

Environmental and Social Compliance Audit Report

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Mongolia: Tavan Bogd COVID-19 Food Security and Inclusive Job Creation Project

Prepared by the Stantec and Eco National Sustainability Consulting for the Asian Development Bank.

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**APPENDIX B: ENVIRONMENTAL AND SOCIAL
COMPLIANCE AUDIT REPORT
MON TAVAN BOGD COVID-19 FOOD SECURITY, FOOD
SAFETY, AND INCLUSIVE JOB CREATION PROJECT 1**

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1. INTRODUCTION

1.1 Project Description

Tavan Bogd Group (TBG, refers to Tavan Bogd Trade LLC and its subsidiaries) is an existing ADB client, and is one of the two largest conglomerates in Mongolia with 11,000 employees. TBG has over 30 subsidiaries / associate companies with leading positions in the various sectors. Tavan Bogd Foods LLC (TBF), and Tavan Bogd Foods Pizza LLC (TBFP) are subsidiaries of TBG.

TBF operates KFC as the sole franchisee of Yum! Brands in Mongolia since 2013, whereas TBFP is the sole franchisee of Pizza Hut-Yum! Brands. Together they run 34 outlets in Ulaanbaatar, the capital city of Mongolia.

The proposed project comprises a 5-year amortizing loan to TBF, a TBG subsidiary, to support:

- the construction of two co-located warehouses for KFC and Pizza Hut in Ulaanbaatar;
- the establishment of 8 franchised outlets (4 for KFC and 4 for Pizza Hut), of which 6 are in Ulaanbaatar and 2 outside of Ulaanbaatar; and,
- maintenance capex for existing KFC and Pizza Hut restaurants in Ulaanbaatar.

The warehouses and 2 new outlets will be constructed on the same plot of land owned by TBG while the other 6 outlets will be on leased premises.

As part of the ADB Safeguard Policy Statement (SPS) 2009, a Social Compliance Audit (the Audit) is to be conducted to confirm the subproject meets ADB's SPS and Mongolian national legal requirements. Stantec, and its local partner Econational, were engaged to deliver a Social Compliance Audit at the warehouses' sites, including on-site assessment in October 2022. The audit is conducted via desktop document review and an on-site assessment, to identify past or present concerns related to Project-related land acquisition or leasing, ethnic minorities, public consultation, and grievance management. The objective of the social compliance audit is to determine whether actions were in accordance with ADB's SPS and to identify and plan appropriate measures to address outstanding compliance issues, if any.

1.2 Objectives

The objectives of the Audit are to identify past or present concerns related to impacts, risks, and legacy issues related to the involuntary resettlement, indigenous peoples, labor, and gender.

1.3 Methodology

Stantec and Econational has taken the following approaches for the Audit:

- A desktop review of TBF/TBFP's ESMS, applicable Mongolian national laws and regulations, and relevant documents related to land acquisition;
- Onsite visits, including the following activities:
 - Site observations
 - Interviews with the Project management, including the management personnel responsible for land lease, and the officer for social issues and sustainable development.



- Interviews with the customers, and warehouse construction workers, local people, and local officials, including relevant state inspectors, governor of 16th khoroo and at different levels and a review of relevant documentation related to land provided;

1.4 Structure of the Report

The remainder of this social compliance audit report is structured as follows:

- Section 2: Site Background;
- Section 3: Legislative Review
- Section 4: Review of the Project Land Acquisition;
- Section 5: Review of the Project Construction Work;
- Section 6: Conclusions and Recommendations;
- Section 7: Annexures.



2. SITE BACKGROUND

2.1 Site Description

The Project proposed warehouses for KFC and Pizza Hut are located on the same slot in 16th khoroo, Khan-Uul district, Ulaanbaatar city.

Surrounding land has been allocated to new residential and commercial construction. Public utilities, including heat, electricity, water, and sewage reticulation pipeline) were developed by the government (refer to **Figure 2-1**).

Figure 2-1. Proposed warehouse location map



Source: <https://egazar.gov.mn/>

In **Figure 2-2**, 500 m range project area is shown. Sensitive targets in the 500 m are summarized in **Table 2-1**. Among them, the closest is an apartment building construction site managed by a third party.

