part of Ad Ibrihim).



#### 5.15.4 Agricultural Land

##### 5.15.4.1 Recently cultivated land

Currently cultivated land was identified during baseline study activities in the rainy season of July 2006 and then further assessed during consultation with local communities and government in 2007 and 2008. A summary of the impacts to cultivated land are therefore as follows:

- The Project land take has affected approximately 40 hectares of recently farmed land by the clans of Debuk and Ad Humed Sheik;
- Nineteen families were identified to have been opportunistically cultivating this land since 2006 (and this was corroborated by government and BMSC itself);
- These opportunistic farm plots may or may not be cultivated in any given year and are also likely to change in their location;
- The farmed area was north of the Bisha Main Deposit, along the road between the Exploration Camp and the Main Deposit;
- Families farming this land have farm plots nearer their settlement areas but choose to farm this land because of historic land ownership/user rights and perceived benefits of the agricultural value/potential of this land;
- Effects have occurred primarily through land conversion and restricted access because of construction and operations activities; and
- After mine closure, it may be possible to farm reclaimed land in areas other than the mine pit, waste dump and tailings impoundment.

There are no other known areas that have been cultivated in recent years in the Project footprint according to consultation with local farmers and communities.

##### 5.15.4.2 Rangelands/Grazing Land (and domestic livestock)

Mine development will require an area of land which was previously used as rangelands (including fallow land) for domestic livestock that originate from communities in the Project area. A summary of the estimated impacts to rangelands/grazing land are as follows:

- An estimated 875 hectares of rangelands/grazing lands are no longer able to be accessed by local communities in the Project area;
- Livestock originating from communities in the local area utilise rangelands of the Bisha area during most times of the year;
- Specifically the communities of Adi Ibrihim, Mogoraib, and Adarat will be affected by the loss of rangelands/grazing land in the Project area;
- A decrease in available habitat for existing populations of wildlife and livestock is likely to result in some increased pressure and competition for remaining rangeland resources;
- Water points within the Project area are no longer be available along the Mogoraib River for Mogoraib and Adarat herders; and
- These rangelands include land that was historically cultivated land but has been fallow for the past 20 years.

The Project land take has also affected a northern migration route in the local area, which has been interrupted and is unavailable for utilisation by domestic livestock herds.

Additional inputs of dust and air emissions from Project activities are likely to have low to medium level effects on rangeland and forage quality in the Project area, primarily through aerial deposition.



