



Lianyungang Asia-Europe Belt Road Supply Chain Base Co., Ltd

Eurasia Supply Chain Logistical Base
Environmental and Social Assessment
NONTECHNICAL SUMMARY



Base area view east



Base area view west

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ABBREVIATIONS

CLO	Community Liaison Officer
EBRD	European Bank for Reconstruction and Development
ESA	Environmental and Social Assessment
ESP 2014	EBRD Environmental and Social Policy 2014
IFC	International Finance Corporation
NGO	Non-Governmental Organization
NTS	Non-Technical Summary
SCMS	Supply chain management system
SEP	Stakeholder Engagement Plan
PR	Performance Requirements
WHO	World Health Organisation

1 PROJECT DESCRIPTION

The Project developer, Eurasia Supply Chain Aktau LLC with Chinese logistical company Lianyungang Asia-Europe Belt and Road Supply Chain Base Co., Ltd, considers construction of a logistical base (the Base) for bonded logistics and supply chain management operations: transportation, customs clearance, storage and consolidation (from train volumes to shipping volumes), marketing, sales and distribution in Kazakhstan, the Caspian Sea region, Russia and Europe. The Base will operate in the Subzone 1 of the Aktau Port Special Economic Zone located in the industrial area of the city. These are likely to be automobiles and equipment and their spare parts, tissue paper, washing products, children's products, luggage, food, furniture, decorative materials, electrical appliances and accessories. Tissue and leather cutting, assembly and manufacturing is planned to be added at the later stage. The locally produced plastic will be used for injection molding of various casings and wash liquids bottling.



Figure 1 Satellite image (July 2018) of the area around the Special Economic Zone Subzones 1 to 7 (red contours), and utilities of the Subzone 1: blocks 4-5 (purple squares); existing railway spur (black); planned spur (grey); existing road to the port (brown); gas (yellow) and water (blue) pipelines.

The Base will work in correspondence with a base at the Lianyungang port in China that will conduct bonded import, storage and logistics of consumer goods mainly from China, Japan and Korea to be transported to the Aktau Base by this connecting two seas. The Lianyungang base is not part of this project but its suppliers and distributors affected by the project activities are included. A container train with

~50 carriages (each carrying two 20' containers) will depart from the Lianyungang and Aktau base every week. A one-way 8 000km trip will take 12-15 days. The trains will cross the Kazakhstan border at Alashankou, Khorgos, where the wheels gauge will be automatically changed between 1.52m and 1.435m without reloading the containers. The train will arrive directly to the bases. Once consolidated, some containers will be driven to the Aktau port to be loaded onto the ship to be transported abroad. Within Kazakhstan, the goods will be distributed by the railway or road. Businesses in Aktau are expected to offer their raw materials and labour.