Figure 2-2. 500 m range area of the construction site



Source: Google map

Table 2-1. Sensitive targets within 500 m radius of the Project

Name	Target	Number of affected people	Direction	Distance (m)
Apparent building construction	Construction site	Not identified	west	40 m
Nomin Supermarket	Commercial area	200	south	80 m
Minii Supermarket	Commercial area	100	south	200 m
Victoria Town (Caritas)	Residential area	800	north	300 m
Apparent building construction	Construction site	Not identified	east	350 m
Petrol station	Petrol station	Not identified	northeast	350 m

2.2 Site History

The land was a green field that was designated for construction development, acquired at a land auction organized by Office of Land, Municipality of Ulaanbaatar. According to the master plan of Ulaanbaatar, the land is located in proposed new residential/commercial area.

3. LEGISLATIVE REVIEW

Table 3-1. Key Differences between national legislation and ADB SPS Safeguard Requirements 2 (resettlement)

ADB SPS2	Legal Provisions and Local Practice	Gap-filling Measures for the Project
<p>Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons, including a gender analysis, specifically related to resettlement impacts and risks.</p>	<p>Land Management Agency assesses resettlement impacts but it does not include past impacts.</p>	<p>The Project did not result in physical and economical displacement.</p>
<p>Carry out meaningful consultations with affected persons, host communities, and concerned nongovernment organizations. Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs.</p> <p>Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land, and ensure their participation in consultations.</p> <p>Establish a grievance redress mechanism to receive and facilitate resolution of the affected persons' concerns. Support the social and cultural institutions of displaced persons and their host population.</p>	<p>Affected households are informed about the project through issuance of letter and household-level consultations.</p> <p>Public consultation and information disclosure are limited.</p> <p>Provision of compensation and assistance are limited to affected persons with ownership, possession, and land use rights.</p> <p>Households, which receive assistance under the Government food stamp program, are the only group considered as vulnerable.</p> <p>A grievance redress mechanism is not required by law. Social preparation phase is not practiced.</p>	<p>Public consultation and information disclosure activities were not organized. However, there is no government requirement on public consultation and information disclosure for food-grade warehouse construction development.</p>
<p>Where involuntary resettlement impacts and risks are highly complex and sensitive, compensation and resettlement decisions should be preceded by a social preparation phase.</p>		

<p>Improve, or at least restore, the livelihoods of all displaced persons through (i) land- based resettlement strategies when affected livelihoods are land based where possible or cash compensation at replacement value for land when the loss of land does not undermine livelihoods.</p>	<p>In the case of land under ownership title, the compensation is based on market rates assessed by certified appraisers. For land under possession and land use rights, no eligibility for compensation unless converted to an ownership title.</p>	Not applicable
<p>Provide physically and economically displaced persons with needed assistance, including the following: (i) if there is relocation, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, and extension of project benefits to host communities; (ii) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (iii) civic infrastructure and community services, as required.</p>	<p>No relocation site and housing are offered. Transitional support is provided up to 6 months.</p>	Not applicable
<p>Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards. In rural areas provide them with legal and affordable access to land and resources, and in urban areas provide them with appropriate income sources and legal and affordable access to adequate housing.</p>	<p>No specific supports and assistances are provided.</p>	Not applicable
<p>Develop procedures in a transparent, consistent, and equitable manner if land acquisition is through negotiated settlement to ensure that those people who enter into negotiated settlements will maintain the same or better income and livelihood status.</p>	<p>The Civil Code of Mongolia is the legal basis for contractual agreements on the transfer of land from affected persons to the government (Chapter 15, Articles 1, 6, 7, 8, 109 and 112, among others).</p>	Not applicable
<p>Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets.</p>	<p>No specific supports and assistances are provided.</p>	Not applicable

