

Environmental Monitoring Report

Annual Report No. 1
April 2022

Mongolia: Developing the Economic Cooperation Zone Project

Prepared by the Office of the Deputy Prime Minister of Mongolia for the Asian Development Bank

List of abbreviations

ADB	Asian Development Bank
CS	Consultant services
DEIA	Detailed Environmental Impact Assessment
EA	Executing agency
EMP	Environmental Management Plan
EMR	Environmental Monitoring Report
GASI	General Agency for Specialised Inspection
GRM	Grievance Redress Mechanism
IA	Implementing Agency
IEE	Initial Environmental Examination
MCUD	Ministry of Construction and Urban Development
MET	Ministry of Environment and Tourism
ODPM	Office of the Deputy Prime Minister
PIU	Project Implementation Unit
PSC	Program Steering Committee
SPS	Safeguard Policy Statement
ZUFZ	Zamyn-Uud Free Zone
ZUFZGO	Zamyn-Uud Free Zone Governor's Office

Weights and measures

cm	centimeter
dB(A)	the weighted sound pressure level in decibels
ha	hectare
kg	kilogram
km	kilometer
kWh	kilowatt-hours
m	meter
mm	millimeter
m/s	meters per second
m ²	square meter
m ³	cubic meters
mg/l	milligrams per litre
mg/m ³	milligrams per cubic meter
mg/Nm ³	milligrams per standard cubic meter
Nm ³	standard cubic meter
°C	degrees Celsius

CONTENTS

<i>List of abbreviations</i>	2
<i>Weights and measures</i>	2
<i>List of Tables</i>	3
I. INTRODUCTION	5
A. PURPOSE OF THE REPORT	5
B. PROJECT IMPLEMENTATION PROGRESS	5
II. ENVIRONMENTAL MANAGEMENT	7
A. COMPLIANCE WITH ENVIRONMENT-RELATED PROJECT COVENANTS	7
<i>Compliance with the ADB SPS</i>	7
<i>Compliance with National legislation on Environmental Protection</i>	7
B. ENVIRONMENTAL RESPONSIBILITIES	7
C. ENVIRONMENTAL MONITORING	8
III. PROGRESS AGAINST ENVIRONMENTAL MANAGEMENT	10
IV. CONCLUSION	15
A. OVERALL PROGRESS OF IMPLEMENTATION OF ENVIRONMENTAL MANAGEMENT MEASURES .	15
B. PLANNED TARGETS AND ACTIVITIES FOR THE NEXT REPORTING PERIOD	15
V. ANNEXES	17
ANNEX I. ENVIRONMENTAL MANAGEMENT PLAN	17
ANNEX II. THE DRAFT OF THE GUIDANCE FOR THE GRM	20

List of Tables

TABLE 1. PIU STAFF	5
TABLE 2. EMP PERFORMANCE STATUS IN 2021	10
TABLE 3. PROJECT READINESS ASSESSMENT	11
TABLE 4. PROJECT REPORTING REQUIREMENTS FOR ENVIRONMENTAL SAFEGUARDS	12
TABLE 5. LIST OF ENVIRONMENTAL SAFEGUARD ASSURANCES FOR THE PROJECT AND THE STATUS. .	12

This environmental monitoring report is a document of the borrower. The views expressed herein do not necessarily represent those of ADB's Board of Directors, Management, or staff, and may be preliminary in nature.

In preparing any country program or strategy, financing any project, or by making any designation of or reference to a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

I. INTRODUCTION

A. PURPOSE OF THE REPORT

1. This report is the first environmental monitoring report for the project L-3936 MON: Developing the Economic Cooperation Zone Project (the Project). It covers the period from the start of the project up to 31 January 2022 and was prepared by the PIU on behalf of the Executing Agency (EA) and Implementing Agencies (IAs) for the project.

B. PROJECT IMPLEMENTATION PROGRESS

2. As of 31 December 2021, 25% (1.4 years) of the total project period elapsed. According to the implementation plan for 2021, 44 activities were planned to be implemented in 4 components and the implementation of the plan for the reporting period is 83%.

3. In the reporting period, the Procurement Plan (PP) was updated two times as version 1 and 2 in June and December 2021, respectively. The main changes of PP were (1) added new packages RFQ-03, RFQ-04, RFQ-05, RFQ-06, RFQ-07, CS-11, CS10, and CS-12; and (2) removed CW-04 package followed by the decision of the technical working group to facilitate the approval of the ZUFZ masterplan. In this reporting period, 14 contracts were awarded including PIU staff contracts. In 2021, 12 packages are planned in the procurement plan. Out of these packages, 9 contracts were successfully awarded including five (5) consultancy services, one (1) work, two (3) goods and services of \$0.33 million were signed. The slow process of selecting some high-value portfolios in the procurement plan is the reason for the low disbursement (0.2%) of the project.

4. The package RFQ-03 was added to the PP because the GASI issued a report indicating that the location chosen for the gateway facility in the Zamyn-Uud Free Zone contained soil pollution, demanding an engineering-geological examination, extensive investigation of soil pollution, and remediation. The examination was carried out by Mintores LLC, which was selected by the PIU based on shopping methodology.

5. The purchase of a land surveying tool for the ZUFZGO is one of the newly added RFQ-04 packages. The technical specifications and Request for Quotation for the item will be prepared in 2022 and will be submitted to the ADB for approval.

6. The CS-04 package included training activities related to the Gender Action Plan (GAP), such as HIV/AIDS and GBV training for local communities and small-scale women traders in Zamyn-Uud, integrated solutions to prevent human trafficking, and developing a manual for investors in national labor and gender equality policy. Because of the shortage of potential contractors, and this may have an impact on service quality, the package has been broken down into three main packages, RFQ-05, RFQ-06, and RFQ-07. The changes will be incorporated in the PP of the project in 2022.

7. Because the majority of the changes in the PP were related to consulting services, an update for IEE had not been required.

8. The PIU staff, who have been hired in 2021 are listed below.

Table 1. PIU Staff

Procurement Package	Position Title	Duration of contract
PIU-01	Project Coordinator	28 Apr - 31 Dec 2021
PIU-02	Financial Specialist	07 Jan - 31 Dec 2021
PIU-03	Procurement Specialist	07 Jan - 31 Dec 2021
PIU-04	Civil Engineer	28 Apr - 31 Dec 2021
PIU-05	PIU Translator and Assistant	20 Jan - 31 Dec 2021

9. Due to the delay in the establishment of PIU, project implementation has been progressing slowly in the first half and has progressed in the second half of 2021. The PIU is closely coordinating with EA and IAs on project implementation.

10. The PIU has been providing EA, IA, and ADB with updates on the implementation of planned activities, ongoing procurement activities, and disbursement and contract award status. The Q2 progress reports were submitted to the MoF and ADB in August 2021.

11. Project implementation arrangement, reporting, and recruitment processes will be in line with the Regulation on utilization of proceeds of foreign loans of the government; implementation, administration, financing, monitoring and evaluation of projects and programs funded by such proceeds" approved under the Resolution No. 196 of the MOF, and relevant regulations that are approved and amended from time to time.

II. ENVIRONMENTAL MANAGEMENT

A. COMPLIANCE WITH ENVIRONMENT-RELATED PROJECT COVENANTS

(i) Compliance with the ADB SPS

12. The project is classified as category B for the environment. The Initial Environment Examination (IEE) and the Environmental Management Plan (EMP) were prepared and disclosed locally and on the ADB website in April and May 2020, followed by public consultations. The IEE concludes that with full implementation of the EMP together with the project assurances, adverse environmental impacts will be minimized in compliance with the policy and regulatory standards applied to this project.