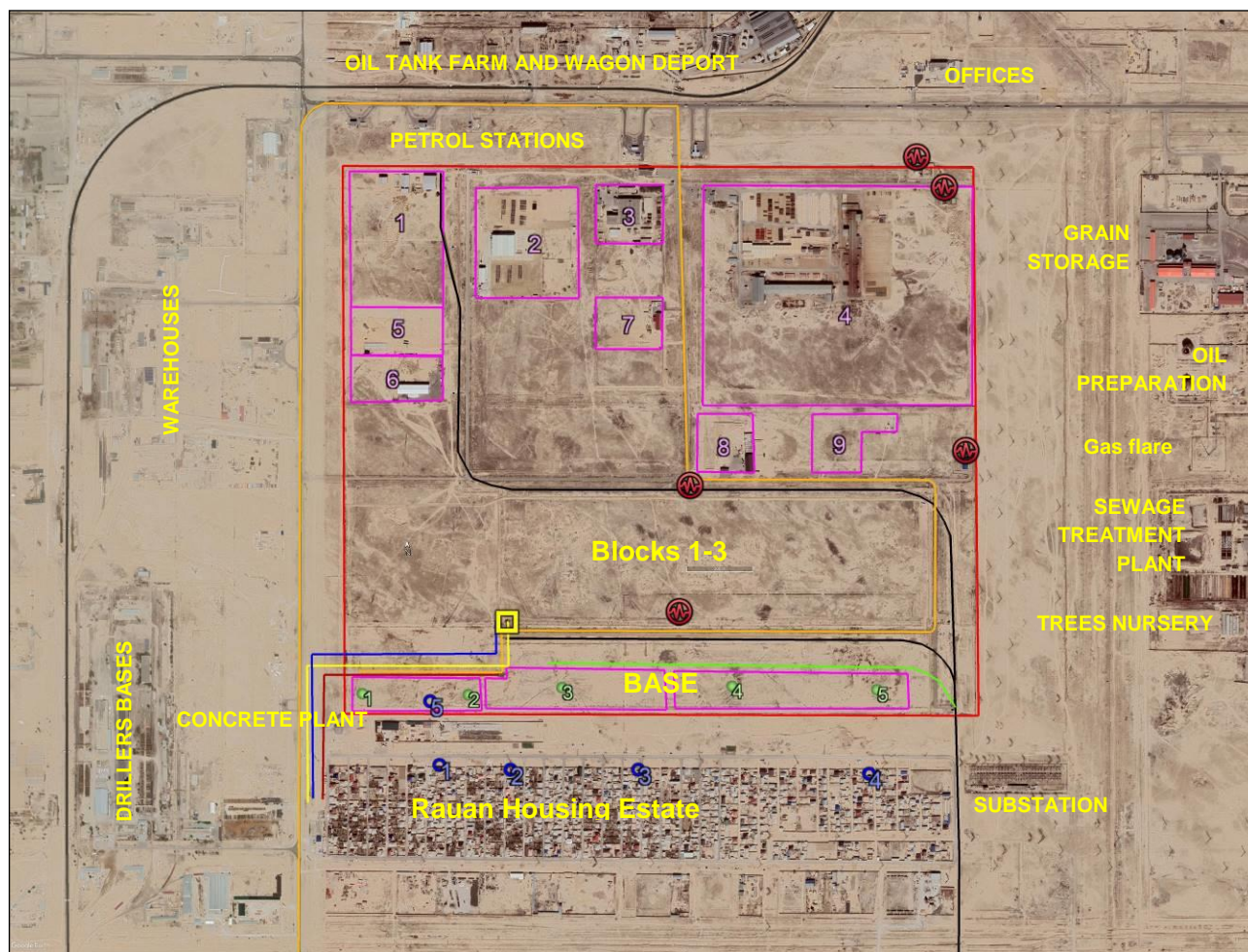


Figure 2 Close up satellite image (July 2018) of the Subzone 1: blocks 4-5 (pink squares); existing railway spur (black); planned spur (grey); existing road to the port (brown); gas (yellow), sewage (purple) and water (blue) pipelines. The project railway spur is shown in green. The other Subzone 1 enterprises are: 1. Topan Chemical Industries; 2. Kazakhstan Pipe Traders; 3. KazTrub-Industries; 4. Arcellor Mittal Tubular Product Aktau; 5. Chem Invest Export; 6. Satex Chemie; 7. Fiberglass Tank Production; 8. KazEco Build; 9. Chemical Start Group. Transformers are shown by the red circles and the gas pressure drop unit is a yellow square.

The Base is planned to occupy only a 101-147m wide strip of the blocks 4 to 6 along the south fence of the 1.6x1.9km Subzone 1 of the Aktau Port Special Economic Zone (SEZ). The larger blocks 1 to 3 are kept for perspective expansion and are not part of the design although are covered in this project in the Cumulative Impact chapter. The Base strip is made from 3 adjacent land plots that have been sublet by the SEZ administration until their own lease from the Aktau City Council expires in 2028.

The Base 4 warehouses are split in half into the Phase 1 and Reserve but both containers stack yards and two open storage yards will be used from the start. Around 10 foreign personnel will live at the camp planned at the smaller western land plot. There, the office, canteen and recreational/sport facilities will be sited.

The main lifting equipment will be electrical (wired and battery powered) while the incoming trucks and rail engines will be diesel powered. The warehouses will have all required in Kazakhstan fire protection, lighting and heating arrangements.