Prepare a resettlement plan elaborating on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.	This is not required under the law and not practiced.	Not applicable
Disclose a draft resettlement plan, including documentation of the consultation process in a timely manner, before project appraisal, in an accessible place and a form and language(s) understandable to affected persons and other stakeholders. Disclose the updated LARP and its updates to affected persons and other stakeholders.	This is not required under the law and not practiced.	Not applicable
Conceive and execute involuntary resettlement as part of a development project or program. Include the full costs of resettlement in the presentation of project's costs and benefits. For a project with significant involuntary resettlement impacts, consider implementing the involuntary resettlement component of the project as a stand-alone operation.	This is not required under the law and not practiced.	Not applicable
Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close supervision throughout project implementation.	In practice, payment is done in tranches: 60% of the compensation upon agreement and the remaining 40% is paid once the household vacate the land and property and show the photo to the Land Management Agency.	Not applicable
Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by considering the baseline conditions and the results of resettlement monitoring. Disclose monitoring reports.	No monitoring during implementation.	Not applicable

Table 3-2. Key Differences between national legislation and ADB SPS Safeguard Requirements 3 (Indigenous Peoples)

ADB SPS3	Legal Provisions and Local Practice	Gap-filling Measures for the Project
Screen early on to determine: (i) whether Indigenous Peoples are present in, or have collective attachment to, the project area; and (ii) whether project impacts on Indigenous Peoples are likely (Principle 1, Indigenous Peoples Safeguards)	There is no regulation on screening the Project early on to identify impacts on Indigenous Peoples.	Indigenous people are not affected by the Project
"Indigenous Peoples" is used in a generic sense to refer to a distinct, vulnerable, social, and cultural group possessing the following four characteristics in varying degrees: (i) self-identification as members of a distinct indigenous cultural group and recognition of this identity by others; (ii) collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories; (iii) customary, cultural, economic, social, or political institutions that are separate from those of the dominant society and culture; and (iv) a distinct language, often different from the official language of the country or region.	There are -ethnic groups namely Tsaatan (541) and Kazakh (114506) in Mongolia, together constituting 3.9% of the population. There is no national legislation associated with the identification of Indigenous People.	Not applicable
Undertake meaningful consultations with affected Ethnic Minority Peoples communities and concerned Ethnic Minority Peoples organizations to solicit their participation in designing, implementing, and monitoring measures to avoid adverse impacts or, when avoidance is not possible, to minimize, mitigate, or compensate for such effects. (Principles 2 Indigenous Peoples Safeguards)	There is no regulation under the government's regulations on organizing the public consultation with the participation of ethnic minorities.	Not applicable
Prepare an Ethnic Minority Development Plan (EMDP) that is based on the social impact assessment and meaningful consultation with the assistance of qualified and experienced experts and that draw on indigenous knowledge and participation by the affected EM communities. (Principle 6, Indigenous Peoples Safeguards).	No requirement on EMDP preparation.	Not applicable

Monitoring indicators specified for internal and external monitoring and reporting. In case of significant or sensitive impacts, an external monitoring organization is required to conduct monitoring on EMDP implementation.	No monitoring indicators indicated	Not applicable.
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4. REVIEW OF THE PROJECT LAND ACQUISITION

4.1 SITE SELECTION

The site was selected based on the Yum! Brands criteria that mainly focus on trade zone, building, visibility, and accessibility. Social aspects including involuntary resettlement of affected communities and tenures were not considered specifically.

4.2 LAND ACQUISITION

According to the consultation with the TBG management, land (total area: 0.9992 ha) under the warehouse development was acquired from the Municipality of Ulaanbaatar as part of undeveloped (green field) public lands released for private activities during actions organized by the Office of Land, Municipality of Mongolia in November 2014 and December 2019. Two land possession certificates were issued:

- Land Possession Certificate No. 000015434 for 0.5496 ha for service purpose, issue date: March 23, 2020; and,
- Land Possession Certificate No. 000016868 for 0.4496 ha for office and commercial purpose, issue date: April 2, 2020.

Land agreements were signed with the Office of Land, Municipality of Ulaanbaatar in April 2020 accordingly. It has been planned to transfer the land licenses to TBF and TBFP and the process is ongoing.

4.3 LAND ATTACHMENTS

The vegetation cover is mainly comprised of perennial plants. Trees and bushes were absent at the construction site.

