

Minutes of Meeting (18.7.2017)

<i>Meeting Details</i>			
Project :	Supplementary ESIA for Shwe Taung Cement (STC) Cement Plant & Associated Facilities in Myanmar		
Venue	Novotel Hotel	Region/ State	Yangon
	Township	Village	-
Objectives	<p>Public Forum to:</p> <ol style="list-style-type: none"> 1. Share information about the Project “Expansion of a Cement Plant & Associated Facilities by the Shwe Taung Cement (STC) Company Limited in Myanmar”. 2. Present findings of the draft Supplemental ESIA. 3. Exchange views with interested and affected parties which will be taken into account for finalisation of the Environmental and Social Impact Assessment (ESIA) Report for the Project. 		
Date	18 th July 2017 (Tuesday)		
Time	2:00 to 6:00 PM		
Attendee:	<ol style="list-style-type: none"> 1) U Aung Zaw Naing, Group CEO, STG 2) U Kyaw Naing Soe, DMD, STC 3) U Ze Lum, SE, STC 4) U Aung Khaing Nyi, EE, STG 5) U San Myaing, Manager, STC 6) Mr. Piers Touzel, Partner, ERM 7) Ms. Becky Summons, Senior Consultant, ERM 8) Daw Khin Su Su Naing, Senior Consultant ERM 9) Daw Myat Mon Swe, Senior Consultant, ERM <p>Government (6) NGOs (28) Media (2) Public (29) Total No. of Attendees: (74)</p>		

Agenda:

Agenda Item	Time
Welcome Remarks by Emcee Daw Thida Swe - Meeting objectives, agenda & introductions	2.00 – 2.15
Introduction about STC & Project Overview <i>Speakers:</i> <i>Group CEO Aung Zaw Naing, STG</i> <i>MD Kyaw Naing Soe, STC</i>	2.15 – 2.45
Findings of Supplementary ESIA Study- General Overview <i>Speaker: Mr Piers Touzel, ERM</i>	2.45 – 3.15
Q&A Session <i>Moderated by ERM Representative Daw Mya Mon Swe</i>	3.15 – 3.45
Coffee Break	3.45 – 4.00
Findings of Biodiversity Impact Assessment /Mitigation <i>Speaker: Mr Piers Touzel, ERM</i>	4.00 – 4.30
Findings of Social Impact Assessment /Mitigation <i>Speaker: Mr Piers Touzel, ERM</i>	4.30 – 5.00
Q&A Session Moderated by ERM Representative Daw Mya Mon Swe	5.00 – 6.00

*Detailed note of discussion (Part I)***Q1 (U Ye Lin Myint, National Coordinator, MATA):**

1. MATA has already sent our comments in an open letter to the IFC. How were impacts on the livelihoods of local people considered in the Supplemental ESIA and how were these impacts assessed?
2. How did you scope the Supplemental ESIA?
3. Was a health impact assessment undertaken? What was the finding of the health impact assessment? We would like to know detailed data of the dust assessment which you have explained that there is no unacceptable risk.
4. We understand that biodiversity impact will be discussed later and we would like you to disclose the detailed study data.

5. We would like to know the amount of coal consumption per day for existing plant and expanded plant and how do you manage the environmental impact of coal consumption.
6. How do you manage the waste generated from the Project activities? We also would like to know the impact of waste management and its mitigation measures?
7. How did you study the noise and vibration impact on villages around the cement plant?
8. As you said that 55% of the employees come from within 50 miles of the cement plant. We would like to know how many STC employees are from Pyi Nyaung and Kubyin villages? Why I have to ask this question is that most investors mentioned creating job opportunities, but they never mentioned the loss of job for local people because of the Project. So that I would like to know the impact assessment on livelihood and loss of current local job opportunity due to this Project.
9. How will you manage the water shortage issue at both communities around the cement plant and water usage which will be required for next line? How will you consider the water shortage issue for the local agricultural sector?
10. How will STC help the electricity supply for the villages along the power transmission line when STC connect the power from Ye Paung Son for second line?