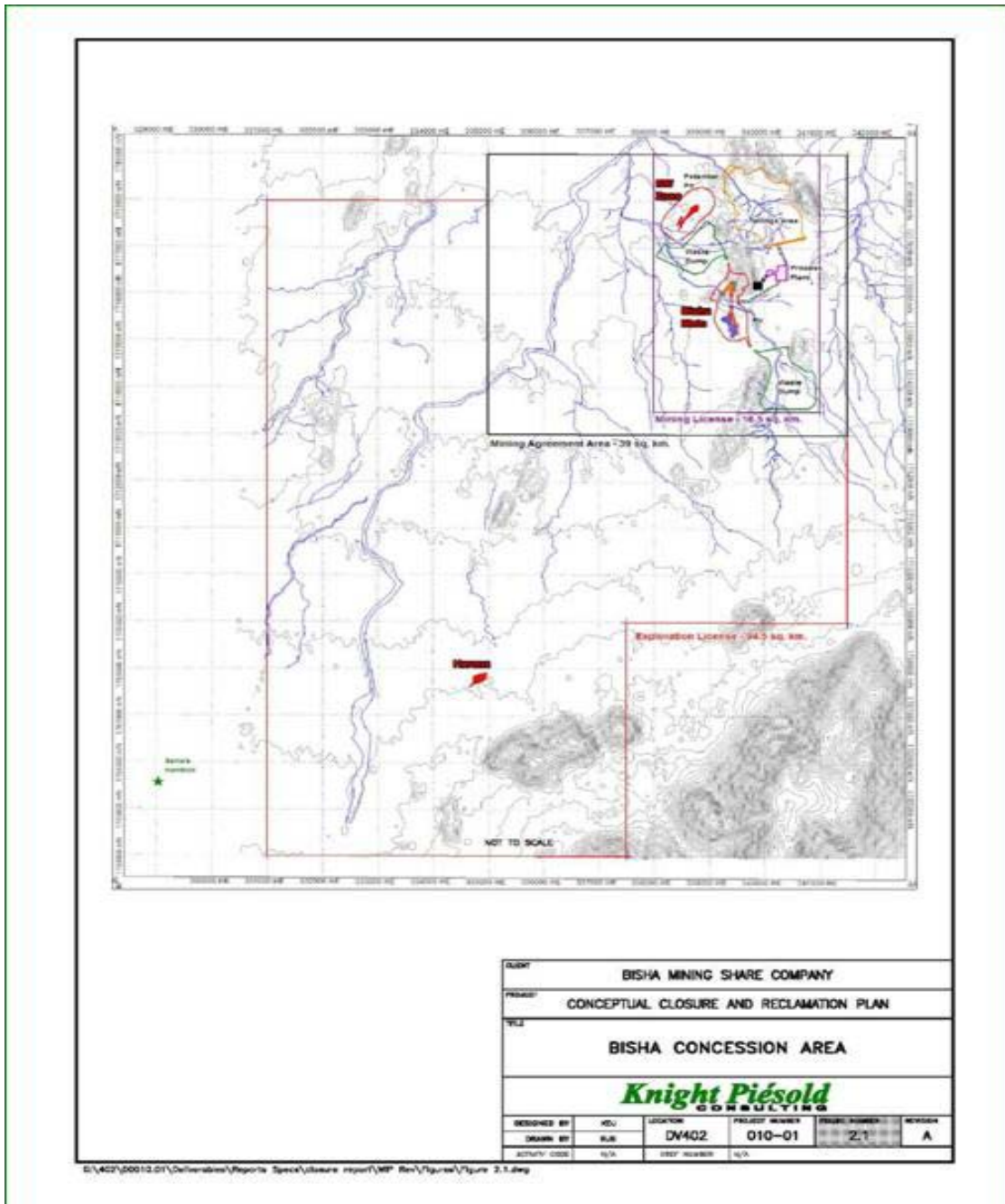
**5.15.5 Community Infrastructure and Businesses**

No community or public infrastructure of any significance is located within the Project area (schools, health centres, streets, water supply, etc...) and no businesses will be affected by the Project land requirements.

**5.15.6 Other Related Issues**

The land and associated assets in the Project area described above, have not been used by communities since the security zone was established by the Eritrean military in 2007 for monitoring regional security.

**Figure 1 Project Land Requirements**





## 6 Community Health, Safety & Security Plan

### 6.1 Introduction

This *Community Health, Safety & Security Plan* is designed to ensure that the Bisha Project protects the health, safety and security of people and communities within the vicinity of the mine site and along the transport route to the port of Massawa.

Community health and safety protection is of prime importance to the Bisha Project therefore BMSC has developed specific measures to ensure that local communities are not adversely affected by off-site incidents or other hazards that may occur as a result of Project activities.

BMSC recognises that it is necessary to collaborate with local communities and authorities to develop appropriate health and safety safeguards because the Bisha mine will introduce new activities to a largely rural setting. Furthermore, and since the Bisha Project is the first modern mining project in Eritrea, it will introduce a range of actions within the country that have not been dealt with either by regulators or by the general population to date.

### 6.2 Objectives

The objectives of this Management Plan are to:

- Establish effective plans and procedures for protecting local communities in the Bisha area from Project-related hazards, as well as those villages/towns along the transport route that may be affected by increased traffic and related hazards from the Project;
- Define BMSC requirements and procedures to guide the HSEC team and other Project contractors;
- Define roles and responsibilities; and
- Define monitoring and reporting procedures.

### 6.3 Scope

This plan describes the measures to address potential health, safety and security impacts from Project-related activities beyond the site perimeter. The plan considers potentially adverse as well as positive impacts related to:

- Public access to the site;
- Employee conduct and awareness (in the community);
- Health and safety hazards that may arise off-site, e.g. dust deposition, traffic accidents;
- Community health and wellbeing, including raising awareness about health issues and maintaining healthy lifestyles;
- Health support services for the local population ; and
- Security measures and the use of force.