13. The IEE has been prepared to identify and assess environmental impacts based on which a range of measures to avoid and/or mitigate those impacts have been developed to form the EMP. The EMP has two parts, one for the preparation and construction phase of the project based on ADB safeguard requirements, international good practices as reflected in the WB/IFC's Environmental Health & Safety Guidelines guidelines, and experience of similar projects inside and outside Mongolia.

(ii) Compliance with National legislation on Environmental Protection.

14. The ZUFZ region's projected development improvement, based on existing infrastructure, provides a solid choice for the enhancement of current border crossing and economic development facilities, such as roads, heating, water supply, wastewater collection, and power supply structures, which are subject to the Detailed Environmental Impact Assessment (DEIA) under Mongolian Law on Environmental Impact Assessment and its accompanying regulations.

15. In November 2019, the environmental impact assessment entity "SATU" LLC conducted an environmental baseline survey in the project area. By this report, they defined the environmental baseline data of the project area, including surrounding land surface, geological formations, tectonics, earthquakes, surface and groundwater, climate, soil, plants, animals, and other natural components, ambient air pollution, soil erosion, pollution and noise levels. Also, examined the current socio-economic situation in Zamyn-Uud soum of Dornogovi aimag, as well as the negative impacts on the environmental components and mitigation measures during construction and operation.

16. The DEIA will be carried out, however, after the contractor for the entire engineering design set of the Zamyn-Uud free zone building work of CS-01 has been selected. The contract will cover an estimate of 300-hectare land of ZUFZ's Partial Master Plan for the planned infrastructure, exit buildings & facilities, and infrastructural planning site for the vertical connection of the ZUFZ exit to the AN-3 road.

17. The terms of reference for the consulting company have been prepared, which require them to conduct DEIA and provide reports for the proposed region following the modified 2021 Master Plan, with a focus on Phase 1 development by contracting a subcontractor with the necessary special license. DEIA shall be undertaken and a report shall be submitted under the "Methodology for Conducting DEIA" approved by Minister of Environment and Green Development Order No. A-117 in 2014. This will comprise the study and evaluation necessary by Mongolian laws and regulations, as well as the development of a Phase 1 Environment Management Plan and obtaining clearance from the competent authorities.

B. ENVIRONMENTAL RESPONSIBILITIES

18. Due to the delay in the establishment of PIU, project implementation has been progressing slowly in 2020. On 14 May 2021, the ODPM established the PIU with 6 staff, working as fully responsible for the project management and implementation¹. The environmental specialist for

¹ Following order No.221 of the Minister of Finance dated 2 December 2020

the PIU has been selected in September 2021 and contracted in October 2021. The key task of the specialist is to provide support to the PIU in compliance with the requirements of EMP and Mongolian legislation.

19. During the reporting period, the Environmental Specialist visited the Zamyn Uud Free Zone project area on 18-23 October 2021 and met with government officials of Zamyn Uud Soum.

20. ADB also appointed an environmental consultant, who assisted the PIU in developing ToR for the Environmental Specialist, creating a project environmental database, and preparing and strengthening the project's environmental safeguards monitoring and reporting following the provisions of the loan and project agreements, project administration manual, and the environmental and social management system.

21. Moreover, during the reporting period, the PIU developed environmental provisions in the bidding documents and contracts for construction works requiring contractors to:

- (a) comply with the measures relevant to the contractor outlined in each IEE and EMP (to the extent they concern impacts on the respective affected people under the Environmental Safeguards during construction), and any corrective or preventative actions set out in (i) a Safeguards Monitoring Report, or (ii) subsequently agreed between ADB and the Borrower;
- (b) make available a budget for all such environmental and social measures;
- (c) provide the Borrower with written notice of any unanticipated environmental, resettlement, or indigenous peoples risks or impacts that arise during construction, implementation, or operation of the Project that was not considered in the relevant IEE or EMP; and
- (d) reinstate pathways, other local infrastructure, and agricultural land to at least their pre-project condition upon the completion of construction.

C. ENVIRONMENTAL MONITORING

22. The project environmental monitoring program has been designed as part of the EMP, outlining required criteria, time, and frequency, implementing and supervising agencies, and anticipated costs. Environmental monitoring will be carried out during the construction and operational phases, with the ADB overseeing compliance based on yearly environmental monitoring reports submitted by the PIU and review missions. The status of environmental monitoring in the reporting period is defined as below:

- (a) **Internal monitoring of the Contractor of the construction:** This will be implemented during the construction phase. Selection and work by Contractor for the construction phase has not commenced in 2021.
- (b) **External monitoring (PIU and Supervision Engineer):** The PIU has been implementing the EMP in stages and monitoring the terms of the loan agreement and the EMP. During the construction stage of the EMP implementation, the PIU will select a supervision engineer and conduct an external inspection by the client. No implementation as of reporting period for the EMR.
- (c) **Outside monitoring.** The General Agency for Specialized Inspection conducted inspection on October 29, 2020.
According to the following instructions given by the Office of the Deputy Prime Minister and Official Letter "Please provide a professional opinion on the environmental impact of the accumulated wastewater and whether the soil and vegetation are suitable for further planning of the major international border crossing complex", a guideline No. 01/224 "on unscheduled inspection" was issued and the sanitary condition, requirements, and planning condition of the land to be built at the main entrance and exit of the free zone with an integrated security complex such as road, border alarm, control and equipment of "Zamyn-Uud" free zone were monitored with analysis.

23. The following conclusion has been drawn according to the monitoring and inspection.
- (a) Domestic wastewater has accumulated near the construction site of the newly planned entrance and exit of the “Zamyn-Uud” free zone and heavy metals and toxic chemicals such as uranium and arsenic were detected in the analysis, and under the *Clostridium perfringens* titer indicator and soil bacteriological analysis, it was classified as “highly polluted” in the vicinity of the dead water and in the soil of the drainage card where wastewater was discharged which violates the provision#5.1 of the Clause#5 of the Law of Health.
Therefore, under the Law on Environmental Impact Assessment and the Law on Hygiene, it is necessary to conduct an impact assessment on the environment and human health and to construct buildings and facilities after chemical and biological pollution of the surrounding area are eliminated.
Upon selection of the CS-01 contractor, the required DEIA, which is included in the scope of the engineering design contract will be performed according to the Mongolian laws and regulations, including the Law on Environmental Impact Assessment and the Law on Hygiene, as well as the EMP of the ADB SPS and obtaining clearance from the competent authorities. The comprehensive environmental study will include a study of the environmental quality in the project area, an evaluation of the project's impacts on the environment and human health, and the development of methodological recommendations for reducing chemical and biological pollution in the surrounding area for constructing buildings and facilities.
 - (b) The newly planned entrance and exit of the “Zamyn-Uud” free zone haven't been described in the general development plan of Zamyn-Uud soum, so there is an external conclusion that it should be planned as coordinating with it.

III. PROGRESS AGAINST ENVIRONMENTAL MANAGEMENT

24. This section details the progress made in implementing the project EMP during the current reporting period, which covers the Project's pre-construction stage. As of 31 December 2021, an overall plan implementation process is assessed at 2%, which means that most activities that involve environmental consideration are planned to be for the next reporting period.

25. The DEIA of the project will be started upon the selection of the CS-01 contractor. The comprehensive environmental study will be conducted during DEIA including a study of the environmental quality in the project area, an evaluation of the project's impacts on the environment and human health, and the development of methodological recommendations for reducing chemical and biological pollution in the surrounding area for constructing buildings and facilities. According to the DEIA results, the update of the project EMP will be required to ensure consistency of the ADB SPS and the national legislation.

Table 2. EMP performance status in 2021

Project activities	Environmental Impact	Mitigation measures to be included in EMP	Status
Climate change adaptation	increased erosion and inundation by windblown sand, more snow, and rain	<ul style="list-style-type: none"> - Ensure all sand stabilization and erosion protection measures such as bunds, planting, watering, establishing, and maintaining vegetation are incorporated in the design are implemented. - Ensure buildings are designed and built to withstand predicted additional snow loads and drains that can accommodate expected additional rainfall. 	Will be performed after selection of CS-01
Bidding, contracting	Not applicable (NA)	<ul style="list-style-type: none"> - Include EMP in the bidding docs and contracts with contractors, engineering supervisors, and environmental monitoring - Include EMP (quantitative) monitoring plan in bids/contractors with external monitors 	PIU developed environmental provisions in the bidding documents and contracts for construction works
Staffing budgeting for EMP imp	NA	<ul style="list-style-type: none"> - At least one month before construction commences the contractors and operators will demonstrate to the PIU, they are properly resourced, and a qualified/experienced environment and safety officer (ESO) will be identified by the contractors in the bid; 	Not applicable for 2021
EMP training of contractors, engineers, workers, and foremen on EMP	Contractors unaware of thus do not implement measures	<ul style="list-style-type: none"> - Contractors informed of all environmental safeguard requirements and trained how to implement mitigation measures and monitor and use checklists as part of awareness and mobilization training - The contractor will identify one staff to be the liaison with the Soum and PIU as well as between the contractor and PIU; - The contractor informed to ensure that workers' actions outside work site are controlled and Soum codes and rules of conduct are observed at all times; - Worker camp (if required) will be located at least 500m from settlements and approved by PIU and managed to minimize impacts; 	Not applicable for 2021

		<ul style="list-style-type: none"> - The contractor is informed to Hire and train as many local workers as possible by using labor from each soum as the work proceeds. - Adequate signage and security provided at the site offices and works yard and prevention of unauthorized people (especially children) entering the working areas; - Hire and train as many local workers as possible by using local labor 	
--	--	--	--

26. An assessment of project readiness was conducted between January 2021 and December 2021, before the start of project civil works. The assessment was conducted by the ADB's Environmental consultant and PIU Environment specialist. The indicators that were assessed are presented in Table 3. These indicators include whether: (i) the EMP mitigation measures have been incorporated in the detailed design; and (ii) the PIUs have included project-specific clauses for environment safeguards to be incorporated in the bidding documents.

Table 3. Project readiness assessment

Indicator	Assessment Target	Target Achieved in 2021
EMP update	EMP was updated after technical detail design & approved by ADB	Not applicable in 2021. The update will be required after the completion of the Detailed design
EMP translation and disclosure	EMP was translated into the local language and distributed to IAs, design institutes, PIUs	The translation is ongoing. Upon completion, the document will be introduced to counterparts
Compliance with loan assurances	The borrower complies with loan assurances related to project design and environmental management planning	In compliance
Public involvement effectiveness	Meaningful consultation completed	Not applicable in 2021
	GRM established with entry points	The concept of GRM has been developed
Environmental supervision in place	Environment specialist (consultant) is in place	The consultant signed a contract in 2021
	Propose to the governmental agencies in Zamyn-Uud soum about carrying out external monitoring and examination	Conducted initial meeting with the Zamyn-Uud environmental department
	Construction Contractor should employ an environmental protection specialist or supervision engineer	Not applicable in 2021
Bidding documents and contracts with environmental safeguards	Bidding documents and contracts incorporating the environmental activities and safeguards listed as loan assurances	Developed environmental provisions in the bidding documents and contracts for construction work requiring contractors to comply with the measures relevant to the contractor outlined in each IEE and EMP
	Bidding documents and contracts incorporating the impact mitigation and environmental management provisions of the EMP	
	Environmental requirements of EMP included in contract documents for construction contracts	
EMP financial support	The required funds have been set aside for EMP implementation	The issue will be addressed in the next reporting period

27. The project reporting requirements for environmental safeguards are summarized in Table 4 and comprise: (i) progress reports from contractors and CCs to the PIU; (ii) progress reports on external monitoring from a GASI to the PIU; (iii) environmental monitoring reports (EMRs) from the PIU to ADB, and ODPM, MCUD, MOF, ZUFZGO.

Table 4. Project reporting requirements for environmental safeguards

Reports	From	To	Frequency	Progress this reporting period	Comments
Pre-Construction phase					
Progress report – internal monitoring of EMP implementation	PIU	ODPM, MCUD, MOF, ZUFZGO	Quarterly	Q3 2021 report submitted	Q3 report completed
Outside monitoring	GASI	PIU	If necessary, in each quarter	29 October 2020	The General Agency for Specialized Inspection conducted an unscheduled inspection (Appendix 8)
Appointive report	PIU	MOF, ZUFZGO	Quarterly	October 2021	Report completed
EMR (overall progress of EMP implementation)	PIU	ADB, ODPM, MCUD, MOF, ZUFZGO	Annual	December – January 2021	In preparation
EMR (overall progress of EMP implementation)	PIU	ADB, ODPM, MCUD, MOF, ZUFZGO	Semi-annual		Not applicable in 2021
Construction phase (Operation phase)					
Progress report – internal monitoring of EMP implementation	PIU	ODPM, MCUD, MOF, ZUFZGO	Quarterly		Not applicable in 2021
Outside monitoring	GASI	PIU	If necessary, in each quarter		Not applicable in 2021
Appointive report	PIU	MOF, ZUFZGO	Quarterly		Not applicable in 2021
EMR (overall progress of EMP implementation)	PIU	ADB, ODPM, MCUD, MOF, ZUFZGO	Semi-annual		Not applicable in 2021
EMR (overall progress of EMP implementation)	PIU	ADB, ODPM, MCUD, MOF, ZUFZGO	Annual		Not applicable in 2021
The overall progress of EMP implementation	Supervision engineer	PIU	Monthly		Not applicable in 2021
The overall progress of EMP implementation	Contractors	PIU	Quarterly		Not applicable in 2021

Table 5. List of environmental safeguard assurances for the project and the status

Assurance	Page / Section Reference	Status of Compliance in 2021
LOAN AGREEMENT		
SCHEDULE 4 – Procurement	Page 16	
<p>The Borrower, through the Project Executing Agency, shall not award any Works contract which involves environmental impacts until:</p> <p>(a) the Ministry of Environment and Tourism has granted the final approval of the IEE; and</p> <p>(b) the Borrower has incorporated the relevant provisions from the EMP into the Works contract.</p>	Section 2	Being complied with.

SCHEDULE 4 – Environment	Page 16	
The Borrower, through the EA, shall ensure that the preparation, design, construction, implementation, operation, and decommissioning of the Project and all Project facilities comply with (a) all applicable laws and regulations of the Borrower relating to the environment, health, and safety; (b) the Environmental Safeguards; and (c) all measures and requirements outlined in the IEE, the EMP, and any corrective or preventative actions (i) outlined in a Safeguards Monitoring Report; or (ii) which are subsequently agreed between ADB and the Borrower. In case of any discrepancy or inconsistency among the applicable laws and regulations of the Borrower relating to the environment, health and safety, and the SPS, the SPS shall prevail.	Section 4	Being complied with.
SCHEDULE 4 – Land Acquisition and Involuntary Resettlement and Indigenous Peoples	Page 17	
The Borrower, through the EA, shall ensure that the Project does not have any indigenous peoples or involuntary resettlement impacts, all within the meaning of the SPS. If the Project does have any such impact, the Borrower, through the Project Executing Agency, shall take all steps required to ensure that the Project complies with the applicable laws and regulations of the Borrower and with the SPS.	Section 5	Being complied with. All environmental measures and requirements, described in the IEE and EMP are met.
SCHEDULE 4 – Human and Financial Resources to Implement Safeguards Requirements	Page 17	
The Borrower, through the EA, shall make available necessary budgetary and human resources to fully implement the EMP and the GAP.	Section 6	Being complied with.
SCHEDULE 4 – Safeguards-Related Provisions in Bidding Documents and Works Contracts	Page 18	
The Borrower, through the EA, shall ensure that all bidding documents and contracts for Works contain provisions that require contractors to: <ul style="list-style-type: none"> (a) comply with the measures relevant to the contractor outlined in the IEE and the EMP (to the extent they concern impacts on the respective affected people under the Environmental Safeguards during construction), and any corrective or preventative actions outlined in (i) a Safeguards Monitoring Report; or (ii) subsequently agreed between ADB and the Borrower; (b) make available a budget for all such environmental and social measures; (c) provide the Borrower with written notice of any unanticipated environmental, resettlement, or indigenous peoples risks or impacts that arise during construction, implementation, or operation of the Project that was not considered in the IEE and the EMP; (d) adequately record the condition of roads, agricultural land, and other infrastructure before starting to transport materials and construction; and (e) reinstate pathways, other local infrastructure, and agricultural land to at least their pre-project condition upon the completion of construction. 	Section 7	Being complied with.
SCHEDULE 4 – Safeguards Monitoring and Reporting	Page 18	
The Borrower, through the EA, shall do the following: <ul style="list-style-type: none"> (a) submit Safeguards Monitoring Reports to ADB in respect of the implementation of and compliance with Environmental Safeguards and the EMP, semiannually 	Section 8	Being complied with.

<p>during construction and the implementation of the Project and the EMP until the issuance of ADB's Project completion report unless a longer period is agreed in the EMP, and disclose relevant information from such reports to the respective affected people under the Environmental Safeguards, promptly upon submission;</p> <p>(b) if any unanticipated environmental and/or social risks and impacts arise during the construction and operation phase of the project that was not considered in the IEE and the EMP, promptly inform ADB of the occurrence of such risks or impacts, with a detailed description of the event and proposed corrective action plan; and</p> <p>(c) report any actual or potential breach of compliance with the measures and requirements outlined in the EMP promptly after becoming aware of the breach.</p>		
SCHEDULE 4 – Prohibited List of Investments	Page 19	
The Borrower shall ensure that no proceeds of the Loan are used to finance any activity included in the list of prohibited investment activities provided in Appendix 5 of the SPS.	Section 9	Being complied with.
SCHEDULE 4 – Grievance and Redress Mechanism	Page 19	
The Borrower, through the EA, shall ensure that a safeguards grievance redress mechanism acceptable to ADB is established following the provisions of the IEE and the EMP at the PIU, within the timeframe specified in the IEE and the EMP, to consider safeguards complaints. The GRM shall function to (a) review and document eligible complaints of Project stakeholders; (b) proactively address grievances; (c) provide the complainants with notice of the chosen mechanism and/or action; (d) prepare and make available to ADB upon request periodic reports to summarize (i) the number of complaints received and resolved; (ii) chosen actions; and (iii) outcomes of the grievances and make these reports available to ADB upon request.	Section 10,11	Being complied with.
SCHEDULE 4 – Labor Standards, Health, and Safety	Page 19	
The Borrower shall ensure that the core labor standards and the Borrower's applicable laws and regulations are complied with during Project implementation. The Borrower, through the Project Executing Agency, shall include specific provisions in the bidding documents and contracts financed by ADB under the Project requiring that the contractors to, among other things: (a) comply with the Borrower's applicable labor law and regulations and incorporate applicable workplace occupational safety norms; (b) do not use child labor; (c) do not discriminate workers in respect of employment and occupation; (d) do not use forced labor; (e) allow freedom of association and effectively recognize the right to collective bargaining; (f) do not delay any lawful payment to the workers; and (g) disseminate, or engage appropriate service providers to disseminate, information on the risks of sexually transmitted diseases, including HIV/AIDS, to the employees of contractors engaged under the Project and to members of the local communities surrounding the Project area, particularly women.	Section 12	Being complied with.
SCHEDULE 4 – Labor Standards, Health, and Safety	Page 19	
The Borrower shall strictly monitor compliance with the requirements outlined in paragraph 12 above and provide ADB with regular reports.	Section 13	Being complied with.
SCHEDULE 4 – Operational/Sector Performance Covenants	Page 20	
The Borrower shall cause the Mongolia Customs General Administration, the GASL, and the MET to establish an effective monitoring system, before Project completion, to minimize potential opportunities for raffickers to exploit the ZUFZ for illegal timber trade and wildlife trafficking.	Section 20	Being complied with.

IV. CONCLUSION

A. OVERALL PROGRESS OF IMPLEMENTATION OF ENVIRONMENTAL MANAGEMENT MEASURES

28. As of 31 December 2021, 25% (1.4 years) of the total project period elapsed and an overall plan implementation process is assessed 2%. The project is still in its early phases, and since the Project Implementation Unit was established in 2021, no relevant construction activities have begun, and the environmental situation remains as described in the IEE.

29. The EA had the MET adopt the 2nd edition of the IEE, revised the EMP following the final IEE (disseminated in April and May 2020 on the ADB website), and had the documents authorized by ADB before the announcement of the bidding for civil works.

30. In the reporting period, the Procurement Plan (PP) was updated two times as version 1 and 2 in June and December 2021, respectively. The PSC approved procurement plan 2022. Because the majority of the changes in the PP were related to consulting services, an update for IEE had not been required.

31. Developed environmental provisions in the bidding documents and contracts for construction work requiring contractors to comply with the requirements stated in the IEE and EMP, and made available a budget for all such environmental and social measures to avoid any unanticipated environmental, resettlement, or indigenous peoples risks or impacts.

B. PLANNED TARGETS AND ACTIVITIES FOR THE NEXT REPORTING PERIOD

32. Environmental safeguard compliance (Ensure all outputs of the design team including bidding documents meet all Government and ADB environmental requirements):

- Implementation of the tasks set in domestic EMPs, according to National regulations and requirements.

33. PIU environmental management:

- Organize and Conduct Training Sessions on 'Impact Identification and Mitigation Measures, and on the job training;
- Establish management supervision mechanisms for implementation, monitoring, and reporting of the project safeguard issues based on EMP and provide support for their implementation;
- Develop an environmental database system.

34. Environmental monitoring

- The PIU is required to develop a detailed monitoring work plan and reporting scheme based on IEE, EMP;
- Make a routine submission of the annual EMP performance report to MET's review and approval of EMP for the following year, according to the Law of Mongolia (2012).

35. Get the final approval of the GRM council by the Government of Mongolia.

36. Upon selection of the CS-01 contractor, the required DEIA, which is included in the scope of the engineering design contract will be performed according to the Mongolian laws and regulations, including the Law on Environmental Impact Assessment and the Law on Hygiene, as well as the EMP of the ADB SPS and obtaining clearance from the competent authorities. The

comprehensive environmental study will include a study of the environmental quality in the project area, an evaluation of the project's impacts on the environment and human health, and the development of methodological recommendations for reducing chemical and biological pollution in the surrounding area for constructing buildings and facilities.

V. ANNEXES

ANNEX I. ENVIRONMENTAL MANAGEMENT PLAN

Project activities	Environmental Impact	Mitigation measures to be included in EMP	Implementors	Supervisors
PRE-CONSTRUCTION				
Climate change adaptation	increased erosion and inundation by wind-blown sand, more snow and rain	Ensure all sand stabilization and erosion protection measures such as bunds, planting, watering, establishing and maintaining vegetation are incorporated in design are implemented. Ensure buildings are designed and built to withstand predicted additional snow loads and drains can accommodate expected additional rainfall.	PIU, design institute, contractor	PIU /ADB /IA
Bidding, contracting	Not applicable (NA)	<ul style="list-style-type: none"> Include EMP in the bidding docs and contracts with contractors, engineering supervisors and environment monitors Include EMP (quantitative) monitoring plan in bids/contracts with external monitors 	PIU, design institute, contractor	PIU/ADB /IA
Staffing budgeting for EMP imp	NA	<ul style="list-style-type: none"> At least one month before construction commences the contractors and operators will demonstrate to the PIU they are properly resourced and a qualified/experienced environment and safety officer (ESO) will be identified by the contractors in the bid; 	PIU – and contractor	IA
EMP training of contractors, engineers, workers and foremen on EMP	Contractors unaware of thus do not implement measures	<ul style="list-style-type: none"> Contractors informed of all environmental safeguard requirements and trained how to implement mitigation measures and monitor and use of checklists as part of awareness and mobilization training The contractor will identify one staff to be the liaison with the Soum and PIU as well as between the contractor and PIU; Contractor informed to ensure that workers' actions outside work site are controlled and Soum codes and rules of conduct are observed at all times; Worker camp (if required) will be located at least 500m from settlements and approved by PIU and managed to minimize impacts; Contractor informed to Hire and train as many local workers as possible by using labour from each soum as the work proceeds. Adequate signage and security provided at the site offices and works yard and prevention of unauthorized people (especially children) entering the working areas; Hire and train as many local workers as possible by using local labour ; 	PIU, contractor	IA
CONSTRUCTION				

Project activities	Environmental Impact	Mitigation measures to be included in EMP	Implementors	Supervisors
		<ul style="list-style-type: none"> Soum protocols discussed with workers as part of awareness and mobilization training; The contractor to ensure that workers' actions outside ZUFZ site are controlled and Soum codes and rules of conduct are observed; The contractor will identify one member of their staff to be the liaison with the Soum and PIU; Adequate signage and security provided at the site offices and works yard and prevention of unauthorized people (especially children) entering the working areas; Hire and train as many local workers as possible by using labour from local soum as the work proceeds; 		
Construction plant and vehicles generating emissions	Emission of exhaust from vehicles and machinery; Dust from aggregate crushing plant; generated by heavy vehicles transporting materials on roads; Uncovered loads on trucks; Dust from exposed stockpiles	<ul style="list-style-type: none"> Prepare and implement a traffic control plan, for approval by local traffic management administration before construction. This will include scheduling or diverting construction traffic to avoid peak hours, regulating traffic at road crossings, selecting routes to reduce disturbance, reinstating roads, and opening them to traffic when construction is completed; Construction and operational equipment being maintained to a good standard and checked at regular intervals; Prohibition of the use of equipment and machinery that causes excessive pollution (i.e. visible smoke) at the project site; Material stockpiles being covered with tarpaulins or other such to prevent material becoming airborne and runoff of fine particles; Ensuring all vehicles transporting potentially dust-producing material through built up areas are provided with adequate tail-boards and side-boards, and are adequately covered with a tarpaulin (especially important if the transportation will travel through adjacent soum / baghs; and Periodic qualitative air quality monitoring and quantitative air quality monitoring in response to complaints or as required by GASL. 	Contractor	PIU and super-vision engineer
Excavations for installation of utilities or	Uncontrolled disposal of excavated materials gives rise to	<ul style="list-style-type: none"> For all works involving excavation along roads and easements which already have existing subsurface utilities (power cables, sewage pipes, water pipes, telecommunication cables): (i) plan and coordinate the project sewage pipeline construction with the utility managers, (ii) check whether there are pending domestic projects to upgrade these utilities. Coordinate works to 	Contractor	PIU Super-vision engineer

Project activities	Environmental Impact	Mitigation measures to be included in EMP	Implementors	Supervisors
Health & safety	Poor attention to health and hygiene cause impacts	<ul style="list-style-type: none"> Provide adequate accommodation for all workers at the construction camps and operator factories and establish clean canteen/eating and cooking areas; Construction camp(s) will be established in areas with adequate drainage and be connected to the local sewerage system in order to facilitate disposal of effluents; Potable water, clean water for showers, hygienic sanitation facilities/toilets with sufficient water supply, worker canteen/rest area and first aid facilities will be provided. Separate toilets shall be provided for male and female workers; Solid and liquid wastes will be managed in line with the provisions of the waste management section of the EMP; Provision of adequate protection to the general public in the vicinity of the site, including advance notice of commencement of works, installing safety barriers and signage or marking of the work areas; Work and camp sites will be cleaned up to the satisfaction of and PIU and local authority after use. 	Contractor	PIU and supervision engineer
	Spread of communicable diseases	<ul style="list-style-type: none"> Construction camp(s) will be established in areas with adequate drainage in order to prevent formation of breeding sites for mosquitoes; Implement HIV/AIDS/STIs awareness and prevention for the contractor's workers and adjacent communities; 	Contractor & Approved service provider	PIU
Establishment of construction camp, mobilisation of contractor, presence of construction workers, associations with local people	Social disruption	<ul style="list-style-type: none"> Prior to any works, inform residents and businesses in advance through media, information boards, and direct consultations, of the construction activities, dates and duration of expected disruption. For communities near works and subject to higher noise/dust levels, conduct meetings with residents prior to any works. Record all community feedback and solutions discussed and agreed. Based on feedback from the community consultations: (i) update contractor site plans as needed to incorporate the solutions, including revisions in work schedules, daily working hours, construction methods, and/or mitigation methods; Provide adequate housing for all workers at the construction camps and establish clean canteen/eating and cooking areas; Construction camp(s) will be established in areas with adequate drainage and be connected to the local sewerage system; Worker camp location and facilities will be located as far as possible and at least 500m from settlements and agreed with PIU and managed to minimize impacts; 	Contractor	PIU and supervision engineer

Project activities	Environmental Impact	Mitigation measures to be included in EMP	Implementors	Supervisors
foundations for buildings	dust and nuisances.	<p>avoid repeated excavation of the same sections of road or easement; and work with utility managers to minimize the risk of damage or disruption to the existing utilities.</p> <ul style="list-style-type: none"> Reuse excavated materials for backfill as far as practicable Carefully stockpile and reuse of any surplus soil or subsoil as covering or fill for other project works and planting 		
Construction work requiring water supply	Demands on local water supplies tapped to meet campsite and construction requirements, bringing project based water use in competition with local use;	<ul style="list-style-type: none"> Use water conservation plan to quantify planned water use, water reuse options and possible end uses for watering vegetation etc.; Abstraction permitted after prior approval from PIU in consultation with local soum leaders and local water authorities. PIU to ensure no water wastage & water conservation measures are followed. Install water saving devices and water meters; Washing of machinery and vehicles using hose pipes shall be prohibited, reusable water to be supplied in drums and buckets for bulk cleaning; For used water install water treatment, recycling, and reuse facilities to minimize raw water consumption; Create a workplace culture (including water patrols) that focuses and takes pride in water efficiency; Make water resource conservation plan part of performance reviews, especially for line managers. 	Contractor	PIU Super-vision engineer
Solid waste. All general activities requiring disposal of solid waste construction debris and spoil	Contaminate soil, water and groundwater, odor, hygiene issues, air pollution due to wastes burning	<ul style="list-style-type: none"> Solid Waste Management Plan agreed in pre-construction stage to include as follows: <ul style="list-style-type: none"> Segregation of wastes shall be observed. Burning waste not be allowed anywhere within the ZUFZ Project site; Reuse and recycle on site as much as possible: so that the balance needing disposal be minimized; Construction debris: is inert thus easiest to handle, can dispose of in properly selected wasteland or currently designated site in ZU but need to stabilize by engineering and biological methods (revegetation); For Residual general wastes or garbage, shall be disposed of in the local landfill disposal sites currently used for municipal wastes, approved by local authorities and PIU; 	Contractor	PIU Super-vision engineer

Project activities	Environmental Impact	Mitigation measures to be included in EMP	Implementors	Supervisors
	environment and health.	<ul style="list-style-type: none"> separator that will be regularly skimmed of oil (slimmings to be disposed of as hazardous waste) and maintained to ensure efficiency; Segregate hazardous wastes (oily wastes, used batteries, fuel drums) and ensure that storage and stockpiling pending transport and disposal shall be undertaken consistent with national regulations; Ensure all storage containers are in good condition with proper labelling in English and Mongolian; Regularly check containers for leakage and undertake necessary repair or replacement; Store hazardous materials above level in areas where melting snow or unseasonal heavy rain may cause flooding; Discharge of oil contaminated water shall be prohibited and separated oil shall be disposed of at designated oil disposal site or oil recycler; Washing of project vehicles in next to storm drains and sewers is strictly prohibited; Ensure availability of spill clean-up materials (e.g., absorbent pads, etc.) specifically designed for petroleum products and other hazardous substances, near where such materials are being stored; Spillage, if any, will be immediately cleared with utmost caution using absorptive clean up materials to leave no traces; Spillage waste will be disposed at disposal sites approved by MET at the nearest approved disposal site; All areas intended for storage of hazardous materials will be segregated with appropriate signage and provided with adequate facilities to combat emergency situations complying with all the applicable statutory requirements and GASI regulations; The contractors and operators shall identify named personnel in their in-charge of storage sites for hazardous materials and ensure they are properly trained to control access to these areas and entry will be allowed only under authorization. 		
Operation of construction plant and equipment	Noise in community; Impacts on construction workers	<ul style="list-style-type: none"> Contract documents will require that all vehicle exhaust systems and noise generating equipment be acoustically insulated and maintained in good working order and that regular equipment maintenance will be undertaken to minimize noise emissions; 	Contractor	PIU, Super-vision engineer

Project activities	Environmental Impact	Mitigation measures to be included in EMP	Implementors	Supervisors
		<ul style="list-style-type: none"> Residual general wastes shall be disposed of in the local landfill disposal sites approved by local authorities and PIU; All areas of the ZUFZ shall be provided with garbage bins which will be emptied regularly and recyclables' extracted recovered and sold to recyclers; Disposal of solid wastes into drains, shall be strictly prohibited 		
Chance finds during work	Impacts on PCR or cultural property sites	<ul style="list-style-type: none"> Chance-find Procedure for Physicla CUIcultural Resources(PCR); Site agents will be instructed to keep a watching brief for relics in excavations and be aware of the procedure for chance finds; Should any potential items be located, the PIU will immediately be contacted and contractor will voluntarily and temporarily stop work in that area; Stop civil work and protect / fence the site from disturbance; Contractor with the assistance of the PIU will determine if that possible PCR item is of potential significance and contact ODPM to pass the information to MECSS (the relevant authority in GOM) who will be invited to inspect the site and work will be stopped to allow time for inspection. Activities shall not re-commence until the authorities have signed-off that the site/resources have been dealt with appropriately and that work may continue. 	Contractor;	PIU; Super-vision engineer (MECSS)
Use of hazardous substances such as oils and lubricants and any toxic chemicals	Oils and lubricants discharged to vegetated areas kill plants, are resistant to microbiological decay and may remain hazardous for long periods, harming the	<ul style="list-style-type: none"> Ensure that safe storage of fuel, other hazardous substances and bulk materials are agreed by PIU, follow GASI regulations and have necessary approval/permit from MET and local authorities. Fuel and other hazardous substances shall be stored in areas as a minimum provided with roof, impervious flooring and bund/containment wall to protect these from the extremes of weather and to readily contain spilled fuel/lubricant; Hydrocarbon, toxic material (if required) will be stored in adequately protected sites consistent with national GASI and local regulations to prevent soil and water contamination. Used oil and other residual toxic and hazardous materials shall not be poured on the ground; Equipment/vehicle maintenance and refueling areas will be confined to areas in construction and ZUFZ sites designed to contain spilled lubricants and fuels. Such areas shall be provided with drainage leading to an oil-water 	Contractor	PIU Super-vision engineer

Project activities	Environmental Impact	Mitigation measures to be included in EMP	Implementors	Supervisors
creating noise		<ul style="list-style-type: none"> The contractor will prepare a schedule of operations that will be approved by soum / bagh chiefs and PIU. The schedule will establish the days, including identifying days on which there should be no work, and hours of work for each construction activity and identify the types of equipment to be used; Any complaints regarding noise will be dealt with by the contractor in the first instance through the GRM. 		
Presence of construction workers	Community health and safety risks, competing demand on local utilities and public services	<ul style="list-style-type: none"> The contractor shall make provision to ensure the construction workforce attends STI and HIV/AIDS prevention workshops provided through an approved service provider. The workshops will be delivered to the contractor's workforce prior to commencement of any civil works; and Soum / bagh-based community awareness raising about transmission of STIs and HIV, reproductive health and safe sex. The program will be implemented after contractor mobilization when training staff are in post and prior to construction works commencing. 	Contractor, Soum Chiefs, PIU; approved service provider	PIU, Super-vision engineer

ANNEX II. THE DRAFT OF THE GUIDANCE FOR THE GRM
DEVELOPING THE ECONOMIC COOPERATION ZONE PROJECT /3936-MON/
COMPOSITION OF THE COUNCIL FOR RESOLVING
APPLICATIONS AND COMPLAINTS

Chair of the council: Coordinator of the “Developing the Economic Cooperation Zone project”

Members: Head of Zamyn-Uud Free Zone Governor's Office

Head of Law, Treaty and Human Resource Department
of Zamyn-Uud Free Zone Governor's Office

Head of Social Policy Division, Zamyn-Uud soum

Specialist in charge of Environment, Tourism, and
Mineral resources, Zamyn-Uud soum

Social and Gender Development Specialist of the
“Developing the Economic Cooperation Zone project”

Secretary: Environmental Safeguards Specialist of the “Developing the Economic Cooperation Zone project”

DEVELOPING THE ECONOMIC COOPERATION ZONE PROJECT 3936-MON

GUIDANCE OF COUNCIL FOR RESOLVING APPLICATIONS AND COMPLAINTS

One. General background

The main goal of the guidance is to organize the functions and activities of the “Council for resolving applications and complaints”, which is responsible for acceptance, evaluation, resolution, and support of the social and environmental complaints of citizens who are affected by the project implementation.

Schedule#4 section10 of Loan Agreement (Developing the Economic Cooperation Zone Project) between Mongolia and Asian Development Bank (ADB) provides that the Borrower, through the Project Executive Agency, shall ensure that a safeguards grievance redress mechanism acceptable to ADB is established following the provisions of the IEE and the EMP8 to consider safeguards complaints according to with the timeframe set out in these documents.

- 1.1 The Council for resolving applications and complaints shall a) Monitor and document relevant complaints from the project stakeholders b) urgently resolve any complaints.
- 1.2 Relevant complaints include complaints about the project and any service provider or person responsible for the implementation of the project and complaints about the misuse of project funds and issues related to gender and other environmental issues.
- 1.3 The goal of this Council is to monitor and document the complaints of the stakeholders in the Developing the Economic Cooperation Zone project of the ADB and to inform the complainants about the prompt resolution and implementation of any complaints.
- 1.4 The Council shall follow the Law on Resolving Citizens' Applications and Complaints, lodged to the Government Organizations and Officials, Decree No. 67 of the Government of Mongolia of 2005 “On some measures related to resolving citizens' applications and complaints”, Policy concerning the accountability of the ADB, relevant regulations and Guidance of work of council for resolving applications and complaints
- 1.5 The secret of the state, organization, or individual, mentioned in the application or complaint shall be kept confidential.

Two. Duties of the Council

The composition and guidance of works of the Council for resolving applications and complaints shall be approved by the Deputy Minister of Mongolia.

2.1 Chair of the Council shall work with the below-mentioned duties.

- 2.1.1 To determine the agenda of the meeting of Council and appoint the date of the meeting;
- 2.1.2 To preside the meeting of the Council;
- 2.1.3 To present the proposal and recommendations of the Council to the Head of the Project Steering Committee and, if necessary to the officer of the ADB who is in charge of relevant issues;
- 2.1.4 To put control on the implementation of the proposal and recommendation of the Council;

2.2 Members of the Council shall work with the below-mentioned duties.

- 2.2.1 To give proposal and recommendation for the resolution of applications and complaints received by the project implementation unit;
- 2.2.2 To investigate the issues to be discussed at the meeting of Council and prepare proposals and conclusions;

- 2.2.3 To actively participate at the meeting, to get clarifications on the issues under discussion, to make proposals and recommendations;
- 2.2.4 To attend the events and measures, which are being implemented within the project;

2.3 Secretary of the Council shall work with the below-mentioned duties.

- 2.3.1 To prepare for the meeting of the Council;
- 2.3.2 To keep recording the minutes of the meeting of the Council, confirm it and deliver it to the members;
- 2.3.3 To establish a fund related to the activities of the Council;
- 2.3.4 To coordinate the activities of the Council with compliance with the accountability policy of the ADB;

Three. Coordination of the activity of the Council

The main form of activity of the Council is the meeting of the Council. The meeting shall be convened by the decision of the Chair of the Council as proposed by the PIU when it is necessary to consider the lodged complaints.

- 3.1 The meeting shall become valid if 50 percent of the Council members are present.
- 3.2 The meeting shall be chaired by the chair of the Council and if the chair is unable to attend, it shall be chaired by the project secretary.
- 3.3 Issues to be discussed and introduced at the meeting of Council shall be delivered 3-5 days earlier to the members.
- 3.4 If necessary, there shall have the opportunity to ask questions and make comments on the issue in cooperation with non-governmental organizations and public organizations, including representatives of organizations and professionals at the meeting of the Council.
- 3.5 Issues shall be resolved by the voting of the majority of the members who are present at the meeting.
- 3.6 The Chair, members, and project implementation unit of the Council shall be responsible for disseminating, presenting, and monitoring the implementation of the proposals and recommendations, made by the meeting of the Council.
- 3.7 Guidance of activity of the Council shall be approved by the head of the PIU and the required costs relevant to the activities shall be covered by the operational cost of the Project Implementation Unit.

Four. Acceptance and registration of the applications and complaints

The Specialist of the Project Implementation Unit who is responsible for Applications and Complaints shall have the following responsibilities about acceptance of the applications and complaints.

- 4.1 Shall determine whether the application or complaint belongs within the authority of the management or official of the unit.
- 4.2 Shall record the oral complaints and get filed in the special registration.
- 4.3 Shall accept the written applications & complaints and get file implement
- 4.4 Shall monitor the implementation of decisions made regarding applications and complaints, lodged by the citizens on live programs, broadcasted through the radio and television or specially operated telephone, and inform the mass media about the decision-making process.
- 4.5 The application or complaint registered according to clause#2.2 of this Article shall be transferred to the official who will resolve it within the day of its acceptance.
- 4.6 It shall be prohibited to transfer the complaint to the official to whom confidential

- 4.7 An application that is addressed as confidential or in hand shall be submitted directly to the official.

Five. Do not review applications and complaints that fall as not affiliate

The applications and complaints will be returned without review in the following cases:

- 5.1 Not relevant to activity or inactivity, executed by the ADB in process of the implementation of the ADB-supported project;
- 5.2 The complainant did not make an effort to resolve the issue and did not cooperate with the operating agency to resolve the relevant issue.
- 5.3 If the matter has been discussed before, but new evidence has been found, which has not been earlier, and if the complaint can be integrated directly with the previous one,
- 5.4 If it is not important has the incorrect topic and there is an approach to gain an advantage over the competition;
- 5.5 Concerning the decision to connect appropriate goods and services such as the ADB, borrower, or implementing agency or private sector, including procurement of consulting service.
- 5.6 On the issues of fraud and corruption related to the project, supported by the ADB or officer of the ADB.
- 5.7 On the appropriateness of the valid policies and procedures which are currently bound by the ADB.
- 5.8 Of the issues in connection with the Appeal Committee of the ADB, issue that belongs to the Administrative Court of the ADB or issues relevant to the human resources of the ADB
- 5.9 In the event of a valid court decision on the matter previously referred to in the application or complaint relating to non-ADB activity, such as administration or finance, the complaint will be returned without review.
- 5.10 It shall be returned within 3 days if minor children or persons who have been declared legally incompetent by the court decision are not represented by their parents or guardians.
- 5.11 If an application or complaint does not have a specific name and address for return, the application or complaint will be kept after a definite explanation is acted and will not be reviewed.

Six. Resolving and responding to applications and complaints

- 6.1 An officer who accepts complaints or applications shall respond within 10 working days if it is possible to directly resolve the issue in the application.
- 6.2 Non-jurisdictional applications and complaints shall be transferred to the relevant authority within 3 working days.
- 6.3 Complaints and applications shall be resolved within 10 working days from the date of receipt. If necessary, this period shall be extended by 14 working days by the decision of the Chair of the Project Steering Committee.
- 6.4 Application-like proposals shall be responded to within 45 working days.
- 6.5 If it is the applicant who clarifies the applicant, evidence may be requested and verification, research, and references may be required from the relevant authorities.
- 6.6 If it is impossible to resolve the application directly by the specialist in charge of the application or complaint, the application, which will be resolved for the long term shall

be filed and the process of the resolution shall be monitored.

- 6.7 Complaints applications shall be resolved by the senior official within his/her full power.
- 6.8 Responses to complaints and applications will be informed orally or by telephone, online, or in writing, as appropriate.
- 6.9 Based on acceptance of application like a proposal and considering whether it is appropriate, the proper measure shall be taken or resolved by regulation outlined in section 3.4.
- 6.10 If the response was given orally or by telephone, it shall be recorded in the registration.
- 6.11 An officer who has filed complaints and applications shall fill out the resolved application registration card as formulated, present it to the project coordinator, get confirmed it by the signature, and hand over it to the specialist in charge of application and complaint.
- 6.12 The specialist in charge of applications and complaints shall remove the complaint from supervision and hand it over to the officer in charge of stationery and archives.

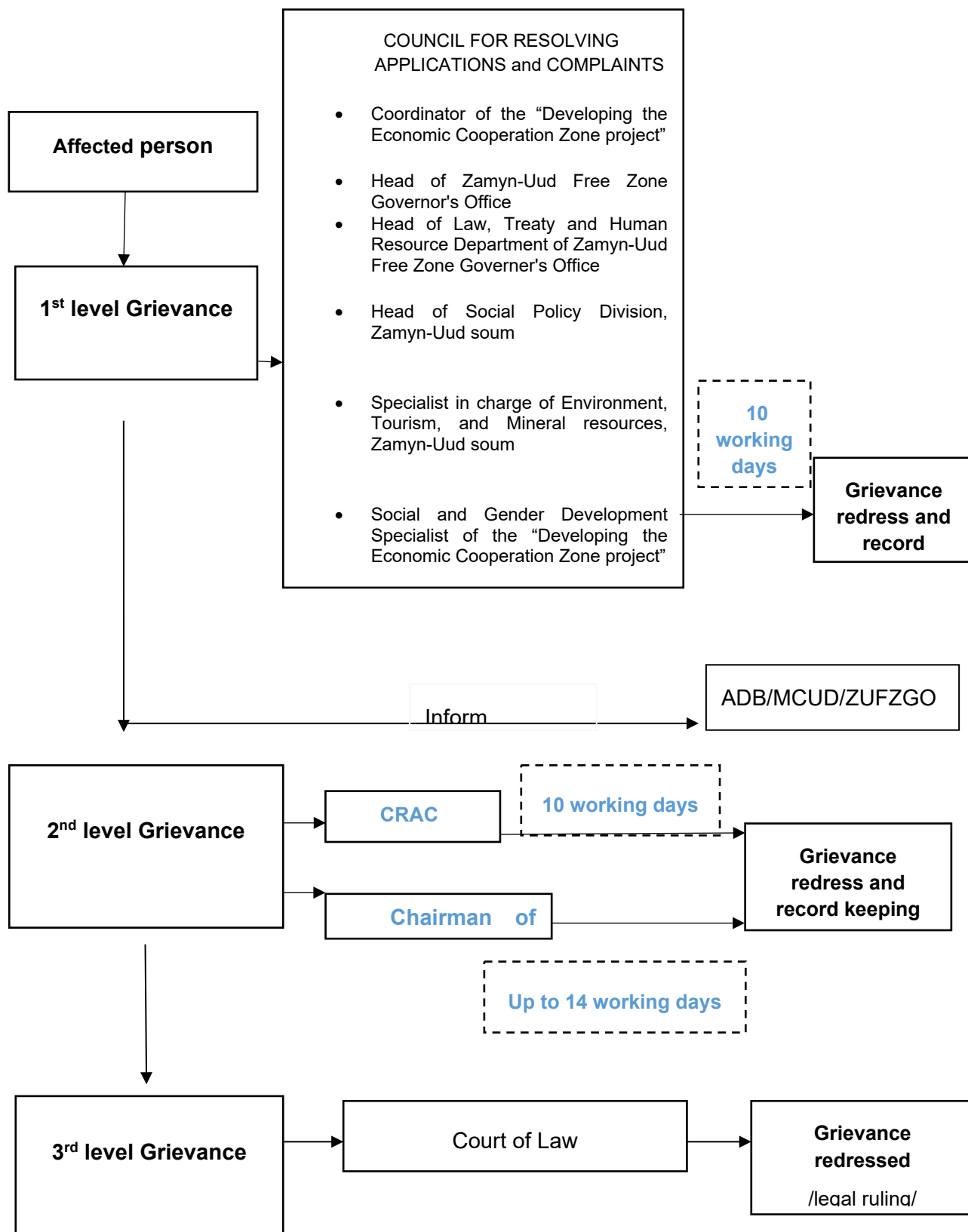
Seven. Acceptance and resolving the online complaints and applications

- 7.1 The Secretary of the Council and the Complaint's Officer will oversee applications and complaints shall accept online applications and complaints from citizens as well, register them in the special registration form, present them to the Project Coordinator, get confirmed by the signature and pass them to the responsible specialist.
- 7.2 If it is possible to resolve the complaint directly by the accepted officer, a response shall be prepared within the working day and submitted to the specialist in charge of the application and complaint.
- 7.3 The specialist in charge of applications and complaints shall receive a response, present it to the applicant or complaint officially, confirm whether the complaint has been resolved, and carry out the activity to post on the website.

Eight. Supervising the process of acceptance and resolving complaints and applications

- 8.1 The Secretary of the Council and the Complaint's Officer will oversee whether the process of acceptance and resolving applications and complaints submitted to the Project Implementation Unit is complying with the law and with the accountability policy of the ADB.
- 8.2 The Specialist in charge of Applications and Complaints will present the applications and complaints at the regular meeting of the Steering Committee of the project. Moreover, the Applications and Complaints will also be posted on the project's internal network and website.
- 8.3 A report on resolved complaints will be issued when it is requested by the ADB.
- 8.4 The number of complaints, which are accepted and resolved, the status of resolutions, the results, and the report on the selected activities shall be reported by the Chair of the Council at the meeting of the Project Steering Committee.

Grievance Redress Mechanism Scheme



GRIEVANCE REGISTRATION FORM

Contact Information				
Name		Gender	<input type="radio"/> Male	<input type="radio"/> Female
Home Address		Age		
		Phone Number		
Sub Project		E-mail		
Complaint/Suggestion/Comment/Question: Please provide the details (who, what, where, and how) of your grievance below:				
How do you want us to reach you for feedback or updates on your comment/grievance?				
Potion to be filed by the Project Staff				
Date Received				
Received through	<input type="radio"/> In-person	<input type="radio"/> Mail	<input type="radio"/> E-mail	<input type="radio"/> other (specify)
Name of staff who received comment/complaint				
Position of a staff member				
Type of Grievances	Type A*	Type B*	Type C*	Type D*
Remarks				
Signature of Staff member				

Type A* - Environmental Type B* - Social and gender Type C* - Community health safety
 Type A* - Others (gratitude's, recommendations, suggestions)

Update on the case

Date	Update