A1 (Mr. Piers Touzel, ERM):

- 1) **Livelihood Assessment:** ERM undertook a socio-economic survey through discussions with village leaders; focus group discussions with women and famers and through a direct survey of 100 households sampled at random. If you don't mind we will explain this in a later session today.
- 2) **Health Impact Assessment:** We did not specifically do a health impact assessment. However a number of concerns related to health issues were raised by communities around the cement plant and coal mine. One comment raised in Kubyin was that there was an increase in skin disease in children which was thought to be related to a lack of water in the Kubyin River in the dry season. At the coal staging area in Paluzawa along the Chindwin River, residents said that the burning of coal was causing health impacts from the smoke.

Post Meeting Note:

- i. STC has made a doctor available to residents of Pyi Nyaung and Kubyin village who prescribed medication for the skin disease; and
 - ii. STC has not drawn water from the Kubyin River in the last 12 months so any water shortage in Kubyin this year is unrelated to the Project.
- 3) **Biodiversity survey:** It will be explain in a separate session later today.
 - 4) **Noise:** We undertook noise sampling at Kubyin and Pyi Nyaung villages as well as at the cement plant office area and staff quarters. The monitoring result indicates that there is noise from the plant near the operation area, but residents in Kubyin and Pyi Nyaung villages should not be able to hear any noise from the plant because they are too far away. For noise from blasting in the limestone quarry, it is noted that there are no residents in the vicinity of

the area. Furthermore, the blasting is on the other side of the hill from Kubyin village and there is not a direct line of sight to Kubyin village and so blasting noise will be screened by the terrain.

A1 (U Kyaw Naing Soe, STC):

- 1) **Coal Usage:** We are using coal as fuel for the kilns. One of the raw materials for cement production is calcium which will be obtained by taking away CO and CO₂ from Calcium Carbonate of the raw materials through gas suspension in preheater. The kiln temperature is 1,450 Degree Celsius which is fuelled by coal. A maximum of 0.18 tonnes of coal is used per day and depends on the quality of the coal. It will be less if the coal quality is good. The coal ash is combined with other materials to produce cement, so that there is low ash content in air discharged unlike coal fired power plant. There is thus no waste in cement production process, however, the runoff from the coal storage area discharged to the stream is assessed as wastewater impacts in the ESIA study. We are now taking action to follow up ERM's advice on mitigation measures.
- 2) **Employment:** 343 STC employees are from within a 50 mile radius of the plant and 6 people are from Pyi Nyaung and Kubyin. We welcomed local people to work at STC, but other business could generate more income for them. However, we will invite local people to try working at our plant and vocational training which will be arranged in the future for kiln operators, heavy vehicle drivers, administration etc. at STC.
- 3) **Environmental survey data:** Environmental survey data were obtained in February and June by the Environmental Conservation Department of Mandalay Region for which we can provide the hard copy.

A1 (U Aung Zaw Naing, STG):

- 1) **Water management:** The difference between the first and second line is that the first line is not included the waste heat recovery and thus the water usage in first line is less than the second line. It is correct that, overall, water usage will increase due to production of both lines. Our current plan is to pump water from Myithar stream and we will consider water supply for villages around the plant especially for Pyi Nyaung when installing this water supply. After the feasibility study, we will provide information on how water will be supplied to the plant and how much water we can supply to Pyi Nyaung.
- 2) **Health Risk:** With regard to the health problem related to skin disease in Kubyin, we have plans to set up water purification plants in Kubyin and Pyi Nyaung.

Q2 (U San Lin, Managing Director, Pyinyawaddy Shwe Pyi Construction Company Limited):

- 1) We welcome the improvement of cement production for our country's infrastructure development. Good production practices according to national and international EIA standards for the Project activities and disclosure of project information should be pushed to other cement companies as well. I would like to know how to continuously monitor this good practice during production to follow the ESIA recommendations.

