Papua New Guinea LNG Project

Stakeholder Engagement Management Plan – Production

PGGP-EH-OPZZZ-000004-010
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### ACRONYMS

<table>
<thead>
<tr>
<th>ACRONYM</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>CDI</td>
<td>Community Development Initiative</td>
</tr>
<tr>
<td>CLO</td>
<td>Community Liaison Officer</td>
</tr>
<tr>
<td>DEC</td>
<td>Papua New Guinean Department of Environment and Conservation</td>
</tr>
<tr>
<td>DPE</td>
<td>Papua New Guinean Department of Petroleum and Energy</td>
</tr>
<tr>
<td>EHL</td>
<td>Esso Highlands Limited</td>
</tr>
<tr>
<td>EIS</td>
<td>Project Environmental Impact Statement</td>
</tr>
<tr>
<td>EPC</td>
<td>Engineering, Procurement and Construction</td>
</tr>
<tr>
<td>ESHIA</td>
<td>Environmental and Social Health Impact Assessment</td>
</tr>
<tr>
<td>Lanco(s)</td>
<td>Landowner company(Companies)</td>
</tr>
<tr>
<td>L&amp;CA</td>
<td>Land and Community Affairs</td>
</tr>
<tr>
<td>LNG</td>
<td>Liquefied Natural Gas</td>
</tr>
<tr>
<td>NGO</td>
<td>Non-government organisations</td>
</tr>
<tr>
<td>OIMS</td>
<td>Operations Integrity Management System</td>
</tr>
<tr>
<td>P&amp;GA</td>
<td>Public and Government Affairs</td>
</tr>
<tr>
<td>PNG</td>
<td>Papua New Guinea</td>
</tr>
<tr>
<td>VLO</td>
<td>Village Liaison Officer</td>
</tr>
</tbody>
</table>
1.0 INTRODUCTION
This Plan describes Esso Highlands Limited’s (EHL’s) approach to stakeholder engagement and the steps it intends to take during the production phase of the Papua New Guinea Liquefied Natural Gas (PNG LNG) Project (the Project) to maintain, and where possible, enhance the constructive and mutually beneficial relationships it has established with stakeholders during the Project's development and construction phases.

The initial stakeholder engagement process was established as part of the Project Environmental Impact Statement (EIS). This process established formal and informal channels to receive communications from the public, along with a comprehensive consultation process which involved the active and informed participation of affected communities, government and non-government organisations (NGOs).

EHL subsequently built on the EIS consultation process by implementing the Project’s Construction Stakeholder Engagement Plan, which was disclosed as part of the Environmental and Social Management Plan.

This Plan updates the Construction Stakeholder Engagement Plan to describe the processes and actions applicable during production. More specifically it describes: legal and other requirements; organisational arrangements; previous engagement activities; the proposed engagement program for production; description of grievance redress mechanisms; monitoring and reporting; roles and responsibilities, and training and awareness.

1.1 Scope
Stakeholders are defined in this Plan as people, groups or communities that may be directly or indirectly affected by the Project or have an interest in it. This is a diverse group that, over time, will comprise locally affected communities or individuals and their formal and informal representatives, national or local government authorities, political leaders, religious leaders, civil society organisations and groups with special interests, the academic community, and other businesses.

Stakeholder engagement is regarded as an ongoing process and applies broadly to the Project’s production phase. Priority will be given to stakeholders who are directly affected by Project activities but will not exclude those that fall within a broader sphere of influence, or whose legitimate interests define them as stakeholders.

While stakeholder engagement is a dedicated Project function, it shares an inter-relationship with other departments, and to some extent, all Project employees. Therefore, the requirements of this Plan will be considered by the following departments and incorporated into their planning:

- Public and Government and Affairs (P&GA)
- Land and Community Affairs (L&CA)
- Safety, Health and Environment
- Security
- Procurement and Supply
- Human Resources
- Medicine and Occupational Health

1.2 Principles and objectives
The following principles of engagement\(^1\) have been applied during the construction phase and will continue to serve as the basis of stakeholder engagement during the production phase:

• Provide meaningful information in a format and language that is readily understandable and tailored to the needs of the target stakeholder group(s)
• Provide information in advance of consultation activities and decision-making
• Disseminate information in ways and locations that make it easy for stakeholders to access it
• Respect local traditions, languages, timeframes, and decision making processes
• Establish two-way dialogue that gives both sides the opportunity to exchange views and information, to listen, and to have their issues heard and addressed
• Seek inclusiveness in representation of views, including women, vulnerable and/or minority groups
• Adopt processes free of intimidation or coercion
• Develop clear mechanisms for responding to people’s concerns, suggestions and grievances
• Incorporate feedback into project or program design, and report back to stakeholders

With these principles in mind, the overall objective of the Project’s stakeholder engagement activities is to keep all stakeholders informed with respect to their specific interests, engage people in decisions that directly affect them, and maintain stakeholder confidence and trust in the Project and its activities through open, informative, inclusive and timely communications.

The expectation is that this will be achieved by building on the relationships established during the construction phase and making appropriate adjustments that are consistent with the changing Project status, including Project–related activities, affected communities, stakeholder perceptions and interests, and reporting needs.
2.0 LEGAL AND OTHER REQUIREMENTS

Legal and other requirements relevant to this Plan are outlined in the following sections.

2.1 Papua New Guinean laws and regulations

Stakeholder identification and mapping, as well as public consultation on issues of interest and concern, is required as part of Papua New Guinea's consideration of equity entitlement and Project benefits, as mandated by the *Oil and Gas Act 1998*. In particular, multiple sections of the *Oil and Gas Act 1998* require applications for petroleum facilities to make all reasonable efforts to consult with existing and potentially affected stakeholders about developments.

In addition, National Goal 2 (6) of the *Constitution of the Independent State of Papua New Guinea 1975* requires EHL and its contractors to engage the community and “maximise the number of citizens participating in every aspect of development.”

These requirements were addressed in detail during the social mapping and landowner identification and EIS processes and were embedded in the Project through commitments made in the EIS, which subsequently became the basis of the three licenses under which the Project's development could occur. These were the Petroleum Development License, the Petroleum Processing Facility License, and the Petroleum Pipeline License.

An Environment Permit was issued pursuant to the *Environment Act 2000* regarding works to be conducted within the petroleum license areas, stipulating the conditions under which the works could be carried out. The conditions included raising community awareness and continuing processes for the assessment and reporting of social impacts and social management, including links to corporate-level systems and requirements.

2.2 Company policies

EHL is committed to conducting business in a manner that considers the needs of the communities in which it operates. These commitments are supported by community, human safety, health, environment, product safety and security policies. Each of these policies is put into practice through a disciplined management framework called the Operations Integrity Management System (OIMS).

OIMS, as well as the Socioeconomic Management Standard, apply to stakeholder engagement and grievance management as follows:

- **OIMS System 2-1 Risk Assessment and Management** – The requirement to identify and manage risks
- **OIMS System 4-2 Compliance with Laws, Regulations and Permits** – The requirement to comply with applicable laws, regulations, permits, licenses, and other legally binding requirements or agreements
- **OIMS System 10-1 Community Awareness** – Addresses all forms of communication and interaction with Production Unit employees, contractors, government and law enforcement officials, NGOs, the media, and local communities where the Unit's office and field/plant operations could have an impact on the communities. The review of grievances, status, statistics and issues is a required activity within this element
- **OIMS System 11-1 OIMS Assessment** – A key indicator in the OIMS assessment process is the external review expectation that requires external review and reporting to be conducted on a frequency as defined in the annual OIMS Assessment schedule

The Socioeconomic Management Standard provides guidance on how socioeconomic issues will be identified, with specific consideration to:

- Consultation with relevant communities, government officials and appropriate stakeholder organisations or individuals to share information, solicit opinions/ideas/feedback, and respond to expressed concerns
Identification of potential socioeconomic issues/risks including, but not limited to, management of cultural and heritage properties, interaction with indigenous and/or vulnerable populations, involuntary resettlement, compensation, employment and training, and the procurement of goods and services

Development of appropriate prevention (or enhancement), control, mitigation, and monitoring strategies related to potential socioeconomic issues/impacts

As part of OIMS System 10-1 Community Awareness, A Best Practice in External Affairs document was developed and implemented for key facilities across ExxonMobil’s global operations. This document describes the requirements relating to the management of external affairs, including stakeholder engagement. OIMS System 10-1 Community Awareness states: “Communities’ expectations and concerns about our operations, including those of our workforce, are recognised and addressed in a timely manner.”