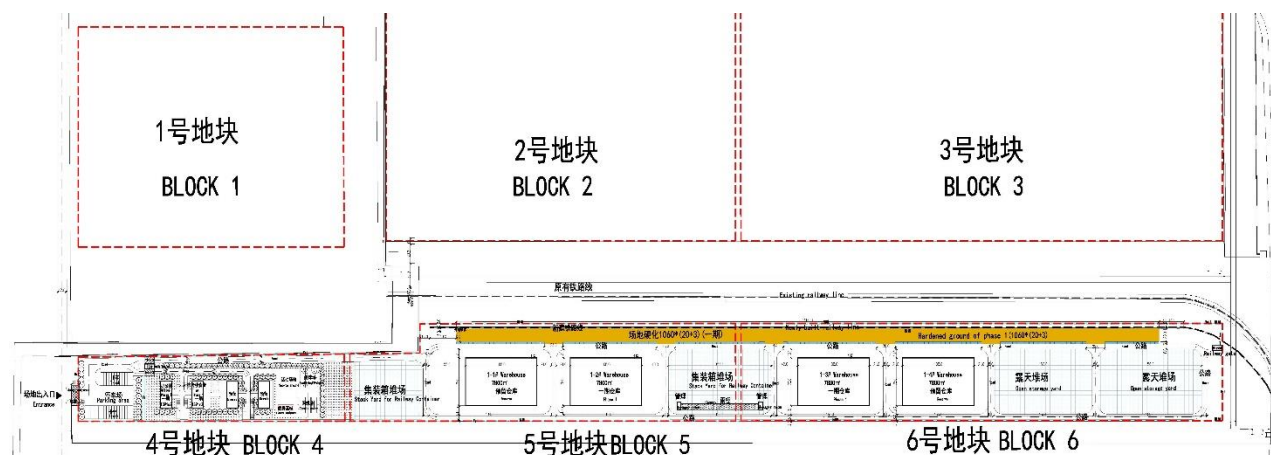


Figure 3 Base layout showing location of the new 1km long railway line, 4 open storage areas, 4 warehouses, office/residential area (block 4) and future expansion area (blocks 1-3). No ancillary facilities outside the 3 blocks 4-6 are planned.

The processing and assembly will be conducted in the warehouse. At this stage, no information is available on what exact work will be conducted. An example of possible processing would be cutting napkins from the 1m² paper sheets and packing them in prefabricated package, air conditioners assembly, filling plastic bottles with liquid soap or paper packs with washing powder from the large containers.

Table 1 Human resources requirements

	Management		Technical		Operating		Total
	Foreign	Local	Foreign	Local	Foreign	Local	
Bonded Logistics Business	1	2	1	2	-	6	12
Processing and assembly operations	1	2	3	6	-	14	26
Sales	1	2	1	2	-	-	6
General Corporate Management	2	2	-	2	-	-	6
Total		13		17		20	50
Of them female		5-7		6-8		10-12	

Table 2 Initial construction schedule

Task	Start	End	Duration (months)
Additional fencing		2022.10.31	1
Bringing utilities to the site			
Machinery order and delivery	2022.10.01	2023.01.31	4
Processing and assembly workshop		2023.05.31	8
Office and dormitory area construction			
Utilities connection			
Amenities and planting	2023.05.01	2023.06.30	2
Equipment assembly and tuning			
Personnel selection	2022.12.01	2023.04.30	4
Personnel training	2023.05.01	2023.05.31	1
Total start to commissioning	2022.10.01	2023.08.01	10

The Subzone 1 area has been fenced and the railway spur, tarmac road, gas and water mains have been brought in by the SEZ administration. For the Blocks 4-6 a separate 1km rail spur will be constructed. The main construction is planned from October 2022 to May 2023 when the Base personnel

will have been selected and its training started. There will be no piles hammering. The foundations will be arranged on the piles constructed in the drilled to ~6m depth boreholes.

2 RESUME OF AREA SENSITIVITY AND EXPECTED E&S IMPACTS AND RISKS

For environmental and social aspects the Project has been categorized as “B” and the environmental and social assessment (ESA) has not identified any relevant issues that would warrant a review of this categorization. No critical environmental and social risks have been identified. The impacts are judged to be site-specific with a potential to be effectively reduced to the acceptable project standards once the suggested impact mitigation measures have been fully implemented. All elements of the Project will be structured to meet the EBRD Environmental and Social Policy 2019 Performance Requirements (ESP 2019 PR) and the national environmental, social, health and safety laws and regulations by securing necessary permits and clearances for the detailed design, including the Project stakeholders consultation.