A2 (U Aung Zaw Naing, STG):

- 2) The impact assessment and mitigation measure explained in the presentation are initial findings. Firstly, we will follow relevant national and International ESIA standards to disclose the findings.
- 3) Secondly, environmental study findings / data obtained by third parties will be made available at an Information Centre which will be set up in Pyi Nyaung soon for disclosure. Not only for the current impacts identified but for the impacts in the future they will be assessed and with mitigation measure identified and implemented.
- 4) The third measure is that a HSE manager will be appointed at our new Environmental and Safety Department. We will also train employees at all levels to improve their environmental awareness.
- 5) The fourth measure is we will comply with all environmental commitment if we contract with international organization such as IFC. We thus need to be transparent for all our activities. An independent director will have to be appointed to the board of directors. While local staff will be continuously trained, we will also hire foreign experts to manage compliance with procedures and guidelines.

Q3 (U Nyi Nyi Tun, Secretary, MRPZA):

- 1) Please explain if rice husk can be used as alternative fuel for heating. A lot of rice husks were disposed directly to the river everywhere which caused environmental impact.

A3 (U Kyaw Naing Soe, STC):

- 1) Rice husks are being used for the heating for cement production in other countries. In order for this to be a feasible option, we must have a continuous supply of rice husk. The rice production in Myanmar is about 12 million tonnes per year and rice husk is 20 % of rice production. Rice mills are using 50 % of the rice husk, but 2 million tonnes of rice husk is waste in Myanmar. The main rice cultivation areas are Mandalay, Magwe, Bago and Ayeyarwady regions. So we have to study the numbers of rice mills and usage of rice husk by them in Mandalay region and Naypyitaw for the long term sustainable supply as fuel. The benefit of using rice husk it is flammable, but transportation cost is expensive because it is so light. So we are considering using surplus rice husk from rice mills which are within 100 miles of the plant. Another benefit to use the rice husk is Silica content of rice which contributes to high strength of clinker. We will undertake a study of the feasibility of using rice husk to displace 10-15% of the coal used as fuel. Also waste engine oil is another alternative fuel that may be considered in the future. After the feasibility study on the rice husk use is complete, information will be disclosed to the public.

Q4 (U Win Maw, Deputy Director, Forestry Department, Yangon Region):

- 1) There are only 6 people from Pyi Nyaung working for STC now because of the illegal logging around Kubyin and Pyi Nyaung area. Creating job opportunities with good salaries for permanent and daily works can attract people to work in STC rather than logging which can be a CSR programme for forest conservation.

A4 (U Aung Zaw Naing, STG):

1) **Job Opportunities:** We will try to create the job opportunities as we mentioned.

Q5 (U Hla Tun Tun Min, MATA, Mandalay):

- 1) **Land and crop compensation:** Communities have not yet been paid compensation for land and crops for the access road construction and power transmission line connected from Yay Paung Sone Substation.
- 2) **Water shortage:** There is water shortage for the community because of the dam/ reservoir STC constructed which blocked the Poe Hlaung and Ye Shin Streams. How will STC manage this?
- 3) **Job opportunities:** All people around the plant said no jobs are available when they applied to STC and how can you arrange to have jobs for those people living in Pyi Nyaung?

A5 (U Aung Zaw Naing, STG):

- 1) **Land and crop compensation:** The access road was constructed along a former bullock cart track and 14 households have already been compensated for their land and crops in 2009-2010. We have documentation of these compensation records. Since the road was constructed nobody else has come forward seeking compensation from us till now.
- 2) **Water shortage:** We use only Poe Hlaung stream. If water is available from Myittar Stream, water supply for nearby community like Kubyin and Pyi Nyaung will also be considered as I mentioned earlier.