2.3 International Finance Institution requirements

The International Finance Corporation (IFC) Performance Standard 1: Social and Environmental Assessment and Management Systems (IFC, 2006) is most relevant to stakeholder engagement from the perspective of International Finance Institution requirements, as follows:

- Community engagement is an ongoing process involving disclosure of information. When local communities may be affected by risks or adverse impacts from a project, the engagement process will include consultation with them. The purpose of community engagement is to build and maintain over time a constructive relationship with these communities. The nature and frequency of community engagement will reflect the Project’s risks to and adverse impacts on the affected communities. Community engagement will be free of external manipulation, interference, or coercion, and intimidation, and conducted on the basis of timely, relevant, understandable and accessible information

- Undertake a process of consultation in a manner that provides the affected communities with opportunities to express their views on project risks, impacts and mitigation measures, and allows the Company to consider and respond to them

- The consultation process will ensure the free, prior and informed consultation of impacted communities and facilitate their informed participation. Informed participation involves organised and iterative consultation, leading to the Company incorporating into their decision-making process the views of the affected communities on matters that affect them directly, such as proposed mitigation measures, the sharing of development benefits and opportunities, and implementation issues. The Company will document the process, in particular the measures taken to avoid or minimise risks to and adverse impacts on the affected communities

- The Company will respond to communities’ concerns related to the Project. Where ongoing risks to or adverse impacts on affected communities are likely, the Company will establish a grievance mechanism to receive and facilitate resolution of the affected communities’ concerns and grievances about the Company’s environmental and social performance. The grievance mechanism should be scaled to the risks and adverse impacts of the Project. It should address concerns promptly, using an understandable and transparent process that is culturally appropriate and readily accessible to all segments of the affected communities, and at no cost and without retribution. The mechanism should not impede access to judicial or administrative remedies. The Company will inform the affected communities about the mechanism in the course of its community engagement process

In projects with adverse impacts on affected communities of Indigenous Peoples, the consultation process is required to ensure their free, prior and informed consultation and facilitate their informed participation on matters that affect them directly, such as proposed mitigation measures, the sharing of development benefits and opportunities, and
implementation issues, refer to Performance Standard 7: Indigenous Peoples (IFC, 2006).
The process of community engagement is required to be culturally appropriate and commensurate with the risks and potential impacts to the Indigenous Peoples.


Key themes of these documents include:

- Early engagement – Commencing engagement early is crucial to building trust, mutual respect and in establishing relationships with stakeholders. The development and implementation of this Plan will ensure that consultation activities are proactive, planned and delivered in a timely manner
- Long-term view – Establishing and maintaining relationships is a long-term investment. To enhance the value of stakeholder relationships, a long-term view to engagement will be taken. This Plan embeds a long-term view by identifying and planning engagement activities that are tailored for each phase of the Project
- Proactive not reactive – This Plan sets a proactive path for consultation, as opposed to being reactive and responding to issues as they arise. A proactive approach to consultation helps to build credibility and relationships with stakeholders
- Managed as a business priority – This Plan will ensure that engagement activities are planned and delivered through a systematic and consistent approach. This involves management responsibilities and resources being assigned to each consultation activity

An additional guide on international standards for stakeholder engagement is contained in The Equator Principles (The Equator Principles Association, 2006). These Principles set out environmental and social criteria and guidelines for the financing of projects.

Specifically, Principle 5 outlines the main consultation and disclosure of information requirements which are:

- The government, borrower or third party for a project needs to consult “with project-affected communities in a structured and culturally appropriate way”
- Consultation should be ‘free’ (free from external manipulation, interference or coercion, and intimidation), ‘prior’ (timely disclosure of information) and ‘informed’ (relevant, understandable and accessible information), and should apply to the entire project process
- A Project Consultation and Disclosure Plan should be prepared
- Consultation is to be tailored to meet the needs of the affected communities in terms of language, their decision-making processes and the specific needs of disadvantaged or vulnerable groups
- Project documentation, or non-technical summaries of project documents, are to be made available to the public
- The process and results of consultation with the public are to be documented
- Consultation with indigenous peoples should be carried out according to Performance Standard 7: Indigenous Peoples (IFC, 2006)

Principle 6 is also relevant to the Project. It requires the Project to establish a grievance mechanism to consider concerns from impacted communities promptly and transparently, and in a culturally appropriate manner.

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2 With regard to the Project, this Plan was developed as part of the EIS process in 2008. This Plan describes the EHL consultation and disclosure approach for the ongoing Project.
3.0 ORGANISATION

The stakeholder engagement program will be the responsibility of the Community Affairs Manager, in turn part of the L&CA Manager’s responsibilities (as shown in Figure 3-1). P&GA also has a role in stakeholder engagement, specifically with respect to government and national level stakeholders. Complimentary, topic-specific stakeholder engagement activities are also undertaken by a number of other teams, for example, biodiversity, community health and human resources.

![Figure 3-1: Land and Community Affairs organisation chart](image)

Primary responsibilities for L&CA department managers and field teams are summarised in Table 3-1.

**Table 3-1: Land and Community Affairs team responsibilities**

<table>
<thead>
<tr>
<th>COMPLIANCE</th>
<th>LAND</th>
<th>COMMUNITY AFFAIRS</th>
<th>SOCIAL IMPACTS</th>
<th>FIELD TEAMS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lender Interface, External L&amp;CA reporting, Business Controls, Internal Reporting, SMP Compliance, Monitoring</td>
<td>Land Access, Land Agreements, including ongoing payment commitments, Cash Management</td>
<td>Community Affairs, Field Liaison, Stakeholder Engagement, Grievances, National Content, Benefits tracking, Infrastructure Development Grant support</td>
<td>Community Investment, Business Development, Livelihoods Restoration, Resettlement Action Plans</td>
<td>Stakeholder Engagement, Community program implementation, Local business development</td>
</tr>
</tbody>
</table>

Some sample job descriptions are provided in Section 8.0 to demonstrate the type of roles that will apply during the production phase. As the needs of the Project change over time, a number of roles may be replaced by others more appropriate to the Project’s needs at the time.

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3 Under OIMS System 10-1: Community Awareness, P&GA has the overall responsibility for stakeholder engagement, and accordingly will have and implement its own complementary plan.
4.0 PREVIOUS STAKEHOLDER ENGAGEMENT ACTIVITIES

4.1 Pre-Project activities

Stakeholder engagement relating to oil and gas development within and around the existing Project area has been ongoing since the 1990s, with the original entry into the Project area by Chevron Asiatic Limited. Oil Search Limited has also been consulting with highland landowners in the license areas since the early 1990s in relation to oil production at Kutubu.

As a result of these activities, over the past two decades Community Affairs Officers and Village Liaison Officers (VLOs) have been active in the Hides, Kutubu, Moran, Gobe and Kikori areas.

In contrast, the LNG Plant site and surrounding areas north of Port Moresby do not have the same history of public engagement prior to the development of the Project.

The long history of consultation in the Southern Highlands and Gulf Provinces has resulted in a high level of community familiarity with oil and gas projects and the establishment of relationships between oil and gas operators and local stakeholders.

4.2 Project engagement during the Environmental Impact Statement phase

A detailed and comprehensive public consultation and disclosure program was undertaken as part of the EIS process. Public consultation and disclosure during this assessment phase was described in the EIS Public Consultation and Disclosure Plan. The process was undertaken in five phases, as summarised in Table 4-1. More detail is contained in the Construction Environmental and Social Management Plan (Stakeholder Engagement).

Table 4-1: Stakeholder engagement during the Environmental Impact Statement process

<table>
<thead>
<tr>
<th>PHASE</th>
<th>STAKEHOLDERS</th>
<th>ACTIVITIES</th>
</tr>
</thead>
</table>
| Phase 1: Scoping and screening | • Landowner representatives  
• Papua New Guinean Department of Petroleum and Energy (DPE)  
• Papua New Guinean Department of Environment and Conservation (DEC)  
• Community Development Initiative (CDI) Foundation  
• Co-venture partners  
• Project community representatives from Hides, Moran, Kutubu and Gobe  
• National Museum  
• NGOs  
• Industry related groups (e.g. logging and fishing) | Consultation with key stakeholder groups to enable the DEC to review the proposed Project scope and redress any shortcomings.  
This phase concluded with the submission and presentation of an Environmental Inception Report. |

| Phase 2: Baseline Studies     | • Landowners and villagers  
• Provinicial governments and other government departments | Environmental and social specialist studies in the Project Impact Area. The results of these studies were integral in establishing the key environmental and social characteristics of the Project Impact Area. |

| Phase 3: Impact Assessment and Mitigation (EIS Preparation) | The Project consulted primarily with the DEC and the DPE on the proposed content of the Environmental and Social Health Impact Assessment (ESHIA) and the technical specialist studies. | Involved refining Project components and the identification of key issues and impacts, as well as the designing of appropriate mitigation measures to reduce identified impacts. |
### Phase 4: ESHIA disclosure

- Landowners and villages
- DPE
- DEC
- Papua New Guinea Gas Project Working Group
- Project community representatives from Hides, Moran, Kutubu and Gobe
- NGOs
- Research organisations
- Industry related groups (e.g. logging and fishing)

Involved multiple consultation and disclosure activities conducted as part of the public release of the ESHIA. Including a road-show which travelled to Project-affected villages and disseminated the key findings of the ESHIA, as well as collected additional feedback to be used in the formal assessment by the Papua New Guinean Government.

### Phase 5: EIS approval

- Landowners and villages
- Project Working Group
- Papua New Guinea Gas Project Coordination Committee
- Provincial governments and other government departments
- NGOs
- Research organisations

Involved the final consultation activities conducted to achieve approval.

## 4.3 Project stakeholder engagement during the construction phase

### 4.3.1 Principal stakeholder groups and issues

An extensive stakeholder engagement program was established during the construction phase and will form the basis of future engagement activities, specifically with respect to stakeholders, issues, forms of engagement and priorities.

Table 4-2 summarises the key stakeholder groups with whom the Project interacted during the construction phase.

During the course of engagement, the issues of interest and or concern have been monitored and trends observed. This analysis has allowed the Project to either adapt its engagement program or anticipate the need for changing the approach or emphasis to achieve better outcomes - not only for the Project, but importantly for stakeholders, especially directly affected communities. Such changes have taken many forms including:

- Increased or re-targeted engagement
- The collection and provision of additional information, or different types of information
- Enhanced methods for information disclosure
- The formation of dedicated community groups within the Project to deal with special issues (e.g. Biodiversity Multi-stakeholder Forum, LNG Plant site Community Groups, Water Task Force for the Hides area, Community Issues Committees in the Komo and Hides areas, and Highlands Highway Area team; refer to Table 4-3)

### Table 4-2: Principal stakeholder groups engaged with during construction

<table>
<thead>
<tr>
<th>PRINCIPAL STAKEHOLDER GROUP</th>
<th>REPRESENTATIVES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project-affected landowners and local communities</td>
<td>One hundred and seventeen Project-affected communities were identified through the EIS in the Upstream Project Area (Southern Highlands and Gulf Provinces), with a baseline population of at least 28,000 people, as of 2000. A further four Project-affected communities were identified in the vicinity of the LNG Plant site (Lea Lea, Boera, Porebada, and Papa) total population ~11,500 (2010/11) located in the Central Province. Village level stakeholders were defined as those that have the potential to be directly and/or indirectly impacted by the Project and were and remain the focus of the Project’s stakeholder activities.</td>
</tr>
<tr>
<td>PRINCIPAL STAKEHOLDER GROUP</td>
<td>REPRESENTATIVES</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>Communities affected by the Project’s transportation operations, particularly along the Highlands Highway</td>
<td>Communities who are not in the direct Project footprint but who will experience additional volumes of traffic along the Highlands Highway.</td>
</tr>
</tbody>
</table>
| Landowner Companies (Lancos) | Lancos are companies registered in PNG and owned by the people of the same clan, or of clan origin, who use and/or have title to land in a specific geographic area. Lancos fulfilled a critical role for worker recruitment and numerous other community-based interactions. Lancos include but are not limited to:  
- Hides Gas Development Corporation  
- KutMor Limited  
- Moran Development Corporation  
- Maka Investment Corporation  
- Kutubu Security Services  
- Kutubu Transport Limited/Transwonderland  
- Kutubu Catering Limited  
- Kawaso Limited  
- Gobe Field Engineering  
- Gobe Freight Services  
- Kikori Oil Investment  
- Laba Holdings Limited |
| Papua New Guinean Government (National) | The following key Government Ministries form the basis of continuous, ongoing and priority interactions with the Project:  
- DPE  
- DEC  
- Department of Justice and Attorney General/Magisterial Services  
- Department Mineral Policy and Geo Hazards  
- Department of the Prime Minister and Cabinet, Chief Secretary and Office of Security Coordination and Assessment  
- Department of Correctional Services  
- Department Provincial and Local Government Affairs  
- Department of Public Enterprise/Independent Public Business Corporation/National Petroleum Company of PNG  
- Internal Revenue Commission/Customs PNG  
- Department of Lands and Physical Planning  
- Department of Labour and Industrial Relations/National Apprentice Trade and Training Board and Occupational Health & Safety  
- Department of National Planning |
| Government statutory agencies | - PNG Power Limited  
- PNG Ports Corporation  
- Gas Projects Coordination Office Gas Projects Coordination Office/Independent Issues Committee  
- National Maritime Safety Authority  
- Investment Promotion Authority  
- National Air Corporation Services  
- Water Board/Eda Ranu  
- Mineral Resources Development Company |
| Papua New Guinean Government (provincial and local) | The Government departments present at the provincial level operate as follows:  
- The Provincial Assembly is the paramount decision making body in a province. It is composed of Members of the National Parliament and a limited number of appointed members representing women and other groups  
- The Provincial Executive Council is the executive arm of the Provincial Government, and is comprised of the Provincial Governor, Deputy Governor and a series of Chairpersons appointed to supervise permanent development committee  
- The Joint District Planning and Budget Priorities Committee oversee and coordinate |
<table>
<thead>
<tr>
<th>PRINCIPAL STAKEHOLDER GROUP</th>
<th>REPRESENTATIVES</th>
</tr>
</thead>
<tbody>
<tr>
<td>the preparation of district plans and budgets. Joint District Planning and Budget Priorities Committees are comprised of the heads of local-level governments in the district (usually three), and three members appointed by the Chairman, who is the Open Member of the National Parliament for the district</td>
<td></td>
</tr>
</tbody>
</table>
| Diplomatic Corps and foreign government donor agencies | American Embassy  
Australian High Commission  
Japanese Embassy  
Embassy of The People’s Republic of China  
Taiwan Embassy  
European Union Office  
French Embassy  
AusAID  
USAID  
Japan International Cooperation Agency |
| Civil society organisations, international and domestic NGOs, international organisations and research organisations | World Wildlife Fund South Pacific  
The Nature Conservancy, Pacific Island Countries Program  
Conservation International  
CDI Foundation  
PEACE Foundation Melanesia  
Centre for Environmental Law and Community Rights  
Environmental Law Centre  
Sporting organisations  
Oxfam International  
Business Against Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome  
Save the Children  
Faith-based, project-area NGOs (e.g. PNG Chamber of Churches, PNG Catholic Church, Evangelical Church of Papua and Catholic, Wesleyan and Seventh Day Adventist churches)  
PNG National Museum and Art Gallery  
PNG National Research Institute  
International research agencies conducting research in Papua New Guinea  
World Bank  
United Nations  
Lowy Institute  
Jubilee Australia  
International Committee of the Red Cross |
| Learning and educational institutions | Careers fairs, shows, recruitment drives, community awareness activities, local schools  
University of Papua New Guinea:  
University of Papua New Guinea  
Papua New Guinea University of Technology  
Pacific Adventist University  
Divine Word University  
University of Goroka  
Vudal University |
| Engineering, Procurement and Construction (EPC) contractors | EPC contractors were the primary employer of Papua New Guinean citizens (with employment through Lancos) during construction. Project scope was parcelled as:  
Early Works/Infrastructure  
EPC1 (Telecommunications)  
EPC 2 (Offshore Pipeline)  
EPC 3 (LNG Plant)  
EPC 4 (Hides Gas Conditioning Plant) |
PRINCIPAL STAKEHOLDER GROUP | REPRESENTATIVES
---|---
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| EPC 5A and 5B (Onshore Pipeline and Komo Airfield) | Drilling (Hides, Angore, Agogo, Gobe, Juha) |
| Donor agencies | AusAID | USAID | World Bank | European Union | United Nations Development Program | UN Women | UN Resident | Asian Development Bank | Japan International Cooperation Agency | New Zealand Aid Program |
| Industry groups and local businesses/suppliers | Forestry industry (PNG Forest Research Institute, log export monitors, forestry industry groups) | Mining (Porgera Mine and Power Station) | Fishing industry (fishing industry groups, fishing companies) | PNG Chamber of Mines and Petroleum | Other industry groups, e.g., Coffee Industry Corporation | Chamber of Commerce and Industry | Mineral Resources Authority | PNG Port Authority |
| Shareholders associated with co-venture companies, particularly Oil Search Limited considering the shared Project footprint. | The Project involves the respective resources of the co-venturers in a number of Petroleum Development License and Petroleum Retention License areas. The co-ventures include: | EHL, as operator | Oil Search Limited | Santos Limited | JX Nippon Oil Exploration Corporation | The Independent State of Papua New Guinea and landowners consisting of National Petroleum Company of PNG (Kroton) Limited, Mineral Resources Development Company Limited and Petromin PNG Holdings Limited |
| Local media | Relevant local media organisations are as follows: Newspapers: *Post Courier*, *The National* and *The Weekender Chronicle*, CDI FM and other rural radio stations. | EM TV | In the event of a major issue arising, international media are also likely to take an interest in the Project. |
| Lenders | The lenders have been engaged through a variety of processes including site visits as well as regular monitoring visits by their Technical Consultant and their Independent Environmental and Social Consultant. |
| Opinion leaders/formers | Opinion leaders and formers are individuals who may comment in the media and other forums about issues of interest to the Project. They may include academics, researchers, visiting celebrities, economists and others. |

In addition, monthly/ongoing dialogue has been held with the following groups:

- Papua New Guinea Gas Project Coordination Office
- Ministerial Gas Committee
- Hela Provincial Administration
- DPE
- Lake Kutubu Wildlife Management Committee

4.3.2 Forms of engagement and information disclosure

The stakeholder engagement program has recognised the need to tailor the collection, packaging and dissemination of information according to the needs of the different affected
stakeholders. An example of the different engagement mechanisms and information distributed to a selection of key stakeholders during construction is summarised in Table 4-3.

Table 4-3: Summary of engagement and information disclosure for construction

<table>
<thead>
<tr>
<th>STAKEHOLDER GROUP</th>
<th>RESPONSIBLE GROUP</th>
<th>ENGAGEMENT MECHANISM</th>
<th>TIMING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project affected landowners and local communities</td>
<td>L&amp;CA EPC 3 (LNG Plant site)</td>
<td>VLOs, Community Issues Committees Komo, Hides; fisher groups (LNG Plant site), women’s groups and fellowships (LNG Plant site) drama groups; road shows; flyers/newsletters/posters; video; Community Affairs Field Officers.</td>
<td>VLOs/Community Liaison Officers (CLOs) resident in villages therefore effectively daily. Other forms used on a case-by-case basis.</td>
</tr>
<tr>
<td>Lancos</td>
<td>L&amp;CA and Business Development, Enterprise Centre</td>
<td>LABA Holdings Limited and Hides Gas Development Corporation, Enterprise Centre, specific pipeline Lancos (ten more), field Project Business Development officers.</td>
<td>Regular meetings.</td>
</tr>
<tr>
<td>NGOs, civil society and research organisations</td>
<td>P&amp;GA, Environment &amp; Regulatory, L&amp;CA and Medicine and Occupational Health</td>
<td>Engagement through partnerships (Medicine and Occupational Health and L&amp;CA), regular information sharing with accelerated meetings of issues arise (P&amp;GA). Biodiversity Multi-stakeholder Forum.</td>
<td>Primarily meetings, and occasionally Workshops and Multi-stakeholder Forum. Also regular dissemination of printed material (reports etc.).</td>
</tr>
<tr>
<td>Diplomatic core, donors and bilateral groups</td>
<td>P&amp;GA</td>
<td>Briefings and meetings.</td>
<td>Ongoing.</td>
</tr>
<tr>
<td>Industry Groups and local businesses</td>
<td>P&amp;GA</td>
<td>Meetings.</td>
<td>Ongoing.</td>
</tr>
<tr>
<td>Education institutes</td>
<td>P&amp;GA, L&amp;CA and Human Resources</td>
<td>Careers fairs, shows, recruitment drives, community awareness activities, local schools.</td>
<td>Ongoing.</td>
</tr>
<tr>
<td>Media</td>
<td>P&amp;GA</td>
<td>Quarterly briefing, proactive engagement as needed.</td>
<td>Ongoing.</td>
</tr>
<tr>
<td>Lenders and Export Credit Agencies</td>
<td>Treasury and EHL</td>
<td>Meetings, formal monitoring visits.</td>
<td>Weekly/fortnightly calls; monitoring visits up to four times per year.</td>
</tr>
<tr>
<td>Communities affected by transportation route (e.g. Highlands Highway)</td>
<td>L&amp;CA</td>
<td>• Rapid Implementation Projects • Schools engagement program • National Road Safety Council • Markets events</td>
<td>VLO’s resident in villages so contact is daily.</td>
</tr>
</tbody>
</table>
5.0 STAKEHOLDER ENGAGEMENT PROGRAM

5.1 Project stakeholders

Project stakeholder groups are unlikely to change significantly during production from those with whom the Project engaged during the construction phase (at least in the short-term). However, the priority, and therefore the form and nature of engagement, will change.

Table 5-1 summarises the key stakeholder groups that are anticipated to be the focus of the engagement program during production, together with an overview of the level of engagement and likely key issues.

<table>
<thead>
<tr>
<th>STAKEHOLDER GROUP</th>
<th>COMMENTS</th>
</tr>
</thead>
</table>
| Project-affected landowners and local communities | This stakeholder group will remain a high priority group for stakeholder engagement. Key issues are anticipated to include:  
• Livelihood restoration  
• Top-up resettlement payments  
• Land use and safety-related restrictions along the pipeline Right of Way and in the vicinity of the above ground installations  
• Demobilisation/future employment opportunities  
• Benefits distributions and royalties, including effectiveness of government Land Investigation Reports (and therefore distribution of benefits contained in both the Umbrella Benefits Sharing Agreement and Licence Benefits Sharing Agreements)  
• Demobilisation of the Mobile squad and the implications with respect to community security  
• Unfilled expectations, such as community services (education, medical, transportation) and infrastructure (roads, schools, clinics)  
• Local business development including reduced viability of those small and medium enterprises that had direct and indirect links to construction-related activities  
• Emergence of new opportunities associated with production (e.g. community-based Right of Way management, community-based conservation activities)  
• Increased availability of cash in communities, possible leading to increased alcohol consumption and domestic issues  
• Changing social structures, cohesion and culture  
• Out-migration  
• Government presence/capacity (e.g. Hela Province)  
• Monitoring and evaluation activities including participative community monitoring as appropriate  
• Enhancement program related to conservation priorities at Lake Kutubu, in addition to other biodiversity offset related projects at various locations |
| Lancos | Lancos will remain an important group near Hides and the LNG Plant site but the scale of Project-related activity will diminish significantly. |
| Papua New Guinean Government (National) | There are 22 key Government Ministries who have an interest in the Project. The level of engagement is expected to remain high in many key ministries especially DPE, Department of the Prime Minister and Cabinet, Chief Secretary and Office of Security Coordination and Assessment, Internal Revenue Commission/PNG Customs Service, Department of Labour and Industrial Relations, etc.). |
### STAKEHOLDER GROUP

<table>
<thead>
<tr>
<th>NGOs, civil society organisations and research organisations</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriate dialogue with interested NGOs or other third parties will continue, especially in relation to the biodiversity program including:</td>
<td></td>
</tr>
<tr>
<td>- Conservation International</td>
<td></td>
</tr>
<tr>
<td>- Papua New Guinea Eco-Forestry Forum Inc.</td>
<td></td>
</tr>
<tr>
<td>- Environmental Law Centre</td>
<td></td>
</tr>
<tr>
<td>- Institute for Applied Ecology - University of Canberra</td>
<td></td>
</tr>
<tr>
<td>- Papua New Guinea Institute of Biological Research</td>
<td></td>
</tr>
<tr>
<td>- Mama Graun Conservation Trust Fund</td>
<td></td>
</tr>
<tr>
<td>- New Guinea Binatang Research Centre</td>
<td></td>
</tr>
<tr>
<td>- Partners with Melanesians Inc.</td>
<td></td>
</tr>
<tr>
<td>- PEACE Foundation Melanesia</td>
<td></td>
</tr>
<tr>
<td>- PNG Conservation Forum</td>
<td></td>
</tr>
<tr>
<td>- Research and Conservation Foundation of Papua New Guinea</td>
<td></td>
</tr>
<tr>
<td>- Tenkile Conservation Alliance</td>
<td></td>
</tr>
<tr>
<td>- The Nature Conservancy</td>
<td></td>
</tr>
<tr>
<td>- Wildlife Conservation Society (Papua New Guinea)</td>
<td></td>
</tr>
<tr>
<td>- Woodland Park Zoo (Seattle)</td>
<td></td>
</tr>
<tr>
<td>- WWF Western Melanesia Programme</td>
<td></td>
</tr>
<tr>
<td>- YUS Conservation Area Project</td>
<td></td>
</tr>
<tr>
<td>- University of Papua New Guinea</td>
<td></td>
</tr>
<tr>
<td>- Other key groups are likely to include:</td>
<td></td>
</tr>
<tr>
<td>- Centre for Environmental Law and Community Rights</td>
<td></td>
</tr>
<tr>
<td>- Environmental Law Centre</td>
<td></td>
</tr>
<tr>
<td>- Oxfam International</td>
<td></td>
</tr>
<tr>
<td>- Save the Children</td>
<td></td>
</tr>
<tr>
<td>- Faith-based, project-area NGOs</td>
<td></td>
</tr>
<tr>
<td>- University of Papua New Guinea</td>
<td></td>
</tr>
<tr>
<td>- PNG National Research Institute</td>
<td></td>
</tr>
<tr>
<td>- PNG Institute of Medical Research</td>
<td></td>
</tr>
<tr>
<td>- Jubilee Australia</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Industry groups and local businesses/suppliers</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>The following industry groups are potential stakeholders:</td>
<td></td>
</tr>
<tr>
<td>- Forestry industry (PNG Forest Research Institute, log export monitors, forestry industry groups)</td>
<td></td>
</tr>
<tr>
<td>- Mining (Porgera Mine and Power Station)</td>
<td></td>
</tr>
<tr>
<td>- Fishing industry (fishing industry groups, fishing companies)</td>
<td></td>
</tr>
<tr>
<td>- PNG Chamber of Mines and Petroleum</td>
<td></td>
</tr>
<tr>
<td>- Other industry groups</td>
<td></td>
</tr>
<tr>
<td>- Chamber of Commerce and Industry</td>
<td></td>
</tr>
<tr>
<td>- Mineral Resources Authority</td>
<td></td>
</tr>
<tr>
<td>- PNG Port Authority</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Shareholders associated with co-venture companies, particularly Oil Search Limited considering the shared Project footprint</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Project involves the respective resources of the co-venturers in a number of Petroleum Development License and Petroleum Retention License areas. Co-venture meetings are currently held bimonthly. It is expected that meetings will be less frequent during production.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Local media</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relevant local media organisations are as follows:</td>
<td></td>
</tr>
<tr>
<td>- Newspapers: Post Courier, The National and The Weekender Chronicle, CDI FM and other rural radio stations; and</td>
<td></td>
</tr>
<tr>
<td>- EM TV</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Export Credit Agencies or Lenders</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engagement with Lenders and their representatives will continue during production, but at a reduced frequency. It is expected that the Lenders will continue to conduct periodic field verification visits, either directly or through an appointed representative.</td>
<td></td>
</tr>
</tbody>
</table>
### STAKEHOLDER GROUPS

<table>
<thead>
<tr>
<th>STAKEHOLDER GROUP</th>
<th>COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project employees</td>
<td>Project employees are an important stakeholder group because while most may not be directly tasked with stakeholder engagement, they will be interested in keeping up to date with Project activities and they may be asked questions about the Project in informal situations.</td>
</tr>
<tr>
<td>Bilateral Groups</td>
<td>Bilateral groups such as AusAID, World Bank, International Monetary Fund, Asia Development Bank, European Union and others will have a continuing and broad interest in the Project, and communication with these groups will be considered as part of the Project’s External Affairs Plan.</td>
</tr>
<tr>
<td>Opinion leaders/formers</td>
<td>EHL will continue to engage with opinion leaders and formers.</td>
</tr>
<tr>
<td>Communities affected by the Project’s transportation operations, particularly along the Highlands Highway</td>
<td>EHL will continue to use the Highlands Highway, although at a reduced level, and will continue the engagement program established by the Highlands Highway Area team.</td>
</tr>
</tbody>
</table>

### 5.2 Forms of engagement

The stakeholder list in Section 5.1 captures all principal stakeholders; however the forms of engaging with stakeholders will vary considerably depending on the stakeholder group. The Project will adapt existing engagement techniques and develop new ones as necessary, to ensure effective and culturally appropriate interaction with stakeholders.

Participatory tools and methodologies such as workshops and focus groups will continue to be utilised, as they are more likely to increase stakeholder involvement in the process and elicit alternative responses, especially if there is controversy or complexity, or a need to build a consensus around possible solutions. Specific tools and tactics will be developed, where needed, to engage sub-groups within communities, including women, vulnerable groups, and minority groups.

Given the nature of engagement, the process will always be context-specific. This means that techniques, methods, approaches and timetables will be tailored for the local situation and the various types of stakeholders being consulted.

Engagement practices and processes will determine appropriate engagement methods and tools based on:

- Location and sensitivity of the project or activity – locally and internationally
- Number and interest of stakeholders
- Complexity of the issue to be discussed
- Significance of potential impacts
- Expected or targeted outcomes of engagement

As noted elsewhere in this Plan, the type of engagement and targeted stakeholders will change throughout the Project lifecycle. However, in general, the more a particular stakeholder group is materially affected by a component of the Project, the more important it is for them to be properly informed and encouraged to participate in matters that directly affect them.