This plan is a flexible document that shall be reviewed on a regular basis. The plan applies to BMSC as well as EPCM Contractor personnel. The EPCM Contractor, SENET, shall make sure that this plan is available to their own staff and that all procedures/actions included within the plan are recognised, adopted and applied during construction.

Associated plans, which also incorporate health and safety requirements, include the *Occupational Health & Safety Plan* and the *Spills and Emergency Response Plan*, which deals with environmental spill prevention, emergency situations and off-site mitigation measures. The *Air Quality Management Plan* deals with dust and gaseous emissions impacts including to local communities, while the *Transport Management Plan* addresses traffic and related issues.



## 6.4 Regulatory Requirements

### 6.4.1 Corporate Policy

BMSC has established a policy regarding Social Responsibility that includes the Company's commitment to protecting community health, safety and security.

### 6.4.2 Eritrean Requirements

The primary legal tools for dealing with community health and safety in Eritrea are the Proclamation to Promote the Development of Mineral Resources No. 68 (1995) and Legal Notice No. 19/1995 Regulations on Mining Operations (the Regulations).

### 6.4.3 International Finance Corporation Guidelines

International Finance Corporation (IFC) Performance Standards for Social and Environmental Sustainability set out a range of recommendations with regard to community health, safety and security (Performance Standard #4)<sup>6</sup>. BMSC will comply with requirements of IFC Performance Standard 4.

## 6.5 Potential Impacts

Potential impacts to community health, safety and security will occur in all phases of the Project. However, impacts will likely be greatest during operations, when there will be a considerable increase in traffic on the road to Massawa together with an increase in the transportation of goods and personnel to and from the site. There will also be a permanent workforce based at the site during operations that will inevitably interact with local communities.

There will be an increase in traffic on all the roads used for construction and operations. On some roads, and particularly smaller access roads passing through communities, this is likely to be more significant. This will result in increased nuisance and general disturbance for communities as well as higher safety risks for both people and animals. However, some community members may see an increase in traffic in their areas as a positive impact that provides more economic opportunities such as roadside stalls.

There may be incidents where workers obtain and consume illegal substances and/or excessive amounts of alcohol in communities nearby to the site or along the transport route. Previous construction projects show that this can have a negative impact on communities by increasing incidents of crime, violence and threats (real or perceived) to the safety of community members.

There is also a potential for prostitution associated with the construction and operations workforce, which carries the risk of the spread of sexually transmitted diseases, either to local communities or to commercial sex workers that might move into the area.

Each phase of Project implementation presents different potential community health and safety risks, and these are summarised for the construction, operations and closure/post closure phases.

### 6.5.1 Construction Phase

During the construction phase, the key issues related to community health and safety will be dust arising from earthworks activities and vehicles, an increasing number of new arrivals at site to take up temporary construction jobs and traffic in local communities.

Traffic will not increase significantly during construction and therefore the risk to public safety is expected to be minimal in comparison to operations. Dust will be of most concern on unpaved roads between the mine and Agordat (although there are government plans to surface the Agordat to Mogoraib road), and will increase proportionally to the increase in traffic. The key issues related to air emissions include vegetation stress, soil deposition in neighbouring communities, and visual impacts.

Potential issues related to the workforce and local communities include unfavourable interactions that may arise between Project personnel and residents (e.g. conflicts, fighting, prostitution etc). The Project will require security to protect both the workforce and to prevent unauthorised access to the site.

### 6.5.2 Operations Phase

During the operations phase, the mode of transportation for the extracted materials will change from air (for gold) to road transport (for concentrate). Road haulage will reach a peak during years 5 to 10 of the Project. The total mine traffic during operations is estimated to be 26 trucks per day, or 161 trucks per

<sup>6</sup> International Finance Corporation. Performance Standards for *Social and Environmental Sustainability*; Performance Standard #2. 30 April 2006. pp 7-10.



week. The increase of heavy traffic will likely be significant in some areas (although further investigation is required to confirm traffic impacts during operations under the Transport Assessment (TA)).

Dust will occur as a result of increased traffic, and also from drilling, blasting, excavation and topsoil movement. Other gaseous emissions may occur from equipment operation, power generation and waste incineration. Truck traffic is not expected to measurably increase traffic noise.