A5 (U Kyaw Naing Soe, STC):

- 3) **Land and crop compensation** For the transmission line, it was done by four companies as a Joint Venture in 2011-2012. At that time, we knew that the area covered Yay Paung Sone reserve forest, natural forest, military owned land and vacant land. However, 4 Households in Oat Kyin village were compensated for their mango and banana plants. Up to now in 2017, nobody else has come forward claiming unpaid compensation. We will construct the second power line and all affected households will be compensated by coordination with related authorised departments.

Q6 (U Aung Thu Kyaw, Deputy Director, ECD, Yangon Region):

- 1) **Environmental Data:** Environmental survey data obtained by ECD of Mandalay region is only representative for short-time period. As such, the survey data collected by third parties in the future monitoring surveys will have to be disclosed.
- 2) **Livelihood restoration and resettlement action plan:** For the affected people who lose their properties of land and crops, ERM has to consider those people.
- 3) **Explanation of the production process:** should not include technical terms so people at all education levels can understand.
- 4) **Air Modelling:** As ERM said that there is no impacts from air emission to people because all residential areas are far away from the plant and the emission especially NO_x, SO_x will be

dispersed to the hill area where no residents are living due to wind direction. However, the impact on natural areas and on people due to air emission and its mitigation measure should be explained without technical terms.

A6 (Mr Piers Touzel, ERM):

- 1) **Air Pollution:** The chimney from the cement kiln is the main source of air emission from the cement plant. The second line will be constructed next to the existing line with similar discharge and similar chimney. The dominant wind direction is from the east to the west across the plant. If the wind direction is south west to north east what that means is that you do not get the impact in Pyi Nyaung village. Mainly because of the wind direction is east to the west, the air modelling indicates that the exceedance occurs at the top of the hill where there are no residents. In terms of long term monitoring, air monitoring equipment will be installed inside the chimney to measure the concentration of air pollutants. Dust deposition monitoring will be undertaken in Pyi Nyaung and Kubyin villages and data will be shared with local communities.

Q7 (U Thein Win, villager, Pyi Nyaung):

- 1) **Water Shortage and impact of wastewater:** My garden is near the end of Poe Hlaung Stream. How will the issue of water shortage by the blocking of this stream by the weir in summer be managed? And how will impacts from wastewater discharges to this stream be managed?
- 2) **The labour charges of road construction:** There are different labour charges for the road construction in Pyi Nyaung village. How STC is going to manage that?
- 3) **Baseline survey:** Why was ERM's baseline survey for air quality done in one day? All villagers should be informed about the baseline survey requirement.
- 4) **Public consultation:** Public consultation was done by ERM only with children in Pyi Nyaung. All villagers need to be invited to understand the ESIA. So next time, please invite all villagers.
- 5) **Impact:** Information on all impacts has to be disclosed.

A7 (U Aung Zaw Naing, STG):

- 1) We will discuss with your entire group after this forum.
- 2) **Water Shortage and impact of wastewater:** Recycled water is being used and there is no industrial wastewater discharge. We will address water supply as I mentioned earlier.
- 3) **Labour charges of road construction:** We have donated concrete for road construction. Labour charges were arranged by subcontractor and we will rearrange this if there are any concerns.

A7 (Mr Piers Touzel, ERM):

- 4) The consultation undertaken by ERM has three main components: i) an initial consultation at scoping with village leaders; ii) community briefings at each of the affected villages; iii) 100 Household surveys and 15 focus group discussions in villages close to the project area.

During the consultation, STC shared information on Project activities and ERM explained the Supplementary ESIA, followed by socio-economic survey undertaken by ERM. We then conducted focus group discussion with women and farmers. A final round of consultation and disclosure on the draft ESIA findings is now being undertaken. I apologise if any individuals were unaware of the consultation sessions undertaken to date. It was not our intention to exclude anyone. We have another consultation meeting in Pyi Nyaung on this coming Saturday and will ensure that those represented here today are invited to attend.