4.4 PHYSICAL DISPLACEMENT

The land acquisition did not result in physical and economic displacement because the land was green field owned by the state with no prior history of use. No economic displacement resulting in the loss of assets (including land), or the loss of access to assets that results in the loss of income or means of livelihood.



4.5 PUBLIC CONSULTATION PROCESS

During the audit no public consultation and disclosure activities were identified. There was no information board or sign at the warehouse site. However, there is no regulation requiring to organized public consultation and disclosure of information on construction activities.

4.6 INDIGENOUS PEOPLE/ETHNIC MINORITIES

ADB's indigenous people's safeguards require the project Proponent to ensure that the design and implementation of projects foster full respect for indigenous peoples' identity, dignity, human rights, livelihood systems, and cultural uniqueness as defined by the indigenous peoples themselves so that they receive culturally appropriate social and economic benefits, are not harmed by the projects, and can participate actively in projects that affect them.

As per the Mongolian Government Resolution on Ethnic Minorities, the Tsaatan is an ethnic minority, who is one of the last remaining groups of nomadic reindeer herders, residing in the northern province, Khuvsgul aimag located from Ulaanbaatar in 998 km, and Kazakh people residing in 1760 km from the site.

However, there are no Tsaatan and Kazakh present in or use the project area. The project does not affect any other socio-cultural groups who may be considered as "tribes" (hill tribes, schedules tribes, tribal peoples), "minorities" (ethnic or national minorities), or "indigenous communities" in the project area. No national or local laws or policies, or anthropological researches/studies were identified as part of the audit that consider these groups present in or using the project area as belonging to "ethnic minorities", scheduled tribes, tribal peoples, national minorities, or cultural communities.

No groups maintaining collective attachments to distinct habitats or ancestral territories and/or to the natural resources in these habitats and territories in project area. The Project does not physically displacement, directly or indirectly affect Indigenous Peoples' traditional socio-cultural and belief practices or livelihood systems.

The Project is not in an area (land or territory) occupied, owned, or used by Indigenous Peoples, and/or claimed as ancestral domain.

The project will not exploit commercial development of the cultural resources and knowledge of Indigenous Peoples.

4.7 GRIEVANCE MECHANISM

TBF/TBFP developed a Customer Complaint Management Measure that applies to all outlets. On-line access is available to broader communities. A customer service department handles public complaints. If the public or affected people have any complaints, they can reflect the grievance in the following ways, as below:

- **Mode 1:** Via the hotline (7555-1010), TBF/TBFP official website, and social media;
- **Mode 2:** Directly contact the corporate audit supervision center through email, telephone, or letter (can be anonymous); or,
- **Mode 3:** Through the citizen hotline (11-11) operated by the Government. The commissioner records the complaint and transfers it to the local Inspection Agency or Health and Hygiene Control Agency. TBF/TBFP would be informed by the local



government for consultation and resolution and obliged to provide feedback to the complainant.

Complaint resolution process depending on grievance complexity:

- Level 1: Shift Manager (SM) responds to customer within 24 hours;
- Level 2: SM escalates complaint Assistant Restaurant General Manager (ARGM)/ Restaurant General Manager (RGM) for resolution, it will take 3 days to respond to Customer; and
- Level 3: RGM seeks support from Operation Manager (PM) or Partner Officer (PO) for redress, it takes additional 2 days, customer receives final response within 7 days after the complaint lodge.

During the audit investigation, warehouse site-related complaints were not identified.