Five general formats for stakeholder engagement were established during the construction phase in recognition of the fact that effective engagement needs to take account of the type of information and issue being discussed or communicated, as well the intended audience or target of the engagement. Variations of these will continue to form the basis of future engagements, recognising that all will be open to change as needs and circumstances dictate. These formats are:

- Bringing people together into productive dialogue through:
• The formation of Community Issues Committees or other representative mechanisms as a means of unifying often divided communities, as well as facilitating regular dialogue with EHL
• Road shows to deliver key messages or specific studies, reports or data (e.g. Papua New Guinea’s National Road Council’s Road Safety Awareness campaign for the Highland’s Highway)
• Public meetings to deliver regular updates to the general public (e.g. monthly meetings in Project-affected villages)
• Capacity building institutes

• Sharing information:
  • The Project Newsletter is a useful tool for enabling regular feedback and updates for stakeholders
  • The PNG LNG Quarterly Environmental and Social Report (to be produced bi-annually and then annually during full production), includes the publication of an Executive Summary distributed in Tok Pisin and English through a suite of national newspapers including the Post Courier, The National and Wantok Nius
  • Community notice boards are useful for announcing upcoming events and for general updates
  • Mass Media, including national newspapers and radio are used to announce upcoming events and provide general updates. This includes a monthly newspaper column by EHL’s Managing Director, also published in Tok Pisin in the Wantok Nius
  • Websites i.e. www.pnglng.com provide Project information to stakeholders who have internet access
  • Other targeted techniques are used for specific audiences, e.g. drama, posters, comics books for villagers or the Project workforce

• Personal Viability training
  • Personal Viability training is an informal, peer education program designed to develop individuals’ self-awareness and self-reliance by teaching them to organise and use their own knowledge and resources to solve their problems
  • Conducted through Lancos for Papua New Guinean citizens contracted to the Project, it is helping to prepare workers for demobilisation. The training is also offered to local individuals not employed by the Project
  • The self-sustaining nature of the program means that it is likely to continue well into the production phase

• Direct meetings with representative individuals/groups and perception surveys
  • Individual meetings for direct discussions with individuals or small groups, allows for the sharing of specific information to a narrow audience
  • Focus groups are also conducted to collect data or gain feedback on specific actions or programs - or for weekly meetings with respected groups of community leaders. Focus group discussions are a useful way to engage women, minority and youth groups
  • Periodic Perception surveys are used to monitor the opinions or perspectives of different stakeholder groups
  • Topic-specific panels, working groups and committees to discuss often complex and scientific topics, e.g., biodiversity

• VLOs/CLOs
  • VLOs/CLOs form a critical interface between the Project and the community
- They are typically respected male and female members of a community, often an ex-councillor, clan leader, ex-peace and good order committee member, church leader etc.
- They are carefully recruited in order to take into account a range of sensitive social factors such as ethnicity and clan affiliations
- They assist with Project information dissemination and disclosure either via formal engagements, or informal one-to-one sessions. They also assist locals with preparing and submitting grievance claims and help to manage the process through to closure
- VLOs/CLOs provide timely information on current or brewing issues/grievances and potential work stoppages. They provide insight into the clan/village mind-set, clan composition and their relationship (intra- or inter-clan rivalries/disputes)
6.0 GRIEVANCE MANAGEMENT

6.1 Features

A core element of the stakeholder engagement program is the Grievance Management Process. This Process involves:

- Established functions at the Project-level
- A readily accessible and comprehensible service for stakeholders
- The receipt, acknowledgement and management (including closure) of complaints from external stakeholders
- Confidentiality provisions
- Provisions of separation, whereby experienced and qualified personnel responsible for managing the Grievance Management Process are separate from the personnel in charge of management of the business activities

6.2 Scope

The Grievance Management Process addresses Project-related individual and community grievances. It was established during the construction phase and has since evolved into a dynamic tool equally suited to production.

The process has been designed to fairly and promptly receive, assess, respond to, and resolve grievances. It also provides a mechanism to identify and address trends or systemic sources of concern.

Participation in the Grievance Management Process does not in any manner negate an individual’s right to pursue other remedies as provided under Papua New Guinean law. Equally, EHL retains its rights under law to pursue legal remedies.

Project and contractor industrial relations grievances, such as pay, overtime and working conditions, are not managed through this process but through processes established by each employer. The industrial relations process is described in further detail in the Labour and Working Conditions Management Plan.

6.3 Terminology

The terms ‘issues’ and ‘grievances’ are often confused or used interchangeably. The following definitions are used in this Plan:

6.3.1 Issues

Stakeholder ‘issues’ are defined as questions, comments, concerns, suggestions, observations etc., of local and other knowledge that are presented to the Project. This includes communications on matters that are out of the Project control, i.e., Government-related grievances such as benefit distributions, other stakeholder grievances (such as legacy issues from other projects located in the vicinity of Project activities). Such matters are captured through a variety of methods, including standard and ongoing community liaison and formal stakeholder engagement processes.

Stakeholders, including community members, employees, contractors, local and international NGOs, may submit their issues to representatives of EHL and/or Project contractors.

It is recognised that some issues, if not addressed to the stakeholder’s satisfaction, may eventually be submitted as a grievance. Accordingly, provision is made within the information management system to manage issues.

Issues differ from grievances in that an issue may consist of:

- A question about Project activity
- A comment or observation
- A suggestion for the Project to consider
• Concerns about potential but unrealised impact
• A complaint or grievance resulting from third party activity not associated with the Project, i.e. legacy (unfulfilled Government commitments, other developers, inter-clan disputes, Lanco disputes, etc.

Recording and monitoring of issues provides a useful indicator of community mood, tensions or discontent. While not necessarily attributable to Project activity, issues may result in local disruptions with the potential to impact community stability, personnel safety or the Project’s social license to operate.

Issues may not necessarily be the Project’s responsibility to resolve but they are routinely reviewed and determined to need to engage, encourage and/or facilitate others to actively seek resolution (Section 7.1). For example, while the Project is not responsible for the identification of benefits derived from royalty payments, government “seed capital” and infrastructure grants, the Project facilitated government engagement to help resolve local tensions and foster local empowerment. Issues are collected from both formal and informal engagements and entered into the information management system. Analyses of issues are provided to the following groups on a routine basis, for further consideration and action, where warranted:

• Community Affairs group
• Security department
• P&GA department

Information about issues is presented in EHL’s Environmental and Social Reports. EHL also updates the Lenders’ Independent Environmental and Social Consultant on issues during their regular monitoring visits. This information is periodically reported in the Independent Environmental and Social Consultant’s Environmental and Social Monitoring reports, and disclosed on the Project’s website (www.pnglng.com).

To assist L&CA Field Officers with collecting issues raised during community engagements, a Community Observation and Interaction Card has been developed. The card is completed and either directly entered into the information management system by the field officer or alternatively, where access to technology is limited, cards are scanned and sent to the Port Moresby head office for input. In the event that a community member submits what is perceived to be a grievance, which is subsequently determined to be an issue, L&CA field officers notify the individual that the “grievance” submitted is actually an issue outside the scope of EHL’s ability to resolve, but that EHL will make reasonable attempts to bring the issue to the attention of others who may be able to assist.

6.3.2 Grievances

A grievance is defined as a complaint lodged by an individual, group, or community alleging damage, impact, or dissatisfaction specifically resulting from Project actions or a lack of action. It is usually submitted in expectation of a corrective action, compensation or both.

Examples include:

• Negative impacts on, or increased risks to, an individual or a community, such as financial loss, physical harm, damage to an asset, disruption to social practices including access to resources as a direct result of Project activities, or a real or perceived threat of such
• Project actions leading to health, safety, and environmental impacts
• Harassment of any nature by Project representatives

Criminal activity, bribery, corruption or fraud may be recorded as grievances but resolution would be referred to the justice system.
6.3.3 **Informed judgement**

Many grievances have the potential to escalate and present significant risk to the Project, its employees and its physical assets. In evaluating any grievance, the L&CA Grievance Coordinator (refer to Section 8) is required to make an informed judgment regarding the potential for escalation. If a grievance carries a significant risk of escalation to a much more serious situation, the L&CA Grievance Coordinator informs the appropriate level of management.

Judgment is required to correctly and consistently determine whether a communication or situation is deemed unrelated to a Project activity (e.g. government) and therefore whether it is classified as a grievance or an issue. From a Project perspective this is managed by ensuring that all Project personnel having direct interaction with communities (principally VLOs) and those processing grievances and general complaints are properly trained and competent to undertake these duties (refer to Section 9).

6.4 **The Grievance Management Process**

There are five steps in the Grievance Management Process:

- Publicise the process
- Receive and register grievances
- Review and investigate grievances
- Develop resolution options, respond to grievances and close-out
- Monitor and evaluate

The process is summarised in Figure 6-1 and described in the following sections.
6.4.1 Step 1: Publicise the process

The Grievance Management Process has already been widely advertised throughout the Project area as part of construction activities, primarily through formal Project awareness programs, ongoing community engagement and day-to-day informal interactions. These activities will continue in line with the changing nature of Project activities.

Company workers and production phase contractors will also be made aware of the Grievance Management Process.
6.4.2  Step 2: Receipt and registration

Grievances may be filed face-to-face, by telephone, in writing by letter, or on an official Grievance Card (see Figure 6-2). Written grievances may be lodged in person with a local Project L&CA representative. Alternatively, a written grievance can be delivered to the nearest EHL field office, addressed to the L&CA Manager.

![Grievance Card](image)

Figure 6-2: Grievance Card
Trained Project representatives help individuals or groups to record their grievance and ensure that it is entered into the information management system.

In all cases grievances are managed in a culturally sensitive manner.

Some grievances are confidential. In such an instance, the Project strives to maintain the confidentiality of the individuals and/or organisations involved. Individuals lodging grievances may also do so anonymously.

Provision is made for women to lodge a grievance in confidence with a female L&CA Field Officer, should they wish to do so.

Grievances that relate to the entire Project or arise in Port Moresby are entered into the information management system by Port Moresby-based Community Affairs staff. Those that are more specific and relate to local concerns are forwarded to the L&CA Grievance Coordinator for a preliminary assessment. The L&CA Grievance Coordinator determines an appropriate referral (responsible party) to address the concern and/or prepare a response.

The following timeframes apply for the acknowledgement of grievances:

- Within seven days of a grievance being received, a message is conveyed to the grievant describing who, or what organisation, is investigating the matter and the anticipated time it will take EHL to reply to or address the grievance
- EHL will endeavour to investigate the matter and notify the grievant of the outcome of the investigation within 30 days of receiving the grievance
- Within 30 days, the L&CA Grievance Coordinator or designated other responsible party will provide a written response to the grievant

6.4.3 Step 3: Grievance review and investigation

Grievances are assessed when received by the respective L&CA Officer.

If the grievance cannot be immediately addressed or responded to directly, then it will be directed to the appropriate organisation/department for resolution.

In transferring the grievance to another party, the L&CA Grievance Coordinator will offer advice regarding possible close-out actions, including insights on how similar grievances have been addressed elsewhere in the Project. This helps ensure consistency in approach.

If a grievance is found to not be related to EHL or its contractors, the grievant will be informed. The grievance is then considered to be closed.

6.4.4 Step 4: Resolution and response

Once the grievance is well understood, resolution options can be developed taking into account community preferences, Project policy, past experience, precedents, current issues and potential outcomes. Resolution options should be commensurate with the nature of the grievance. Such approaches may include:

- Unilateral resolution (EHL or its contractor proposes a solution)
- Bilateral resolution (EHL/contractor and grievant reach a resolution through discussion/negotiation)
- Consultation using a third party consultation/mediation
- Engagement with the relevant Government authority/regulator

The L&CA Grievance Coordinator has the key responsibility with reviewing and agreeing to the strategy to respond to the grievant. The Grievance Management Process requires that a written response is to be delivered within 30 days.

When a grievance is related to a contractor’s actions or requires a contractor’s response, it will be transmitted to the contractor by the relevant L&CA Contractor Interface Advisor, along with a request for a reply within one week regarding close-out actions. In some cases the L&CA Contractor Interface Advisor and Contractor Compliance Lead will be required to
communicate directly with the contractor, while keeping the L&CA Grievance Coordinator informed.

Either the L&CA Grievance Coordinator or the contractor designated representative will provide the response and follow-up to the grievant as mutually agreed. The response to the person raising a grievance with EHL will normally be sent from EHL, even if the corrective actions are to be taken by a contractor.

6.4.4.1 Appeal and in-house review

If the person or persons who raised the grievance are not satisfied with the response and/or actions taken to address the complaint, they have a right to request that the matter be reconsidered at a higher level. If such a request is received by an L&CA Officer, it is referred to the L&CA Manager for review.

Chartered by the L&CA Manager, this review will be conducted by individuals who are not part of the initial review.

6.4.4.2 Third party resolution

In complex or sensitive cases, the L&CA Grievance Coordinator may request the L&CA Manager to authorise contracting a third party, such as the Environmental Law Centre, to conduct an independent investigation and recommend a response or actions to address the grievance. Such third party resolution will be undertaken only with the prior agreement of the L&CA Manager. Findings are neither binding on any party, nor do they preclude legal action on the part of either party.

6.4.4.3 Close-out

Following delivery of a response that no action will be taken, or following completion of the agreed upon corrective actions, a grievance is closed. If actions were taken, then proof of this is obtained (photos, documents, etc.). A meeting will be held with the grievant to obtain agreement to close-out the grievance and complete Form C (see Figure 6-3). If the grievant does not agree, or is unwilling to sign Form C, then the L&CA Area Manager may, in the presence of an independent third party, such as the Environmental Law Centre, sign the form on the grievants’ behalf. The form is then documented in the information management system.

6.4.5 Step 5: Monitoring and evaluation

Monitoring is conducted to measure the effectiveness of the Grievance Management Process and to identify broad trends on recurring problems. The information management system includes a specific grievances module that serves as the primary tool for monitoring and evaluation. This module is described in Section 7.0.
<table>
<thead>
<tr>
<th>Name of Person or Representative presenting Grievance:</th>
<th>Grievance Identification No:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Village:</td>
<td>Date of Receipt:</td>
</tr>
<tr>
<td>Clan:</td>
<td>Date of Response:</td>
</tr>
<tr>
<td>Type of Grievance: Individual</td>
<td>Group</td>
</tr>
<tr>
<td>Company Response: Accepted</td>
<td>Rejected</td>
</tr>
</tbody>
</table>

Outcome of Investigation:

Corrective Action:

Acknowledgement:
I acknowledge that I have been respectfully informed of the outcome of the investigation.
I ☐ accept ☐ do not accept the outcome of the investigation.
The company has informed me that I am free to pursue alternative lawful avenues should I choose to take this matter further.

Signature of Person with Grievance
Date: ................................

Grievance Response Form C no fill

---

Figure 6-3: Form C
7.0 MONITORING AND REPORTING

7.1 Information management system

The stakeholder engagement program is monitored through the use of an information management system. This system was established as part of the construction phase and it, or an equivalent system, will serve as the main monitoring tool during production.

The information management system includes a specific stakeholder engagement module that enables the management and monitoring of activities linked to community relations and communications. The module comprises three sub-modules that are designed to assist with monitoring and reporting:

- **Formal consultation sub-module**: used to plan, record and track all the formal interactive sessions with various stakeholders such as planned one-on-one meetings, town-hall meetings, information sessions, focus groups, public consultations, workshops, liaison committees or negotiation sessions. Features include a meetings calendar, participants’ attendance, questions and answers, decisions and information disclosure, as well as management of actions and commitments.
- **Informal consultation sub-module**: used to collect and manage daily informal interactions with community members who share their concerns and mention problems or issues to the company. These interactions can take the form of phone calls, email messages or informal meetings on EHL sites or within surrounding communities.
- **Issues management sub-module**: used to record and track issues (Section 6.3.1)

The information management system also includes a grievances module. This module is used to capture, track and manage grievances received by EHL and its contractors.

The information management system therefore enables EHL to:

- Record, screen and assess the issues raised
- Register stakeholders, record their interests/concerns/perceptions, and track Project responses
- Identify areas where EHL needs to improve its performance or skills and equally, where it is achieving positive results
- Map and monitor trends, patterns and emerging issues in the stakeholder domain
- The overall effectiveness of the stakeholder engagement program and adjust as appropriate

This information has been used for this Plan and other relevant plans, for the training needs analysis and competency assessment, and for reviews of the adequacy of resources.

7.2 Reporting

Both internal and external reporting requirements apply to stakeholder engagement.

7.2.1 **Internal**

A review of stakeholder engagement will be included in EHL’s monthly management reports, and include:

- A summary of stakeholder engagement activities for the review period
- An assessment of performance against performance indicators
- A summary of new grievances and progress reports on the resolution of existing grievances
- A summary of issues or topics arising through ongoing stakeholder engagement or recorded in the stakeholder consultation register/database
- An analysis of trends or issues relating to stakeholders
7.2.2 External

External reporting, led by P&GA, will include submissions to government agencies on national content statistics and reports required as part of the Project’s license conditions. Other external reports include the Environmental and Social Report, accounting and financial reports, the Annual Compliance Certificate and other reports specified under the Common Terms Agreement.

In addition to the OIMS external reviews, the Independent Environmental and Social Consultant will conduct independent, external reviews on an annual basis as part of the defined Project assessment.

EHL will report externally using a variety of methods and at varying frequencies, largely depending on the stakeholders concerned and the nature of the issue.

Less targeted external communications will include:

- Project newsletters
- The Executive Summary of the Environmental and Social Report which is distributed in Tok Pisin and English through appropriate national newspapers such as the *Post Courier*, *The National* and/or *Wantok Nius*
- Mass Media including national newspapers, radio and a newspaper column by EHL’s Managing Director, which is also published in Tok Pisin in the *Wantok Nius*
- The website www.pnglng.com

7.2.3 Grievance reporting

The L&CA Grievance Coordinator will prepare a regular summary report of grievances. The report will be sent to all L&CA management (Port Moresby and field) and to the Project management team.

A monthly summary of grievances will also be compiled and sent to the L&CA Manager, the Project management team and Managing Director for review and discussion.

A grievance management summary is included in the Environmental and Social Report. This document is publicly available on the Project website at www.pnglng.com.

7.3 Performance indicators

Performance indicators will be used to monitor the effectiveness of this Plan. These will include leading and lagging measurements.

Leading indicators are likely to change over time in line with changing stakeholder expectations. However, at the outset they will record active participation rates at Project-coordinated stakeholder meetings.

Lagging indicators will focus on an annual review of the Grievance Management Process and specifically:

- Participation: The target is to channel 100 percent of grievances through this process before they could cause Project work stoppages or reach the media or the courts
- Resolution: The target is to resolve 75 percent of grievances within 30 days, dealing directly with grievants
- Recurrence reduction: Differentiate the number of grievances by categories and define the cause of grievances. The intent is to identify lessons learned, such that over time, the type, frequency and severity of similar types of grievances are reduced

The aim of this approach is to achieve continuous improvement of the Grievance Management Process throughout the Project’s life.

Specific indicators that will be used are as follows:

- Number of grievances received during the reporting period
- Number of grievances closed during the reporting period
• Percent of grievances closed in less than 30 days
• Distribution of aged grievances:
  • 30 to 60 days
  • 60 to 90 days
  • More than 90 days
8.0 ROLES AND RESPONSIBILITIES

Senior stakeholder engagement roles and responsibilities for production are described below.

Executive management has a responsibility to endorse and monitor the implementation of this Plan by:
- Reinforcing and supporting a culture of respect for stakeholders
- Reviewing the Project’s stakeholder reports, including summary of grievances and Project responses
- Leading the management review, including the review of this Plan

P&GA Manager:
- Is the System Owner for OIMS System 10-1 Community Awareness
- Is responsible for stewardship of this Plan, including management of the relationship with non-community-based stakeholders (e.g. government) and the Grievance Management Process

L&CA Manager:
- Has overall responsibility for all stakeholder engagement activities with community-based stakeholders
- Interacts with other teams within the organisation that engage with sections of the community on specific topics, such as biodiversity
- Reviews performance indicators and issues with the Managing Director and Project Management at Project Stewardship Reviews; elevates issues (as appropriate) should they emerge urgently and outside of Project Stewardship Reviews
- Assesses patterns or issues and potential stakeholder-related ramifications for the Project’s production
- Provides reports to executive management
- Provides sufficient and competent resources, including budget, for effective implementation of this Plan
- Maintains an open door policy for stakeholders and participate regularly in stakeholder consultation activities

Community Affairs Manager:
- Manages stakeholder engagement activities with local communities
- Maintains awareness of local grievance management issues
- Maintains dialogue with L&CA Officers on active grievances, progress on closure, and provides guidance and perspective to ensure appropriateness of handling, precedents being set, and overall adequacy
- Chairs a regular, internal (to L&CA) review of the Grievance Management Process

L&CA Field Manager:
- Supervises L&CA Officers
- Works with the L&CA Compliance Manager to ensure contractor engagement is consistent with the EHL process
- Ensures that L&CA Officer(s) have access to and are supported by L&CA office-based staff as required

L&CA Grievance Coordinator:
- Serves as administrator for the Grievance Management Process
- Facilitates handling of grievances to promote consistency across the project and between EHL and contractors
- Provides quality control on the management and resolution of grievances
• Ensures required responses to grievances have been prepared. Ensures that all data, information and scanned documents (related to the complaint or response) entered into the information management system are high quality, complete and accurate
• Reviews Outstanding Grievance Reports extracted from the information management system and liaises with relevant departments to finalise resolution
• Prepares Grievance Status Reports for review by Community Affairs Manager
• Prepares reports regarding grievance trends and performance indicators that indicate opportunities for improvement
• Liaises with the L&CA Officer(s) on progress towards closure of grievances, updating status of entries in information management system
• As directed by the L&CA Field Manager(s), close grievances on provision of evidence and update the information management system
• Monitors progress of grievances towards close-out target of 30 days, and advise L&CA Officer of open grievances nearing target date

L&CA Officer:
• Supports Community Affairs Field Managers to meet Project commitments for community engagement
• Implements processes to ensure quality control of field data
• Facilitates the internal review of quantitative and qualitative community engagement data
• Facilitates community engagement meetings across the Project area
• Trains and develops field personnel in preparing key messages and the selection of appropriate communication tools to enhance the operational effectiveness of community outreach activities
• Advises L&CA management on the outcomes of stakeholder engagement activities and programs
• Assists in the preparation of various reports and publications

8.1 Competency
Management will define the competencies relevant to the stakeholder engagement discipline for the Project. Key competencies include:
• Knowledge and understanding of methods used to identify stakeholders, analyse their interests and issues, differentiate between issues and grievances, and engage effectively with them
• Demonstrated ability for working with stakeholders, such as participatory planning methods, determining best methods for addressing community concerns and developing and maintaining partnerships
• Patience and flexibility, recognition of the value of win-win relationships, and a commitment to facilitation

A competencies profile for stakeholder engagement will be developed, having regard to the varying levels of seniority relevant to the function.

The competencies profile will be used when assessing training needs, recruitment and selection processes, and performance reviews, among other tasks.
9.0 TRAINING AND AWARENESS

Success in developing and maintaining positive and mutually beneficial relationships with stakeholders is founded in having the appropriate skills and awareness to bring to the stakeholder engagement role.

9.1 Training

Appropriate training will be conducted for those involved in the stakeholder engagement program. This may also include contractors, if a specific contractor has a significant relationship with Project stakeholders.

9.1.1 Training program

The training program will cover the following topics:

- The requirements of this Plan
- Job requirements and associated competencies
- The external stakeholder environment and any particular needs, interests or challenges presented by the environment (e.g. cultural sensitivities, minority, vulnerable and under-represented groups)
- Technical training, such methods of engagement including:
  - Interviewing techniques
  - Data collection techniques such as surveys, polls and questionnaires
  - Public meetings, workshops, focus groups, participatory methods, other traditional mechanisms for consultation and decision-making
  - Grievance handling
  - Refresher training to meet the required competency levels
  - Management training to provide managers and supervisors with skills to perform their duties
  - Analysis of data and evaluation of trends (qualitative and quantitative)

9.1.2 Training administration

Training programs will be based and developed on a training needs analysis. Appropriate training opportunities will be sourced externally, or internal training programs developed, as appropriate. Whichever mode of delivery is chosen, the quality of training will be evaluated for effectiveness. Accurate training records will also be maintained to demonstrate due diligence.

9.2 Awareness

Proactive efforts will be made to cultivate stakeholder awareness and promote a culture of support across the Project, including those business units and operational areas outside of the dedicated stakeholder engagement function. Some of the awareness-raising methods that will be used include:

- The incorporation of stakeholder information and background, EHL objectives and principles and stakeholder grievance mechanisms in employee induction and refresher programs
- Including stakeholder engagement topics of interest in management meetings, toolbox talks, employees (and contractor, where relevant) meetings/briefings
- Stakeholder engagement ‘short courses’ for those who don’t have formal functional responsibility but who nevertheless interact with stakeholders
- The inclusion of stakeholder material from engagement activities and grievance mechanisms in Project newsletters, on poster boards and in online forums
10.0 REFERENCE LIST