To determine the local baseline conditions and area’s vulnerability a survey was carried out in July, 2022. The survey included walking throughout the Base area and conducting survey of 24 Rauan Housing Estate households located along the Base fence. The observations showed that the Base area ecological value is low with the vegetation and animals typical for the urbanised territories of the middle desert. Several burrows of Jerboa and lizards were noted. The Rauan Housing Estate residents did not report presence of bats. The Base area is not located on the lands of the state forest fund and specially protected natural areas. Wild animals, listed in the Red Book of the Republic of Kazakhstan, are not present in this area. The wildlife sensitivities are mainly associated with the MAEK water filled sor located 1km south of the Base at the sea shore which is the important birds migration route.

Vegetation covers only 5-15% of the area and consists of mainly annual saltworts and wormwoods. No evidence of ephemeral plants that could be endangered or medically important have been noticed. Small part of the vegetation will be damaged during construction and it is expected to recover from the roots and seed bank to the higher coverage as the buildings and containers will create shadow, reduce wind and thus evaporation from leaves and amenity trees and shrubs watering will benefit the natural vegetation, which proliferation is limited with water. Jerboa noted at the site and other human presence tolerating rodents are likely to return to the area as it will contain higher food stock providing the Base does not become a home for cats and dogs.

Impact on the socio-economic aspects also fits into the category B definition given in the first paragraph of this section. The allocated for the Base land has been an undeveloped desert designated for industrial development. The utilities are brought to the site in the existing utilities corridor along the public road. No ancillary development to those inside the Subzone 1 fence of the SEZ is planned.

The Base supplies will come along the existing railway and the roads. The project impact on their condition and any related congestions are not expected because the access road and the railway is not extensively used and the intensity is not expected to increase significantly in the foreseeable future.

The impact on the workers health and safety and working conditions will be managed by cascading the requirements placed on the EPC contractor onto its subcontractors. No workers influx impact on the local population is expected as most of the workers will be locals. The small number of the foreign supervisors and specialists are expected to be placed in a hotel in Aktau and on-site accommodation facility.

The Base area does not have places of cultural value but the landscape emptiness and rural appearance are valued by some Rauan residents across the road from the Base fence. They know however that the Base area is set for industrial development some years ago.

Communication with the affected parties will be maintained according to the Project specific stakeholder engagement plan. A Community Liaison Officer (CLO) will place the Project information on the Company website and the information board placed in the Rauan Housing Estate. The CLO will consider administering a Telegram page to disclose the Project information in Kazakh and Russian, collect feedback and provide answers via this page, email or telephone. At the start of the project, the CLO will inform all the key stakeholders about the available to them communication channels.

The project benefit will be more apparent on the regional and national level in the form of the availability of the produced goods on the regional markets that are expected to be cheaper due to absence of various taxes, payments for railway transit, the port charges and the logistic chain induced employment. Up to 50 jobs will be created for the local skilled and unskilled labour during construction and 40 jobs during operation. The workers are also likely to gain the experience that may improve their chances of enrolling on the future construction internationally financed projects. The Company will inform the local community about the vacancies, give priority to the job applicants from the Rauan Housing Estate and maintain the reasonably possible quote for employment of women.

3 DETAILED DESCRIPTION OF IDENTIFIED IMPACTS AND PROPOSED MITIGATION MEASURES

3.1 CONSTRUCTION

3.1.1 Impact on Animals, Vegetation and Soil

The recorded sensitivity is low. The desert vegetation made of few perennial semi-shrubs has no sensitive species and coverage is restricted to 5-15% by water availability. Soil is not developed to justify its preservation. Only few jerboa (*Dipodidae* sp.) burrows are noted. They will be displaced during construction with no notable impact due to the time of the displacement and availability of suitable habitats nearby. Because the ground is practically flat, leveling and thus vegetation scraping will be required only in few places. The brought ground mound in the middle of the site will be used to fill small depressions that are free of vegetation due to high salt content of the ground but some vegetation will be damaged during the ground spreading. Thus the construction impact on animals and soil will be negligible and low on vegetation. The Company however will limit the earthwork and leveling footprint to the extent possible to preserve vegetation and seed bank.

3.1.2 Transportation Impact on Traffic and Roads Condition

Practically all Base main parts will be brought in by the railway. The remaining material will be acquired locally, which will have little to no impact on the local roads and traffic.

3.1.3 Local Community Health Safety and Livelihood

The Base construction will start with leveling and drilling for foundation piles. Once the piles are constructed, some piles concrete hammering will be required, which would generate noise around 95-110dB(A) at source. This noisy work will however be conducted only during the day, will be short spanned and the Base fence will act as an effective noise barrier. No other noisy work is expected. To ensure that dust does not migrate to the Rauan area, the Company will water the construction site regularly.

3.1.4 Land Requirements and Use

The Base is planned on the 22.7ha of the blocks 4-6 of the Subzone 1, leased by the Company until 2028 from the State Reserve land inside of the Aktau Port Special Economic Zone. This desert area has not been used by people or cattle as it lacks vegetation and water. The Base will not take or affect any additional land outside these blocks. Thus, **no impact** on the land users is envisaged.

3.1.5 Waste Management

The construction waste volume will be limited and non-hazardous. The EPC contractor will be responsible for waste safe storage at site and final disposal at the city licensed and properly engineered non-hazardous waste landfill is 13km from the Base and 3.4km southwest from Bayandy village. The wastewater treatment plant is 3km north of the city on the way to the airport. Small amount of hazardous waste will be accumulated for less than 6 months (in order not to breach the time limit for waste storage without a license) and then taken to the Tenizservice hazardous waste landfill 20km northeast of the Base.

Table 3 Expected construction waste quantity and elimination methods (hazardous waste is highlighted)

Waste name	Quan- tity, t	Accumulation containers	Elimination method
Used oil	0.15	Drums on shel- tered pad	Regeneration by specialized com- pany
Oiled ground	0.39	1.5m³ container	Removed on worker camp closure to a hazardous waste landfill
Oiled cloth, oil filters	0.01	1.5m³ container	
Scrap metal	9.74	Open air pad	To metal recycling yard Vtormet on worker camp closure
Paint cans	0.24	1.5m³ container	
Welding rod ends	0.05	0.5m³ container	
Domestic waste	7.50	1.5m³ containers	Aktau cell structured, fenced and guarded, landfill
Construction waste air filters	77.9	Open air pad	
Wood and card- board packaging	3.4		Local workers for utilisation at home
Sewage	935	Sewage network	Aktau wastewater treatment plant
Food waste		0.5m³ container	Local workers for home livestock

3.1.6 Workforce Management

Up to 50 people are expected to be present on site in peak time associated with the foundations, warehouses and office area construction. Most of them will be local workers. Around 10 foreign supervisors and specialists are expected to stay in a hotel and then move to the on-site accommodation when it is ready. The Company will:

- Develop the Code of Conduct for the EPC's contractor and on-site companies and monitor adherence to it;
- Check the on-site accommodation for compliance with the national legislation and EBRD/IFC worker accommodation guidelines 2009;
- Construct the living quarters at the Base as early as possible to accommodate the foreign labour.

The Company also plans to include the Kazakhstan and EBRD ESP 2019 PR2 and PR4 labor protection requirements in the EPC contractor agreement, oblige them to be passed to its subcontractors and monitor adherence regularly. Taking into account the planned actions, the **impact** from the workers influx is **considered to be low** and easily manageable.

3.1.7 Cultural Heritage

The archaeological assessment has been conducted according to the ESP 2019 PR8 requirements. No cultural heritage objects have been found. The responsible for the cultural objects inventory in the region, the Mangystau State Cultural Heritage Reserve has also confirmed this in its response #253 from 2.08.2022 to the Company request.

3.1.8 Risk of Accidents

No risk to the public is expected from the Base construction and operation. Worker risk of accidents will mainly relate to working at height and with the lifted by cranes large parts. The Company will request the EPC contractor to appoint a qualified HSE manager to develop a site specific health and safety and emergency response plan and introduce and maintain health and safety culture that includes passing initiative of hazards identification to the workers and registering near misses.

Risk of spills is considered to be low because the ground have low permeability to diesel and oil and high ability to absorb small spills. There will be no fuel storage tanks at the site and few drums of used oil will be stored at the impermeable and sheltered pad. But because the heavy equipment will be refueled by a local fuel supplier, the Company will request the EPC contractor to purchase fuel from a reputable supplier and check on site entry that the driver passed spill prevention training and has the required spill containment and collection equipment.

The wind storms (over 25m/sec) may occur during construction. To prevent injuries and damages by loose panels, the Company will request the EPC contractor to pay attention to the text messages sent by the Emergency Situation Office to the local population cell phones before the wind storms, limit the lifting work and work at height and fasten the site material to prevent them being lifted by the wind.

Considering diesel properties, risk of diesel fuel ignition while fueling the equipment on site stripped of vegetation is negligible.

3.2 OPERATION

3.2.1 Air and Groundwater

No discernable impact on air and groundwater quality from the operation is expected. The only sources of air pollution will be incoming trucks as the Base machinery will be electrical. The spaces will be heated by a gas fired boiler via water filled central heating. The boiler emission will be small and pollutants will dissipate to the concentrations below the national limits for the residential area before reaching the Base fence.

3.2.2 Vegetation and Wildlife

Few rodents that used the disturbed and elevated by the underground pipelines ground and displaced during construction, may return because of their tolerance to human and because the food stock is not expected to be depleted significantly. They will however be fully removed by dogs and cats.

The Base territory has low value desert vegetation with 5-15% coverage of the ground. It will be damaged by placing containers and parts on top but some of it is likely to benefit from the regular watering of the planted trees and shrubs and runoff from the impermeable surfaces. Equipment will also reduce wind speed by this reducing evaporation from the lives and thus increase chances of survival through the drought periods. This conditions however will be ideal for the invasive pioneer and fast growing species that may deprive natural vegetation of water and may spread beyond the Base fence. To prevent this, the Company will:

- Exclude dogs and cats from the site by prevention of feeding, sheltering and access to the food waste.
- Monitor appearance and promptly remove invasive plant species before formation of seeds.

3.2.3 Waste

During operation the waste generation is expected to be small, consisting mainly inert packaging, accidentally wasted material and broken parts, office and domestic waste. This waste will be transferred by

a licensed contractor to the city landfill. Wastewater will enter city sewage system to end up in the municipal sewage treatment plant. Despite the predicted low impact from waste, the Company will seek an opportunity to reduce, reuse, recycle or recover energy from waste

3.2.4 Land Requirements and Use

Because none of the Base operation land use will extend beyond the Subzone 1 even taking into account possible expansion from blocks 4-6 to blocks 1-3. Thus, there will be no impact on land use.

3.2.5 Noise and Electromagnetic Radiation

According to the national health regulations ¹, an acceptable level of noise that is not harmful to hearing, even with prolonged exposure, is considered to be $L_{Aeq8hours}$ 55dB(A) during the day and 45dB(A) at night measured at the houses façade. The World Health Organisation gives more detailed description of the limits ² but for said conditions they are L_{Aeq16h} 55dB daytime, L_{Aeq8h} 45dB nighttime and L_{Amax} 60dB for the occasional noise at night.

The ambient noise measured at the Rauan houses façades and at the Base territory in still weather was in the range of 44-51dB(A). Moderate wind added up 3-5dB. Because the dB scale is logarithmic, adding 3dB equals to doubling the sound pressure level. This means that the Base has sufficient gap to be able to add the noise of the planned cranes, forklifts and trucks in order not to breach the staid limits during the day. It does not plan to work at night.

The Base will have no sources of electromagnetic radiation.

3.2.6 Visual impact

The only receptors sensitive to the change in landscape around the Base are the northern line of the Rauan Housing Estate houses. These houses have 2m high brick fences between the first floor windows and yards and the Base. Only one house had a wire mesh fence and one house had the second floor windows towards the Base. The interviewed residents of this line said that they spent no time outside of the houses but to walk to the bus or the shop. This line had no benches or arbors outside that would increase observation time and the landscape value.

The current landscape is filled with the 110kV powerline on 22m high anchor towers in front of the houses, 2m high subzone 1 fence made of corrugated metal and numerous industrial objects and powerlines at 1-2km distance that are barely seen above the houses fence from the elevated porches. Despite of relatively low aesthetic value of the landscape, some interviewed residents valued absence of large structures but did not object appearance of social infrastructure in the view.

The Base is located 160m from the house fences. The top of the warehouses and the open storage containers three-stuck will be 12.1m above the ground and two floor office and dormitory will be 9.3m high. Four 110m long warehouses will cover around 20% of the view from the outside of the houses. The number of the container three-stucks is not known but in the worst case they may cover 100% of the outside view for 2/3rd of the 42 first line houses. According to the conceptual design, the space between the storage and the Base fence will be filled with trees that are practically absent from the area and the houses.

Basing on the above, it was concluded that **visual impact will be low** and thus will not require additional to the already planned measures.

¹ GOST 12.1.003-83 International Standard for the System of Occupational Safety Standards. Noise. General Safety Requirements 1984.

² Berglund, Lindval, Schwela. Guidelines for Community Noise. WHO, 1999

3.2.7 Risk of Accidents and Emergency Situations

After assessment of the area hydrogeology and vegetation, risk of floods and ground fires has been excluded. Presence of gas mains leaves the risk of explosion but considering that the whole network will be subject of the gas supplier control and the Company risks management procedures, such risk is considered to be too low to deserve additional measures to those already prescribed by the legislation. However, the risk of fire exists because of the expected presence of large volume of packaging material and electric appliances indoors.

With poor management of flammable waste, local fire may damage property and spread over the stacked nearby material, which however does not expected to be hazardous. The resulted fire will not spill over the Base fence and is likely to be promptly put down by the firefighting locomotive and fire engines from the depot, located 3km south from the site. Water will be replenished from the water mains.

To reduce the risks to the minimum, the Company will:

- Develop site-specific emergency response plan with regular staff training and drills.
- Install automatic fire detection system linked to automatic shutdown and automatic or remotely engaging firefighting like foam water or powder sprinklers in the nacelles.
- Draw a contract with a licensed waste utilisation contractor to minimise accumulation of flammable waste on site and install fume detectors and fire alarms in each indoor area.
- Check the detailed design for presence of the high output firefighting water pipework, sufficiency of the electrical network for the required load
- Conduct regular site inspections to ensure that the electrical appliances are proper, well connected and used as designated.

3.2.8 Reduction of Risks that May be Associated with the Materials Supply Chain

The main E&S risk relates to the supply chain concerns associated with potential suppliers that will be using the Aktau base facilities. The Project expects to handle two main categories of goods: finished goods and semi-finished goods shipped from China, Japan, South Korea and other countries. The type of goods will be determined by the client requests. To manage the potential supply chain risks, the Project will develop and adopt a comprehensive supply chain management system (SCMS) that will encompass the following: (i) policy statement and Code of Conduct, spelling out the Company's commitments regarding the human rights and management of risks across its supply chains; (ii) risk screening of all suppliers (iii) risk assessment of suppliers via self-assessment tools (iv) risk prioritization of suppliers and escalation procedure (v) labour audit of the high risk suppliers. The Company will engage a qualified supply chain expert on a full time basis to operationalize the SCMS and make any necessary enhancements as the scale of the Project increases or changes over time. The performance of the SCMS will be audited annually by an external assessor to confirm that the Company effectively manages risk exposures across its supply chains.

The supply chain management system that will be adopted by the Base will be applied to all on-site firms that will be involved in assembly/production of the finished goods.