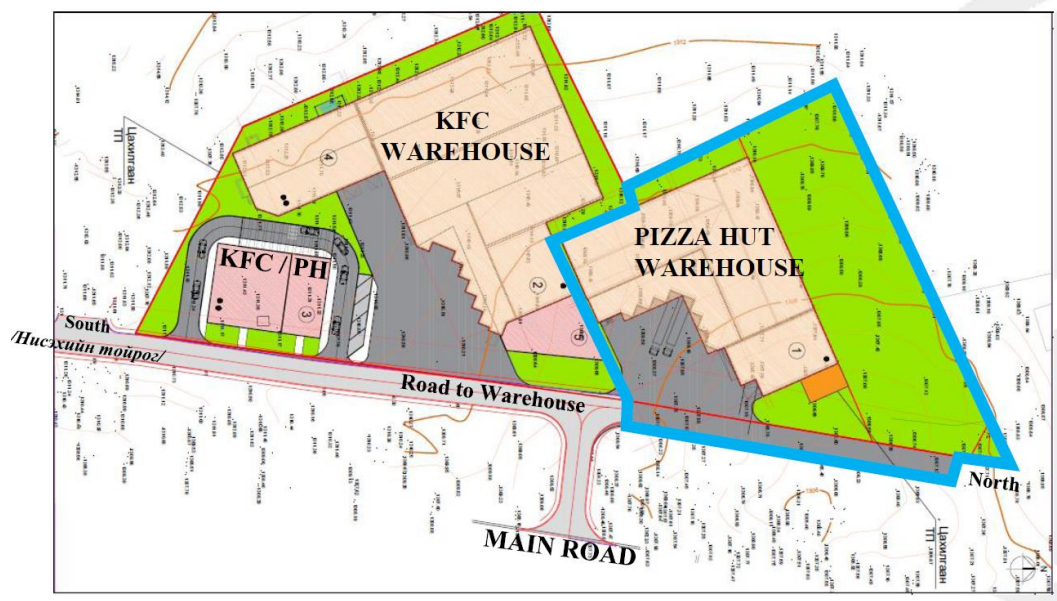
5. REVIEW OF THE PROJECT DESIGN AND CONSTRUCTION WORK UNDERTAKEN TO DATE

5.1 Pre-Construction Work

An initial environmental impact screening (IEIS) for the warehouse construction project was conducted by the Environmental Department, Municipality of Ulaanbaatar in May 2021, according to the Mongolian Law on Environmental Impact Assessment. It has been concluded that potential environmental and social impact are low, and detailed environmental impact is not needed. Therefore, community consultation and disclosure was not required by local law. The IEIS report provided recommendations on mitigation measures for environmental negative impacts such as implementation of waste management system, ensuring safe workplace in according with the relevant national standards, emergency response management, dust and noise control, and land reclamation and landscaping after construction. The construction EMP was not in place, which is contradicts the national requirement

Design drawings were reviewed and approved by the House of Expertise Service. Construction commencement permits for foundations and substation were issued by Ministry of Construction and Urban Development. As shown in the layout (refer to **Figure 5-1**), there will be 2 adjacent warehouses each for Pizza Hut and KFC, 1 standalone drive-through outlet for KFC, and 1 standalone outlet for Pizza Hut back-to-back.

Figure 5—1. Site Layout



Source: TBF

As shown in the **Figure 5-2**, hence the construction site is close to the main roads (distance 50 m), and auxiliary road (distance 10 m), there was no need for additional land to establish access road. All facilities such as dumpsite, storage area, office and rest area were established within the border of the fenced construction site.

The site activity did not restrict access to the main and auxiliary roads for others. The traffic on the auxiliary road used during the construction is low. Mainly customers to the two supermarkets located in 80-200 m from the construction use the road. Daily estimated customer number for the supermarkets are approximately 300.

Utilities connection permit was issued with the condition of building a power substation only. The power substation was constructed within the Project site next to the warehouse foundation (refer to **Figure 5-2**). Heating, water, and sewage pipelines will be connected to the existing manholes.

Figure 5-2. The Rower Substation



Source: Econational onsite visit, Oct 11, 2022

5.2 CONTRACTOR SELECTION

TBF and TBFP carried out bidding on Warehouse construction to select the Potential Contractor. Out of the three short-listed companies, PRTSOTSE LLC, was awarded as a Lead Contractor to complete the foundation of the warehouse. PRTSOTSE LLC is licensed in executing concrete work, indoor/outdoor utilities (heat, water (hot, potable) supply, sewage pipeline, electrical cabling, heating, ventilation, and air conditioning (HVAC), power supply, fire alarm and fire sprinkler system installation and its supporting facilities; site development and retrofitting of existing buildings. Recommendations from previous Clients such as MCS Coco Cola LLC, Spirit Bal Buram LLC, Jur Ur LLC and Urbanek LLC that are engaged in beverage and food processing business were provided.

