Registration and Comment Sheet

To register and provide comments please contact:

Samuel Hailu TS Environmental Technology
Telephone: +251911373167  Email: sam1hy@yahoo.com

Nomsa Fulbrook-Bhembe Environmental Resources Management
Telephone: +44 7824 825 250  Email: Nomsa.fulbrookbhembe@erm.com

Yara Dallol BV, 3rd floor, Oasis building (near Edna Mall,) Addis Ababa, Ethiopia
Tel +251 11 6631089  Fax +251 11 6630967

Please also find further information regarding the ESIA on the ESIA project website:
http://www.erm.com/Yara-Dallol-BV-Potash-Project-EIA.

Purpose of this document

This document serves to provide you with a brief introduction to the proposed Yara Dallol Potash Project (proposed Project) and the manner in which stakeholders can become involved in the Environmental and Social Impact Assessment (ESIA process) currently being undertaken. Additional documents will be available at various stages during the ESIA process to provide stakeholders with information, and further opportunities to raise issues of concern and suggestions for enhanced benefits.

Introduction

Yara International (Yara) is a chemical company that specialises in the manufacture of agricultural products and environmental agents including fertiliser products (such as potash). To support this, Yara has started a subsidiary company called Yara Dallol BV, which is involved in the exploration and development of a potash mine in the Danakil Depression of Ethiopia. Yara Dallol BV are working together with Novopro Projects Inc. (Novopro), a Canadian Engineering Company, to develop a potash mine in their aforementioned concessions.

Yara is proposing to extract potash through a process called solution mining (refer to page 3 for further details on this process).
The proposed Project is called the Yara Dallol Potash Project, and is located in the Danakil Depression in the Afar region (Zone 2, Dallol Woreda). The total area of the proposed Project covers a 62km² area.

The proposed Project has existed for over three years, and has operated under different names including Sainik, Ethiopotash BV and Musley Potash Project. The proposed Project has had different names because ownership of the mining concession has changed.

In addition to associated infrastructure, Yara Dallol BV will also have other resources needs including land to build the abovementioned infrastructure and water for the solution mining process, as well as for the overall operation of the proposed Project.

Workers will also be required for the proposed Project. Currently it is expected that approximately 370 and 580 people will be employed during the construction and operational phases, which includes a mixture of skilled labour and unskilled labour. Where possible Yara Dallol BV will look to recruit people from the local area, and elsewhere in the Afar region.
The ESIA process is being undertaken in terms of the Environmental Policy of Ethiopia 1997 and Environmental Impact Assessment Proclamation, 299/2002. The ESIA is divided into five key phases, namely: Screening, Scoping, Baseline data collection, Impact Assessment and Disclosure, see below.

**Screening** is the first step. It defines what issues will be considered in the ESIA process.

During Disclosure the ESIA report is submitted to the Government for review and decision making.

The Impact Assessment describes and assesses how the proposed Project could affect the local environment and people, both negatively and positively, how significant the changes (impacts) are likely to be, and how the impacts could be managed.

Stakeholder engagement takes place throughout the ESIA process.

Scoping identifies the likely changes (impacts) that will happen because of the proposed Project.

Baseline Data Collection is to collect information to understand the environment and people in the area before the proposed Project begins.

**Stakeholder Engagement**

An important part of the ESIA process is to speak and listen to the people who may be affected by or interested in the proposed Project. This is called Stakeholder Engagement and it will be undertaken throughout the ESIA process. Stakeholder views will be considered to improve the proposed Project where possible.

ERM and TS Environmental Technology are independent consultants who will run the engagement process. Our team will try to make sure engagement is open to all people, especially people who will be affected by the proposed Project. This will be done in a way that is culturally appropriate.

**How can you be involved?**

If you have any comments or concerns, and would like to register as a stakeholder you can get involved by:

- Attending workshops and public meetings held during the ESIA process;
- Visiting the ESIA project website: http://www.erm.com/Yara-Dallol-BV-Potash-Project-EIA;
- Contacting ERM and TS Environmental Technology for further information (see contact details on page 6); and
- Registering as an interested or affected stakeholder in the proposed Project. Registration will allow you to receive further communication about the ESIA process and the proposed Project.

**Management of Impacts**

Various Baseline Studies will be undertaken as part of the ESIA Process. The Baseline and associated Impact Assessment studies will suggest ways to reduce the negative impacts and support the positive impacts.

This will be done through the development of mitigation measures to avoid or reduce negative impacts. Recommendations will also be developed to support the positive impacts of the proposed Project.

**The Environmental and Social Impact Assessment Process**

The ESIA will identify the most important changes (impacts) that the proposed Project may bring about. The proposed Project may bring about changes to the natural environment and the people. Some of the types of impacts that may occur are shown below. These impacts will be studied and understood in more detail through the Baseline Studies and Impact Assessment phases in the ESIA. During the Impact Assessment phase mitigation measures will be developed to avoid and/or reduce the types of impacts. In addition recommendations will also be developed to support any positive impacts.

- Risk of air emissions
- Risk of noise emissions
- Use of water resources
- Risk of disruption to local livelihoods
- Risk of changes to the views of the area
- Risk of disturbance to cultural heritage & archaeology
- Risk of disruption to local transportation routes
- Increased income generating opportunities (employment & procurement of goods & services)
- Risk of increase in population
- Risk of traffic incidents
- Risk of disturbance and damage to ecology
- Risk of poor labour standards

**Background Information Document**

**Screening** is the first step. It defines what issues will be considered in the ESIA process.

During Disclosure the ESIA report is submitted to the Government for review and decision making.

The Impact Assessment describes and assesses how the proposed Project could affect the local environment and people, both negatively and positively, how significant the changes (impacts) are likely to be, and how the impacts could be managed.

Stakeholder engagement takes place throughout the ESIA process.

During Disclosure the ESIA report is submitted to the Government for review and decision making.

The Impact Assessment describes and assesses how the proposed Project could affect the local environment and people, both negatively and positively, how significant the changes (impacts) are likely to be, and how the impacts could be managed.

**Stakeholder Engagement**

An important part of the ESIA process is to speak and listen to the people who may be affected by or interested in the proposed Project. This is called Stakeholder Engagement and it will be undertaken throughout the ESIA process. Stakeholder views will be considered to improve the proposed Project where possible.

ERM and TS Environmental Technology are independent consultants who will run the engagement process. Our team will try to make sure engagement is open to all people, especially people who will be affected by the proposed Project. This will be done in a way that is culturally appropriate.

**How can you be involved?**

If you have any comments or concerns, and would like to register as a stakeholder you can get involved by:

- Attending workshops and public meetings held during the ESIA process;
- Visiting the ESIA project website: http://www.erm.com/Yara-Dallol-BV-Potash-Project-EIA;
- Contacting ERM and TS Environmental Technology for further information (see contact details on page 6); and
- Registering as an interested or affected stakeholder in the proposed Project. Registration will allow you to receive further communication about the ESIA process and the proposed Project.

**Management of Impacts**

Various Baseline Studies will be undertaken as part of the ESIA Process. The Baseline and associated Impact Assessment studies will suggest ways to reduce the negative impacts and support the positive impacts.

This will be done through the development of mitigation measures to avoid or reduce negative impacts. Recommendations will also be developed to support the positive impacts of the proposed Project.

**The Environmental and Social Impact Assessment Process**

The ESIA will identify the most important changes (impacts) that the proposed Project may bring about. The proposed Project may bring about changes to the natural environment and the people. Some of the types of impacts that may occur are shown below. These impacts will be studied and understood in more detail through the Baseline Studies and Impact Assessment phases in the ESIA. During the Impact Assessment phase mitigation measures will be developed to avoid and/or reduce the types of impacts. In addition recommendations will also be developed to support any positive impacts.
An ESIA aims to answer five key questions:

1. **Baseline**: What is the current environmental and social situation?
2. **Prediction**: What will the proposed project’s impacts be? How will conditions in the environment and society change as a consequence of the proposed project?
3. **Evaluation**: Are the impacts significant? If so, how significant?
4. **Mitigation**: If an impact is significant, what can be done to avoid, reduce, remedy or compensate for the adverse effects, or enhance the benefits?
5. **Residual impact**: What will the residual impacts be after the mitigation? How significant will these be?

### The Project Stages

- The proposed Project has been in the **Development stage** for approximately three years. The Development stage of the proposed Project has involved completion of seismic surveys, core drilling, and preliminary environmental and social studies.
- Currently the proposed Project is in the **Feasibility stage**. The Feasibility stage involves test mining, the completion of an Environmental and Social Impact Assessment (ESIA), as well as other studies to determine whether the proposed Project is viable.
- If the Feasibility studies show that the proposed Project is viable, the proposed Project will enter into the **Detailed Engineering stage**. In the Detailed Engineering stage the design for the proposed Project will be finalised before progressing into the **Construction Phase**.
- It is anticipated that the proposed Project will start **Operation**, with first potash production by end 2017. The Life of the Mine is anticipated at 18 years.

#### Why Do An ESIA?

Before proceeding Yara Dallol BV must assess how the proposed Project is likely to affect the local natural environment and surrounding communities through an ESIA process.

#### What Is An ESIA?

An Environmental and Social Impact Assessment (ESIA) is being carried out to understand how the proposed Project might change existing environmental and social conditions, either positively or negatively. The ESIA process will also identify ways of minimizing any negative impacts and maximizing benefits (positive impacts) related to the proposed Project.

The ESIA report will, also further advise if and how the proposed Project can be developed in a sustainable manner, as well as assist the Ethiopian officials with the permitting process.

#### Who Will Carry Out The ESIA?

In compliance with the Environmental Policy of Ethiopia 1997 and Environmental Impact Assessment Proclamation, 299/2002, Yara Dallol BV is required to submit an ESIA report to the Ethiopian government for consideration. Environmental Resources Management (ERM) is an independent consulting firm that is conducting the ESIA for the proposed Project together with Ethiopian consultants TS Environmental Technology and ESSD, the social and environmental consultants, respectively.