3.3 IMPACT OF THE CONSIDERED ALTERNATIVES

The do-nothing option was not considered as the place would be taken by another enterprise, which impact would not be avoided. Alternatives of **location, scale, layout, mode of operation and materials used** were considered by the Company mainly on the technical, logistical and financial criteria. The scale is restricted by the land available in the subzone and leased by the Company, which considers further expansion within the leased land if the phase 1 operation is successful. Location was restricted by the free areas available in the SEZ. Selection of any other location within the subzone or the other

subzones would not make significant difference in impacts but appearance of a more polluting enterprise on the place of the Base would generate higher impact on the Rauan residents. Positioning the residential area further away from the concrete plant behind the fence, would reduce the workers exposure to dust and noise at night. This will be considered at the detailed design stage. The selected 8hour working day operation would produce the least impact possible with various modes of operation. The guards and the platforms and wagons offloading machinery will have to work round the clock however. To maintain the permitted noise level, the Company will measure noise at the Rauan houses facades during the day and night, compare it with the legislative requirements and WHO Guidelines and alter the Base activities to achieve compliance. Repeat measurements when the Base activities increase and when complaints about the noise are registered.

Selection of the materials and equipment used is made on the base of the cost and complexity of the delivery logistics. The materials toxicity, wasted material local utilization or safe disposal capacity was not considered at this stage. Gas planned to be used for heating. This is more effective than use of electric heaters powered by the electricity produced by MAEK plant 5km south from the same gas.

3.4 CUMULATIVE IMPACT

To evaluate cumulative impact, the base needs to be viewed as a part of the whole SEZ and the rest of the industrial area development. The main impact could be from the missed opportunity to develop the area as a sustainable cluster where neighbours explore opportunities to use each other waste, be it in the liquid, solid or heat form. Although the SEZ administration has managed to assign all the subzones to various businesses, many are slow in implementing their development plans. In this situation the administration cannot introduce additional sustainability requirements.

The Base activities will contribute to the overall load on the railway and local roads leading to congestions. However, the current roads capacity is underused and increase in economic activities induced by the SEZ requirements for the local labour, services and goods, will contribute to the local budget in the form of taxes that can be spent on the roads improvement and the transportation itself can become more efficient with the increased scale.

Cumulative impact on the animals is expected to be negligible, considering the noted low density and diversity of the rodents and lizards, poor food stock of the territory and remoteness of the MAEK back water lagoon where rare birds stop on their migration routes. They are attracted by the higher concentration of invertebrates in warmer water.

The impact on the Rauan residents views to the surrounding landscape will increase but not to any significant level as most of the structures around it are expected to be 1-2 storeys. Their landscape is already includes industrial objects like 22m high power towers, bridge cranes, old buildings, a substation and concrete plant. However, at night, the surrounding the Rauan area will be lit and some activities may be carried at night increasing light pollution and noise from the night traffic.

4 STAKEHOLDERS ENGAGEMENT AND CONSULTATIONS

The SEP describes how engagement with identified stakeholders will be carried out throughout the project life cycle, including the timing and methods of engagement, the information to be disclosed, disclosure language(s) and the type of information to be sought from stakeholders. The SEP is tailored to take into account the main characteristics (including gender) and interests of the project-affected and interested in the project parties and distinguish between the different levels and methods of engagement that might be appropriate for each. The plan outlines resources for stakeholder engagement and is updated regularly during the project life cycle.

The Community Liaison Officer (CLO) will be assigned to manage the implementation of the SEP and ensure that the described in the SEP grievance mechanism is available to all stakeholders. The CLO is to involve an appropriate level of management and addresses concerns promptly, using an understandable and transparent process that provides feedback to those concerned without any retribution. The CLO will register the comments or grievances and control the grievance handling process. Grievances can be left in the mailboxes located on the information board at the Dana shop in the Rauan Housing Estate, 5th Street, house 116 or sent by mail or via e-mail to CLO. The Company website will also act as a platform to receive comments. This mechanism does not limit the public's rights to use the conventional routes to place grievances and the available legal system.

5 MONITORING AND REPORTING

Implementation of the described above impacts and risks mitigation measures will be monitored during construction and operation of the base. During the operation, monitoring will be conducted quarterly. Annual reports on environmental and social performance will reflect the plans implementation progress. The reports will be checked against the EBRD ESP 2019 PRs. Monitoring is to be carried out throughout the project life.

Further information can be obtained from the Community Liaison Officer Mr. Mukhtar Bazarbayev Tel.: +7 707-936-23-62, e-mail: brs_aktai@mail.ru, Address: Актау, Kazakhstan SEZ Subzone 1, Eurasia Supply Chain Aktai LLP.