Q8 (U Kyaw Thet Win, Upper Chindwin Youth Network, Paluzawa, Kalay District):

- 1) **Coal Storage in Paluzawa:** Was there any consideration on impact of coal transportation like accidental coal spill while carrying them by barges in Chindwin River.
- 2) **Biodiversity survey:** do you have study / survey on biodiversity? Given Paluzawa area is most critical for biodiversity ERM has to cooperate with local experts for biodiversity survey.
- 3) **CSR:** Community awareness on environmental issues needs to be improved such as by organizing workshops rather than only supporting community development through donations. What is the plan on this?
- 4) **Grievance Mechanism in Paluzawa:** If there is no contact manager at the coal mine, who will receive our grievance? STC need to arrange a Grievance Mechanism.

A8 (U Aung Zaw Naing, STG):

- 1) We apologise that further public consultation in Paluzawa has to be postponed because of flooding in Kalaywa, but the public consultation meeting will be held in Pyi Nyaung this coming Saturday.
- 2) We will try to upgrade the community awareness of environmental issue.
- 3) Because of the impact assessment and monitoring requirements as you mentioned, we engaged ERM as an International ESIA Consultant in order to comply with the International Standards and we will continuously monitor the environmental and social impacts.

A8 (Mr Piers Touzel):

Biodiversity:

- 4) In the next session, biodiversity survey results in Paluzawa of the coal mine area will be explained. This biodiversity survey was done by international biodiversity experts working alongside local specialists. To survey mammals at the forest, camera traps were installed in the forest. In the next presentation, photographs will be shown on we found.
- 5) We did not assess impacts due to accidental spills from barging coal in the river.

A8 (U Aung Zaw Naing, STG):

- 6) We will upgrade the local practice and address local concern of coal transportation downstream.

Q9 (Daw Moe Moe Tun, Sein Lan Pyin Oo Lwin Environmental Conservation Association):

- 1) **Job Opportunities:** Mr. Piers said that ERM invited 100 Households and “all respondents described the existing Project as important for the community because they have job opportunities”. However, STC said that there are only 6 peoples working at STC plant from Kubyin and Pyi Nyaung. Please explain discrepancy between the two pieces of information.
- 2) **Question to the local people:** how did you ask people the question related to “importance of the project to them”?
- 3) **Lime Kiln:** Mr Piers shows the local lime kiln business and villagers can work in lime kiln which causes big environmental impact. Why can't those people work at STC?

A9 (Mr Piers Touzel, ERM):

- 1) **Lime Kiln:** The lime kilns are the main source of employment in Pyi Nyaung and employ people in the extraction and transportation of limestone and fuel wood, transportation, lime production and trading. The reality is that taking firewood from the forest generates higher income than working at the cement plant.
- 2) **Question to the local people:** During the socio-economic surveys, we asked people to rate how important they considered the project to their community on a scale of 1-5, 1 being very important and 5 being not important at all. The households that were asked this question were selected at random by ERM.

3) A9 (Mr Ben Li, IFC):

- 1) **Question to the local people:** For the question on how important the project is, it should be noted that the importance can mean it is important but it can be good or not good to them.

Q10 (Ms Lis Hlaing, IFI Watch Myanmar):

- 1) **Public consultation:** ERM said that the words “Everyone that we spoke to”. What is meant by the word “Everyone” and who are they? As per IFC policy, the invitation to the community should include all local people. Also information related to project activities should be disclosed before the consultation. The local people said that this invitation was made to 25 people through GAD officer which is not representative of the local community. Did the consultation include women or farmers or workers? Is that only with students? ERM said that “All respondents”. What is the sample size of the respondents that you mentioned in your presentation?
- 2) **Project Category:** Now that you have done the EIA. What is the category of this project? If the category is A, can you let us know? IFC has Performance Standard mentioned that the EIA should have thorough consultation with the community. You should have consulted with the community at least twice before preparing the EIA. Another point is that the Category A Project has very high risk of negative impact.