Blasting is expected to occur regularly during operations and may create noise, visual and dust impacts to neighbouring communities, especially to herders and their livestock.

Operation of mining equipment will occur daily at site; however all high risk areas will be enclosed with a high-security fence to ensure that there is no access by the public or other unauthorised people.

Security arrangements, including the security zone, will continue during the operational phase of the Project.

### **6.5.3 Closure Phase**

There may be some new or different impacts to community safety as a result of closure activities, such as those associated with reclamation work on potential hazardous sites, e.g. waste rock facilities, the tailings management facility and the open pit. However, where approved closure practices and plans are implemented, the risks are expected to be low. Following closure and decommissioning, it is expected that the security zone will cease and, assuming that all safety and other controls are in place, herders and use of migration corridors will be able to reaccess the land.

## **6.6 Community Health & Safety Procedures**

The Bisha Project team have developed a range of community health and safety procedures to ensure the protection of local people, their properties, assets and livestock from potentially hazardous activities conducted for the Project.

### **6.6.1 Community Safety**

#### **6.6.1.1 Crimes and Violence**

BMSC has a zero tolerance policy on crimes and violence related to its workforce. To this end, BMSC will implement the following provisions to minimise crimes and violence related to the workforce:

- Implement an Alcohol and Substance Abuse Policy which clearly sets out the requirements and rules related to alcohol use during “on-duty” and “off-duty” hours (there will be a zero tolerance to drunkenness during “on-duty” hours);
- Drug and alcohol testing will be carried out in accordance with the Alcohol and Substance Abuse Policy and the programme will reinforce the requirements of the policy;
- The Code of Conduct will contain rules and regulations related to illegal activities, including crimes and violence and other expectations of the workforce;
- The Community Relations Manager (or their delegate) shall induct all BMSC employees, SENET personnel and sub-contractors on the requirements of the Code of Conduct prior to their commencing work;
- The Code of Conduct will be publicised in settlements potentially affected by the construction and operations of the Project so that local people know the expectations of the workforce;
- The Project will implement disciplinary procedures related to its workforce and any illegal conduct by Project personnel; and
- Entertainment and sports facilities shall be provided at construction camps to encourage workers to remain within the camp boundaries during leisure time (construction of these facilities has commenced).

#### **6.6.1.2 Transport**

BMSC will put in place a number of traffic safety initiatives such as signage and speed limits to minimise traffic incidents involving people and animals. To this end, the Project will:



- Conduct route surveys, including to identify communities along the route, conduct building condition assessments (i.e. to assess potential damage from increased number of trucks), and identify accident black spots;
- Implement rigorous contractor selection processes to minimise risk;
- Implement rigorous driver training and vehicle inspection programmes for BMSC/SENET drivers and facilitate the adoption of similar standards for contractors (including off-road driving and 4\*4s);
- Establish appropriate driving standards, including for day/night driving and rainy season driving and so on;
- Impose speed limits; and
- Ensure that all project vehicles are well-maintained and fitted with safety equipment as appropriate (seat belts, communication devices, reversing alarms etc).

#### **6.6.1.3 Blasting**

In order to minimise effects to local communities, domestic livestock and wildlife as a result of blasting activities, the following provisions will be made:

- BMSC will obtain approval from the relevant local authorities for the transportation, storage and use of explosives;
- Shot firers and other personnel using explosives must be licensed and appropriately trained for their duties;
- Times for blasting will be selected when the community is least sensitive to blasting impacts (e.g. day time hours);
- The local population shall be warned well in advance with dates and times of blasting (they must be allowed the opportunity to move livestock and prepare in advance);
- Warning signs and security staff must be put into place to ensure the safety of the local population during blasting;
- An audible pre-warning shall be given immediately before each blast or series of blasts; and
- Approved blasting practices shall be followed at all times.

#### **6.6.1.4 Site Access, Demarcation and Protection (Site Security)**

A “security zone” has been established by the Eritrean military around the Project area (which limits access to the Project site as well as other land outside the site as defined by the government). This area is not under the control of BMSC.