The contractors are selected based on their experience, price, and delivery time. HSE requirements of the contractors are included in the agreement either in the general provision or as a separate annex to the agreement. Civil engineers from the Business development department control on a daily basis the HSE performance of the contractors.

5.3 CONSTRUCTION WORK

The construction site has been fenced. Site preparation, earthworks, foundations construction, and substation are completed, and the soil stockpile is kept for landscaping and backfilling within the fenced area (refer to Figure 5-2). Foundations constructions and substations were completed in October/November 2021. During the construction work no impact on neighboring areas, residents or business have occurred, formal or informal. Neither was restriction of access to others.

The construction contracts were done only for these works and completed as planned. No non-compliance identified. TBF/TBFP are planning to restart the construction work in the spring of 2023 and commence operation in the first quarter 2024.

5.4 LABOR AND WORKING CONDITION

As the construction workers were local people (sourced from the list of construction workers) workers accommodation was not required. Shipping container office, rest room and canteen were mobilized to the site.

All contractors should abide by the Labour Law of Mongolia and Occupation Health and Safety Law of Mongolia. CEO of TBG endorsed a special resolution on E&S requirements on Contractor to be applied on all stages of contracted work. In addition, TBG developed contract provisions on forced labour and child labour prevention, gender equality, sexual harassment, and workplace gender-based violence prevention, non-discrimination, and environmental protection. During audit, Econational team has reviewed contracts. No negative findings identified.

Engineers from the Business Development Department oversaw the construction activities and conducted inspections on a daily basis. HSE team monitored safety performance of the



construction contractors and carries out the inspection at least once a month. During the inspections, safety rules compliance, PPE use, and child labor were checked but not forced labor. Any identified non-compliance was immediately corrected. Econational team has reviewed the contractor performance inspection checklist. No safety accident occurred.

5.5 GRIEVANCE MECHANISM

The same grievance mechanism was applied during the construction work as described in section 3.7. During the audit, no complaints from local community and construction workers were recorded. When the construction re-starts, there may be cumulative impacts on air quality and noise as the site is surrounded by other construction activities carried out by third parties. Although currently there is no receptor in the close proximity there may be complaints from the local community.

6. CONCLUSIONS AND RECOMMENDATIONS

6.1 CONCLUSIVE SUMMARY AND COMPLIANT

Land acquisition

Total of 0.9992 ha green field was acquired for the warehouse at land auctions organized by Office of Land, Municipality of Ulaanbaatar. The land acquisition did not result in physical and economic displacement because the land was green field that was designated for construction development and owned by the state. There are no government regulations on physical and economic displacement on green field area. However, the Law on Environmental Impact Assessment requires environmental screening.

Ethnic minority groups are not affected. The nearest settlement is located in 1000 km from Ulaanbaatar.

Public consultation and information disclosure activities were not organized. However, there is no government requirement on public consultation and information disclosure for construction development.

There has been no warehouse site-related complaint identified to date.

Construction work

Land quality assessment and environmental screening has been conducted. An initial environmental impact screening (IEIS) conducted by the Environmental Department, Municipality of Ulaanbaatar, identified potential environmental and social impact as low. ESMP was not developed to implement the recommendations provided in the IEIS conclusion.

The construction of the warehouse foundations and substation was completed in October/November 2021. Construction contractors were screened and selected based on their experience, price, delivery time, and HSE performance. E&S requirements were addressed in the construction contracts. The Business Development Department and HSE team monitored the performance of the construction contractors with more focus on safety.



6.2 CORRECTIVE ACTIONS

Table 6-1 summarizes the Corrective Action Plan to bring the Project in compliance with the requirements of ADB's SPS 2009.



Figure 6-1. Corrective Action Plan for Environmental and Social Compliance Audit

No.	Corrective Action	Responsible Party	Evidence of completion
1	Assign or appoint at a corporate level an Environment, Health, Safety, and Social (EHSS) specialist who will coordinate and ensure compliance with ADB's E&S requirements.	TBF, and TBFP	Job description, specialist's CV, confirmation of assignment/appointment, training records as required. Social aspects include: land-related impacts, labor, contractor and supplier (labor aspects), stakeholder engagement and grievance management (workers, contractors, public, customers).
2	Develop a Contractor and Supplier Management Procedure(s) and integrate requirements into the TBF, and TBFP ESMS'. Integrate and strengthen child and forced labor management in the new procedure and ESMS.	TBF, and TBFP	Contractor and Supplier Management Procedure(s) covering E&S provisions for selection, management and monitoring of contractors and high-risk suppliers. Management tools, including social provisions in tendering and contractual documents, E&S awareness/induction on TBF/TBFP requirements, monitoring/auditing and corrective actions checklists. Also, for suppliers, high-risk assessment checklist. Develop disciplinary provisions for misconduct towards (female) TBF, TBFP staff for constructors and suppliers. Evidence of communication with contractors and suppliers.
3	Include explicit commitments to prohibition to child and forced labor in TBF and TBFP's social policies. Ensure compliance with and monitoring of this commitment.	TBF, and TBFP	Updated social policies. Evidence of monitoring and compliance in AESPR.
4	Develop Stakeholder Engagement Plan(s) (SEP).	TBF, and TBFP	Stakeholder Engagement Plan(s).
5	Enhance worker grievance redress mechanism (GRM) to address E&S audit's recommendations, including alternative/confidential grievance avenues (e.g., worker representatives, hotline) and enhanced resolution mechanism.	TBF and TBFP	Updated worker Grievance Management Procedure. Evidence of new grievance and resolution avenues, grievance records.

	The updated worker GRM should be extended to contractors/subcontractors.		
6	Submission of Annual Environmental and Social Performance Reports (AESPR) in the format agreed with ADB.	UBF, TBF, and TBFP	AESPRs submitted to ADB.
7	<p>Based on the ESMP presented in the IESE and in collaboration with the EPC, develop and implement site-specific construction and operation phase ESMPs (satisfactory to ADB). The ESMPs should include the management of impacts linked to (but not limited to):</p> <ol style="list-style-type: none"> 1. Environment covering air, water, traffic, waste (solid & hazardous), etc.; 2. Health & Safety management including working conditions, incident management, emergency response, maintenance of records (e.g., training, drills, field audits), training programs, first aid facilities and personnel (including appropriately qualified contractor personnel).; 3. Cumulative impacts; 4. Sub-contractor management and compliance.; 5. Labor Management Plan, , compliant with the international core labor standards and ADB's PIAL¹ , worker grievance management, training, monitoring/audits, maintenance of records (including appropriately qualified contractor personnel); 6. Stakeholder Engagement and Grievance Management including systems for documenting and resolving stakeholder concerns and grievances (managed by appropriately qualified personnel); and 	TBF and TBFP	<ol style="list-style-type: none"> i. Site specific construction phase ESMP ii. Site specific operation phase ESMP iii. Monitoring reports including the annual E&S monitoring report to be submitted to ADB.

¹ Prohibited Investment Activities List.

	<ul style="list-style-type: none"> • Influx management and community security and safety aspects. • Chance Find procedure. <p>The ESMP should also cover the two restaurants adjacent to the warehouses.</p>		
8	<p>When accommodation for construction workers is to be provided, develop an accommodation plan, and ensure accommodation facilities meet requirements of the IFC/EBRD Worker's Accommodation Guidance, 2009.</p>	TBF and TBFP	Evidence of accommodation audits and checklists.

7. ANNEX: REVIEWED DOCUMENTS

No.	Document Name
1	List of documents submitted for environmental assessment
2	Construction contractor inspection report
3	Construction architecture / Warehouse Khan-Uul district
4	General plan drawing / Warehouse Khan-Uul district
5	Sketch drawing / Warehouse Khan-Uul district
6	Report and Approval by Environmental Department
7	Land licenses
8	Soil geology report 2021
9	Land quality assessment report
10	Land agreements
11	Construction contracts