A10 (Mr Nicholas Michael, IFC):

Yes, the Project is Category "A".

A10 (Mr Piers Touzel, ERM):

- 1) **Public consultation:** 100 Households were selected at random for the survey. Those households were not selected by local government. There is another consultation opportunity for the community in the next couple of days in Pyi Nyaung. Ms Myat Mon Swe, Senior Consultant of ERM, will undertake the public consultation at the end of this week and will be happy to provide you details of the time and venue. This ESIA is not yet finished and the outcomes of this round of consultation will be incorporated into the Final Supplementary ESIA, which will also be disclosed.

A10 (Myat Mon Swe, ERM):

- 2) **Public consultation:** We did not only invite 25 people to the meeting. Before meeting with people to collect the socio-economic data, we informed communities about the meeting three days in advance. One of the focus group discussions with women was made in one of the local lime kiln business area with women workers. The "25 households per village" means we surveyed socio-economic data from the community through a questionnaire administered to 25 households in each village. 100 HH questionnaires were collected in total with 25 HH in Pyi Nyaung, 25 HH in Kubyin and 50 HH in Nanmawke, Paluzawa and Chaung Sone villages. We did not ask the village leader to select the people to attend the meeting. The meeting attendees of each consultation meeting were recorded. These consultation meetings were intended to disclose information of the new line project activities and to collect the socio-economic data of affected communities.

Q 11 (U Ye Lin Myint, National Coordinator, MATA):

- 1) **Public Consultation:** We welcome further public consultation in local communities, but we would like to know when did you inform or invite people to attend this meeting. Who did the sharing of the information and what was the method of the invitation? All presentations should be explained using Myanmar language and using handouts. The invitation through the GAD leader by the company is not the right way to ensure that all villagers receive this invitation. How long we have for the invitation before the meeting is important. So we want to know the facts about the method of invitation. Our people cannot use internet and email. So if you have not yet invited them, please postpone the date of the upcoming consultation meeting. Also we want to have the women group discussion data. We thank you for inviting us to this public forum so that we can understand about the Project and give comments. Please let us know the procedure used for data collection.
- 2) **Livelihoods and income:** We would like to know the method of community livelihood impact assessment? ERM mentioned that there is no cultivation area, but how do you assess the water shortage for the local agriculture by the Project expansion? In this EIA report there is no information about income generation of the community. ERM said there is no footprint to the forest and nobody relies on the forest.

- 3) *Access to water*: There is both traditional agriculture and orchards that may be affected. One of the villagers said that his orchard has water shortage due to construction of a water reservoir for the cement plant. The assessment of water supply is really important.
- 4) *Concern of the public*: We also want to know people's concerns on the new line project.
- 5) *Indigenous People*: We are wondering why the previous EIA has identified Indigenous Peoples (IP), but the Supplementary ESIA has not included an IP assessment which is an important part of IFC's Performance Standards. We would like to know why this ESIA did not address impacts to IPs?
- 6) *Role of Flora and Fauna International (FFI)*: Was FFI a consultant and subcontractor of ERM for biodiversity issues?

A11 (Mr Piers Touzel, ERM):

- 1) *Public Consultation*: I apologise that we did not give you the information in Myanmar language for today. The next round of public consultation will be held using local language. Please contact Myat Mon Swe for detailed information about the upcoming public consultation.
- 2) *Data collection*: Data collection was done using questionnaires which include questions related to livelihood, sanitation and health impacts. We collected relevant data and used this to inform the social impact assessment. All survey result can be found in the social baseline chapter of the Supplementary ESIA Report. It was collected by randomly selecting households from five villages.
- 3) *Role of FFI*: In relation to the ESIA, FFI was a subcontractor of ERM to lead the biodiversity baseline surveys. We have a representative of FFI here who will explain their work to you.