Since the security zone is controlled by the Eritrean military, it is not known how long these arrangements will be in place. Therefore, the following requirements will be met by the Project during construction and operations to ensure that site access is properly controlled:

- A high security fence will be erected around ‘high risk’ mine facilities including the mill and crusher areas;
- A manned security gate and personnel identification system will be implemented by BMSC in the absence of other reasonable measures to control site access (e.g. the security zone);
- All site activities will be clearly demarcated where fencing is not required to ensure that they are safe, visible and illuminated;
- Where roads or other access routes cross site activity areas, BMSC will be responsible for providing and maintaining safe diversions, temporary bridges, traffic controls, barricades, signs and warning lights as required;
- All crossings of tracks and roads will be reinstated on completion of activities;



- Stockproof fencing will be erected in areas of danger for livestock and the community relations team will agree areas for fencing with relevant communities and livestock owners;
- Watchmen should be employed to survey the Project construction sites and night-time vehicle storage areas and they will also discourage public infringement onto all Project sites;
- The migration of people in search of employment opportunities will be actively discouraged through publication of BMSC's recruitment policies which give preference to candidates from local/regional communities, as well as other measures to manage influx;
- Recruitment will only take place at designated recruitment centres and not via informal requests or approaches by members of the public either at the construction camp or along the route (to reduce the potential for the public coming to the site in search of work); and
- All goods and equipment required for the project will only be purchased through formal routes. This will be publicised around the community and in regional areas (to minimise the potential for hawking around the site boundary).

## **6.6.2 Community Health and Wellbeing**

### **6.6.2.1 Personal Health Programme**

Both BMSC and SENET will develop a Personal Health Programme to educate their workers in illness and disease prevention to minimise the occurrence or spreading of diseases. The health program will be implemented in accordance with the *Occupational Health & Safety Plan*. The following provisions shall be implemented to ensure that the potential for health issues beyond the site are minimised:

- Employees will undertake a fitness to work assessment and baseline medical assessment on joining;
- The health programme will include medical examination of employees and main contractors on a regular basis as required by Eritrean labour laws;
- The health programme will include immunisations if required for Project workers and relevant contractors;
- Training will be provided to all staff, both national and expatriate, and will include awareness-raising on health considerations, including sexually transmitted diseases (STDs);
- Health awareness training for workers will be conducted at induction and then periodically throughout construction and operations; and
- Health awareness materials will be provided in the appropriate language and disseminated through the meeting houses, Storefront Information Centres and local schools.

### **6.6.2.2 Health Provision**

BMSC recognise that the first step in protecting community health and well-being is to protect its workforce, which requires the following minimum health provisions to be in place:

- Medical facilities will be provided to all workers and their families at the site and there will be a dedicated ambulance service for the Project;
- Dedicated medical facilities will reduce the demand on existing community health services which are lacking in many basic requirements;
- The medical facilities at the site will not be made available to the local communities in an attempt to reduce the potential for people to migrate to the area in search of health service provision;
- BMSC will seek to help upgrade the medical facilities at Mogoraib in cooperation with government, so they can be used to support the mine site clinic and the local population;
- Medical staff from the Project may support government staff to conduct health awareness, health checks and other in-kind support services within local communities from time to time; and
- In the course of time, BMSC may help to fund community inoculation programmes.



### 6.6.3 Community Health and Safety Awareness and Support

The Environment Department, will provide health and safety education sessions in every community potentially affected by health and safety hazards related to the Project.

#### 6.6.3.1 Traffic Safety Awareness

The Project has developed a *Transport Management Plan* that takes into account transport routes, speeds, times of travel, key roads in terms of local communities and measures to be taken to limit impacts on these key roads. Likely impacts on schools and major pedestrian crossing areas will also be assessed and necessary measures identified.

The *Transport Management Plan* includes a Traffic Awareness Program for villages and towns affected by Project-related traffic. This programme will be facilitated by the Health & Safety Manager and the community relations team, and will include:

- BMSC will work with local Police Departments and administrators to help them implement a traffic awareness programme;
- The traffic awareness programme will inform affected communities of the potential hazards that could be encountered from increased or altered traffic patterns and volumes on the roads used by Project-related vehicles;
- The traffic awareness programme will include a range of practical education activities, demonstrations and other events to help the residents avoid traffic accidents and incidents;
- The traffic awareness programme will tailor its activities to meet the needs of the different communities/settlements affected along the transport route (e.g. different training may be required for towns close to Asmara since they may be used to higher volumes of truck traffic, whereas rural communities such as some close to Bisha are likely to require more intensive awareness raising efforts);
- Consideration will be given to targeting different sections of the population that may be affected by increased traffic, particularly children, youth and the elderly; and
- Proper notification will be provided to affected communities well in advance of training dates to ensure maximum participation.

#### 6.6.3.2 Health Awareness and Support in Communities

The following provisions will be made to support communities in health provision and raise awareness of the potential health issues associated with the mine:

- BMSC shall conduct a community health assessment within the Project-affected villages; this will be a key piece of work and will serve to inform any health awareness and support programmes implemented by BMSC;
- Awareness-raising education and outreach events will be facilitated by BMSC/SENET on health issues, particularly communicable diseases, including HIV/AIDS for communities close to the mine site;
- BMSC will work with local Health Departments and administrators to help them implement the community health awareness programme;
- SENET will be expected to participate in some health awareness events with local communities during the construction phase; and
- Printed materials including posters, leaflets and other documents will be prepared and disseminated through health clinics, community meetings and at the Store Front Information Centres.

### 6.6.4 Community Emergency Preparedness and Response

BMSC has developed a *Spills and Emergency Response Plan*, *Transport Management Plan* and a *Cyanide Management Plan* which all deal with the potential for off-site incidents that may affect local communities. The following provisions will also be implemented:



- BMSC will work with communities and administrators and relevant Police and Fire Departments to identify an effective emergency alert system for the Project;
- BMSC will provide potentially affected communities with information regarding the potential hazards and Project responses;
- BMSC will work with communities in a collaborative manner to develop action plans for their preparedness and response;
- Participative workshops and emergency response demonstrations will be carried out in Project-affected communities (e.g. Mogoraib, Adarat, Ad-Ibrihim, Jimel and Tekreret) and attendees will be paid per diem for their participation; and
- The Emergency Response Team (ERT) for the Bisha mine will be identified to local communities.

#### 6.6.5 Security and the Use of Force

BMSC intends to comply with the Voluntary Principles on Security and Human Rights<sup>7</sup> and the IFC's Performance Standard 4 on Community Health, Safety and Security.

BMSC intends to use a private security firm to provide site security and will conduct the relevant assessments and apply applicable standards to any individual or company it contracts for such activities. To this end, BMSC has developed and adopted a standard/procedure that describes the minimum requirements for all personnel, contractors and sub-contractors related to security arrangements and the use of force.

This security standard is designed to help the Company to protect its people and assets in a way that minimizes conflict and respects the human rights of its stakeholders. The security standard is as follows:

- BMSC will adhere to local laws as well as international standards on law enforcement in securing its operations, particularly those that relate to the use of force<sup>8</sup>;
- BMSC will carry out risk assessments in relation to security issues at each of its Project sites;
- Each BMSC site will develop a *Security Plan* in order to prevent or mitigate any threats identified in its risk assessment. The *Security Plan* will determine how personnel will be deployed at the project sites;
- The objective of the *Security Plan* will be to ensure that security is deployed in a way that respects and protects human dignity and human rights, avoids creating conflict and addresses security threats in as peaceful a way as possible;
- BMSC will therefore seek to ensure that force is a last resort and is used in a way that minimizes damage and injury, and respects and preserves human life;
- BMSC will only use armed guards where the above risk assessment determines that this is the only way to mitigate the risks identified or where it is required by law;
- Force should only be used for preventive and defensive purposes in proportion to the nature and extent of the threat. BMSC's security personnel should accordingly:
  - First try to resolve any security incidents without using force; and
  - Only use the minimum force needed if this fails.
- Firearms will only be used in accordance with the above principles and where human life is at risk and less extreme measures are not sufficient;
- In every instance in which a firearm is discharged, a report should be made promptly to BMSC's central office;
- Security personnel must ensure that medical aid is given to anybody injured in any incident at the earliest possible moment;

<sup>7</sup> For more information consult [www.voluntaryprinciples.org](http://www.voluntaryprinciples.org)

<sup>8</sup> The UN Code of Conduct for Law Enforcement Officials ([http://www.unhcr.ch/html/menu3/b/h\\_comp42.htm](http://www.unhcr.ch/html/menu3/b/h_comp42.htm)) and the UN Basic Principles on the Use of Force and Firearms by Law Enforcement Officials ([http://www.unhcr.ch/html/menu3/b/h\\_comp43.htm](http://www.unhcr.ch/html/menu3/b/h_comp43.htm)) are key in this regard.



- A community complaints process will be in place to allow the local community to express concerns about the security arrangements and acts of BMSC security personnel;
- BMSC will investigate any credible allegations of unlawful or abusive acts of its security personnel, take action to prevent recurrence, and report unlawful and abusive acts to public authorities when appropriate;
- Where BMSC uses public or government security services to protect its operations, they must guarantee that existing international guidelines and standards for the use of force are respected;
- BMSC will conduct due diligence on security providers to avoid retaining the services of any group or individual that has previously been responsible for violations of human rights or humanitarian law;
- BMSC will provide training regarding the use of force (and where applicable, firearms) and appropriate conduct toward workers and the local community and monitor to ensure that security personnel abide by this standard; and
- BMSC will never place or pressure employees to work in areas of high risk to personal security.

BMSC will coordinate with the Department of Mines to maintain dialogue with the Eritrean military about their current activities and future plans for national security measures in the region. This will include dialogue about the “security zone” that has been established in the area and includes the Project site.

## **6.7 Training**

All employees of BMSC and Contractors to BMSC shall be provided with basic training on health, safety and security. Additional specialist training shall be provided to key personnel involved in activities that are conducted off-site, e.g. along the transport route.

## **6.8 Roles & Responsibilities**

Overall responsibility for the implementation of this Management Plan shall rest with the Bisha Health & Safety Manager who shall report on progress to the Bisha Environment Manager. Others with responsibility for the implementation of this Management Plan shall include:

- SENET, as EPCM Contractor, shall be responsible for the integration of these procedures and requirements into their operating procedures and plans;
- Bisha Community Relations Manager shall be responsible for ensuring that activities related to engaging and working with local communities are conducted in accordance with relevant procedures and requirements for stakeholder engagement and community assistance; and
- Bisha Mine/Mill Superintendents shall be responsible for ensuring that these procedures and requirements are implemented for all operations.

## **6.9 Monitoring & Reporting**

It is important to monitor activities at the mine site, as well as those that occur off-site, including transportation of supplies and concentrate to and from Bisha, to ensure that local and regional communities are protected. Community health & safety monitoring procedures shall be as follows:

- SENET shall report on a monthly basis to the Bisha Health & Safety Manager on the implementation of this Management Plan including:
  - Workforce conduct within the community;
  - Any instances of workforce non-compliance with Project rules and regulations;
  - Condition of access roads and dust suppression activities;
  - Security arrangements;
  - Employee personal health programme; and
  - Implementation of the substance and alcohol abuse policy;



- Time lost to illness or disease by workers;
- Bisha Health & Safety Manager shall inspect the condition of areas of activity at the site on a monthly basis and shall maintain appropriate records. The inspection shall include:
  - Safety practices in areas that could impact communities;
  - Spot checks of vehicles entering/exiting nearby local communities;
  - Spot checks to indicate that workers and communities are aware of health issues, the Code of Conduct and other Project rules;
  - Conditions of roads and other areas prone to dust;
  - Health and safety inductions;
  - Record for the personal health programme;
  - Records for the drug and alcohol testing programme;
  - Lost time incident statistics;
  - Records related to education events to raise health & safety awareness in communities.

The Bisha Health & Safety Manager shall be responsible for record-keeping.

Regular reporting shall be undertaken via the monthly SEMS Report that shall be prepared and submitted to the Bisha General Manager. Reporting shall include:

- A summary of activities undertaken during the reporting period;
- Any material deviations or non-compliances to this Management Plan;
- Planned activities during the next reporting period;
- Any other issues of concern.

Further information on social monitoring and reporting requirements and procedures is set out in the Monitoring Plan and in the Social & Environmental Management System.