JOINT STATEMENT Tripartite Council, Khanbogd soum

Khanbogd soum Umnugobi aimag

May 9, 2017

Khanbogd soum Tripartite Council (TPC)¹ Meeting was held at the Community Interaction Center on May 2 and May 8-9, 2017. The meeting was attended by TPC members, CAO² facilitators and the OT Watch NGO, as an advisor to the herders' representatives.

During the meeting, parties confirmed their agreement towards resolving complaints with regard to Undai river diversion, the complaint with regard to concerns about the project's use of land and water, which some herders claimed disrupts their nomadic way of life, and puts in jeopardy their traditional culture and livelihood, and the complaint that they have not been compensated or relocated appropriately, and where they question the project's due diligence, particularly around the issue of sustainable use of water in an arid area. The parties signed two agreements to resolve herders' complaints. By entering into these agreements, the complaints resolution process proceeds from discussion phase to implementation and monitoring phase.

As set out in the agreements, the relevant parties shall be responsible for implementing a detailed action plan to resolve herders' complaints. The Action Plan includes due dates, responsible parties and performance criteria for each agreed activity. The Office of the Compliance Advisor Ombudsman will monitor the implementation for one year and draw conclusion on the implementation of these agreements.

As a result of unrelenting efforts to resolve herders' complaints through discussion and negotiation, the parties have reached a mutually agreed solution. During the discussion and negotiation, mutual trust between the parties has been strengthened and a solid foundation for further cooperation has been built. Parties jointly conclude that the discussions resulted not only in a resolution to complainants' concerns but also in an effective cooperation that benefits all the herders in Khanbogd. TPC members express their deep gratitude to CAO facilitators for their professional support and efforts, which made the discussion successful.

During the meeting, a procedure for Compensation Claims Committee has been finalized. The procedure regulates the processes for reconsidering certain qualified herder households and resolving their claims for the Compensation Programs 2004/2011. The Tripartite Council will implement the procedure and will act as Compensation Claims Committee.

Agreements to resolve herders' complaints and the procedure for Compensation Claims Committee will be published in a special edition of OT Community newspaper to inform Khanbogd herders. TPC representatives will also attend the Bagh Citizens' General Meetings to deliver information.

Khanbogd Soum Tripartite Council

¹ The Tripartite Council (TPC), a council with equal representation from Khanbogd soum herders, local authorities and Oyu Tolgoi LLC was formally established on 8th June, 2015 by signing on the Memorandum of Understanding to solve complaints made by parties. Compliance Advisor Ombudsman (CAO) guides the operations of the TPC.

² Compliance Advisor Ombudsman (CAO) is an independent recourse mechanism for the International Finance Corporation of the World Bank Group and Multilateral Investment Guarantee Agency (MIGA).