A11 (Mr Ben Li, IFC):

- 4) *Indigenous Peoples*: There are numerous reasons why we decided not to trigger PS7. These were based on the findings in the field (by IFC and ERM). There are various minorities in area but these are mostly second generation. They do not speak their ethnic language in their day to day lives and their cultures and traditions are integrated with Burmese culture. There are no significant ethnic traditions except those for Burmese culture. For example, in some other communities or cultures, there is an elder based decision making structure, such as local indigenous courts making decisions, but these were not found in area. Although this is not triggered, this Project also has secondary impacts of opening up access to areas and therefore livelihoods have been improved. The material adverse impacts are very limited on these communities. Therefore, we made the decision not to trigger PS 7 (IPs). This is not to say that we do not recognize that there are ethnic minorities in this community.

A11 (Mr Frank Momberg, FFI):

- 5) *Role of FFI*: Prior to Supplementary ESIA done by ERM, we have 7 years' experience in Myanmar on biodiversity surveys with our team of national and international experts with limestone specific expertise. Before this Supplementary ESIA, FFI had commenced surveys of limestone ecosystems at all the cement plants in Myanmar. Thanks for this forum which is the first national workshop for limestone ecosystem conservation as part of the consultation

for the ESIA of Shwe Taung Cement plant. I very much appreciate the commitment and openness of STC for funding the Biodiversity Action Plan which is the only limestone conservation programme to date in Myanmar. The biodiversity survey undertaken for STC's cement plant can serve as an example for other cement companies and limestone areas.

- 6) **Cumulative impact:** One specific comment I have is about the lime kiln around the area which is not sustainable and impact also the community and cause deforestation. I appreciate if there is mitigation on reducing impact on the limestone extraction, firewood collection and lime production by other companies and local communities, with cumulative impact assessment through community and related forest department, community forestry programme to improve the lime production with sustainable way for reducing the environmental impact. Perhaps I would like to request that ERM consider a bit more on the cumulative impacts of the local limestone production not only for the cement site but also for the community of coal site where other companies are working.

A11 (Mr Piers Touzel, ERM):

- 1) **Cumulative impacts:** In relation to the limestone cumulative impact assessment I agree with you. The local communities extract the limestone from the limestone range and firewood from the forest and clear vegetation. Mitigation measures are important to reduce the impact to the community, including the biodiversity action plan to be funded by STC. In relation to the coal mine in Paluzawa area, there are another 3 or 4 companies mining coal, although and some of these are underground mines with smaller footprints. Auto ignition of coal is reported to be a problem by the local community and we have proposed measures to mitigate this.

Q12 (U Kyaw Thet Win, Upper Chindwin Youth Network, Paluzawa, Kalay District):

- 1) **Biodiversity assessment:** We want to express our concern on impact to forest species and deforestation by illegal logging using the STC road in Paluzawa. We want to know if ERM has already assessed the loss of forest. The loss of the forest product such as bamboo, bamboo shoots, fruits and corn is also important and needs to be assessed. Do you have any flora assessment? Did you collect the data of the loss of properties of the community people and forest species by the coal production?
- 2) **Transportation:** How to account for the responsibility for pollution in the Chindwin River from coal transportation, runoff from the coal mine area, impacts of road construction, and impacts on fishing grounds from accidental coal and oil spills in transportation. We have information how the environment was damaged and ERM should consider using this information and cooperating with us for the assessment.

A12 (Mr Piers Touzel, ERM):

- 1) Thank you for your offer of information on environmental damage. We agree that construction of the coal mine access road is having a serious impact and have recommended that its use in the upper sections be discontinued. In terms of the water quality assessment, we took water quality samples downstream of the coal mine and found that water quality was generally acceptable with the exception of elevated levels of suspended solids and some metals. We have recommended that alternative options be considered to the seasonal construction of the access road and Shwe Taung has indicated that they will discontinue use

of the upper section of this road from the end of the dry season this year. For your information on environmental damage, please pass this Ms Myat Mon Swe for our consideration.

A12 (U Aung Zaw Naing, STC):

- 2) We will keep in touch with the local expertise and CSO of Paluzawa to improve the habitat condition at the existing mine.

Q13 (U Hla Min Min Tun, MATA, Mandalay):

Pollution:

- 1) ERM said that there is no dust impact on the community, however, community said that ash from cement plant can be seen on the leaves of trees, agricultural plantation that we have photos as proof. Dust and ash can be also seen on the surface of uncovered water containers. If they use the water, people suffer from skin disease. So we would like to clarify how to manage the dust impact? Also fish kills have been observed in the stream, and we want to know that it is being caused by the waste discharged from the cement plant to water resources or it is happened by other reasons. So how to control the waste and wastewater impact?
- 2) Why was consultation only undertaken with people related to the GAD officers? Most of the 25 people who attended this meeting were young people.

A13 (Mr Piers Touzel, ERM):

- 1) ***Ash:*** We modelled air emissions from the cement plant kiln stacks together with dust from exposed areas of the mudstone and limestone quarries. Our assessment indicates that there should not be unacceptable dust impacts at either Pyi Nyaung or Kubyin Villages as a result of the project. This is a function of the prevailing wind direction and distance between the source of dust and the receptors. I would also point out that lime kilns in Pyi Nyaung village could be a source of ash and dust. In Kubyin village, all houses are located close to a dirt road that is not related to the project and each of these houses burns wood as fuel. The dirt road and wood burning are likely to be the sources of dust in Kubyin. We have installed 10 dust deposition gauges at various locations in Pyi Nyaung and Kubyin villages and around the cement factory to monitor long term changes in dust levels.
- 2) ***Representatives of the consultation:*** For our previous consultation the invitation was through village leaders. We apologise if we inadvertently missed some people who wished to attend and we will improve this as well as our means of invitation for the upcoming round of consultation.

Q14 (U Nyo Maung, GAD, Pyi Nyaung):

- 1) Representatives of the consultation: The number of only 25 consulted people that has been raised by others is wrong because I was there when ERM did the consultation. The invitation was open to all villagers before the meeting and for the socio-economic survey.
- 2) Fish death: Gold mining in the upstream reaches of Myint Thar is the cause of the fish kill that has been referred to. It is correct that we can see a layer of lime on the surface of water

containers, especially in winter season because our area is within a limestone range. But this does not mean it is caused by cement companies. It may be, but I would like to explain the existing condition in the surrounding area. The land problem is happening all over the country and not only in our area. I think that the land problem is less serious compared with other areas. According to what the company mentioned, this problem will be settled I believe. On the other hand, nobody doubts investors in our area support the communities' development. However, if there is impact on the communities please avoid any impact and please support development of the communities.

A14 (U Aung Zaw Naing, STG):

- 1) Thank you for the comments and we will commit to emphasize community development activities.

Q15 (Mr Ben Hardman, EarthRights International -ERI):

- 1) You mention earlier about the grievance redress mechanism. Can you please elaborate?

A15 (U Aung Zaw Naing, STG):

- 1) Managing grievance is very important to us as we want to hear any complaints from the community. Whatever national and international standard we are going to comply with, I would like to tell all of you that we are Burmese and we will work honestly for our national development. The people's benefit from our hearts is more important than just standards.

Q16 (Mr Ben Hardman, EarthRights International -ERI)

- 1) Have you already informed the local consultation meeting to the community?

A16 (U San Myaing, STC):

- 1) We have already invited people of 5 surrounding villages of our Project through GAD of Thazi Township, by placing notice on signboard in the main/ central areas of those villages and distribute the invitation letter to the people directly. We will undertake public consultation meeting with related departments and CSOs in Tharzi on 21st July and community consultation meeting will be held in Pyin Naung on 22nd July.

Photo:

