APPENDIX X

EXTERNAL GRIEVANCE REDRESS MECHANISM

EXTERNAL GRIEVANCE REDRESS MECHANISM FOR ORPOWER TWENTY-TWO LTD 35 MW GEOTHERMAL POWER PLANT IN MENENGAI, NAKURU COUNTY, KENYA.

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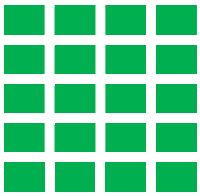

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List of Abbreviations

E&S, OS	**Environmental and Social Operating Safeguards**
GDC:	**Geothermal Development Company's**
GRM:	**Grievance Redress Mechanism**
NEMA:	**National Environment Management Authority**
PAPs:	**Project-Affected Persons**

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1 Introduction and Purpose

The OrPower Twenty-Two project involves construction of a 35 MW modular geothermal Power Plant within the Menengai Caldera in Nakuru County, Kenya. The site is inside a government-designated geothermal development area managed by the Geothermal Development Company (GDC) – a forested caldera zone with multiple geothermal wells already drilled by GDC. OrPower Twenty-Two (also referred to as OTTL) is one of three independent power producers (IPPs) licensed to develop a 35 MW plant in this area under a Build-Own-Operate scheme. The plant will tap steam supplied by GDC's geothermal wells and convert it to electricity via steam turbines, with brine (geothermal water) managed through reinjection or evaporation ponds.

OrPower Twenty-Two Ltd (OTTL) is the special purpose vehicle (SPV) established to develop, construct, and operate the Menengai 35 MW Geothermal Power Plant (Phase I Unit III). OTTL is owned by Kaishan Kenya Engineering Company Ltd, a subsidiary of China-based Kaishan Group Co. Ltd. (Kaishan acquired OrPower Twenty-Two in 2023). Kaishan Group is the project developer and has been contracted to perform the Engineering-Procurement-Construction (EPC) work and long-term O&M. As the operator, OTTL will ensure that the plant adheres to all health, safety, and environmental standards during its operational phase.

This Grievance Redress Mechanism (GRM) provides a structured approach for project stakeholders to raise concerns or complaints and have them resolved in a timely and fair manner. It is designed to handle grievances from external parties – such as community members, project-affected persons (PAPs), local organizations or any other stakeholders in harmony with Geothermal Development Company's (GDC) overall grievance framework. The GRM aligns with IFC Performance Standard 2 (Labor and Working Conditions) and Performance Standard 10 (Stakeholder Engagement) as well as and Africa Development Bank Environmental and Social Operating Safeguards (E&S, OS) 2(Labour and working conditions) and E&S, OS 10(Stakeholder Engagement requirements for grievance mechanisms. This GRM also reflects GDC's Community Relations Policy commitment to have a mutually agreed procedure for resolving project-related grievances.

Key principles of this GRM include: **Accessibility** (multiple channels to submit concerns, including anonymous options), **Transparency** (clear procedures and timelines), **Fairness** (impartial review and respectful resolution), **Confidentiality** (protection of complainant's identity if desired), and **Non-Retaliation** (guarantee that no one will be penalized for raising a complaint in good faith). Ultimately, the objective is to resolve grievances at the earliest possible level, to the satisfaction of the complainant, and to use feedback to improve project performance and community relations.

2 GRM Objectives:

- **Provide a Trusted Channel:** Offer community members and other stakeholders a safe, confidential way to voice concerns or complaints related to the project's activities, impacts, or staff behavior. This encourages open feedback and early problem-solving before issues escalate.

- **Timely and Culturally Appropriate Resolution:** Ensure grievances are acknowledged quickly and resolved within reasonable timeframes, using processes that are culturally appropriate and easily understood by the local population. For example, where needed, grievance intake or responses will be conducted in the local language (with translation assistance) and with respect for local customs.

- **Prevent Escalation:** By resolving issues promptly at the local level, the GRM aims to prevent minor complaints from growing into major disputes or conflicts. Early resolution builds trust and improves the project's relationship with communities.

- **Continuous Improvement:** Document and analyze grievances to identify patterns or recurrent issues. This data will feed into project management decisions, helping to mitigate systemic problems. Regular reports on grievances (numbers, types, status) will be reviewed by management and shared with GDC and financing partners (e.g., IFC) to demonstrate responsiveness and inform improvements.

3 Scope

This mechanism covers all grievances related to the project. This includes complaints about environmental impacts (e.g. dust, noise, spills), land or property issues, community health and safety concerns, contractor or employee misconduct affecting communities, and any other project-related concerns. It does **not** replace other legal rights or project commitments – stakeholders remain free to approach regulatory authorities or courts at any time. However, the GRM provides a preferable first line of resolution. Complainants can be individuals, groups, or representative organizations. They may submit grievances on their own behalf or on behalf of others (for instance, a community elder might report an issue affecting a vulnerable community member).

4 GRM Structure & Process

The grievance process consists of several clearly defined steps, summarized below:

1. **Submission (Grievance Raised):** A grievance can be submitted through multiple channels to maximize accessibility. Accepted channels include: in-person verbal complaints (to any supervisor, Community Liaison Officer, or designated staff), written complaints via a **grievance form**, emails or letters, SMS or WhatsApp messages to a published project number, Hotline calls, and a physical **suggestion/complaint box** located at the site entrance or community center. The suggestion box will be checked at least every 3 days by the HSE Officer or Community Liaison representative. Complaints can also be raised during community meetings or via local leaders – these will still be logged into the GRM if project staff are informed. Complainants are encouraged to provide contact information for follow-up, but anonymous complaints are also accepted. **No fees** or charges are associated with submitting a grievance, in line with international best practice (grievances should be free of cost to the complainant).

2. **Acknowledgment:** Each grievance received will be acknowledged within **3 working days** of receipt. Acknowledgment can be given verbally (in person or by phone) or in writing (a letter, email, or SMS), depending on how the complaint was received and the preference of the complainant. The acknowledgment will thank the complainant, summarize the concern as understood, and outline the next steps and timeline. For grievances received via the anonymous box without contact info, a public notice on the community bulletin board or announcement in the next community meeting will indicate that a complaint was received and how it was addressed or is being addressed (without revealing any confidential details). This prompt acknowledgment builds trust that the issue is being taken seriously and lets the complainant know the redress process has started.

3. **Logging and Tracking:** All grievances are recorded in a **Grievance Register** with a unique tracking number for reference. The grievance log captures key details such as: date received, name of complainant (if provided) or an anonymous ID, nature of the issue, the person/unit responsible for handling it, and status/progress. (See Annex B for the Grievance Register Template). The HSE Officer or Community Liaison Officer will maintain this register and update it regularly. This centralized log enables monitoring of all open issues and timely follow-up. It will also be used to

compile monthly analysis (e.g., number of new grievances, resolved vs pending, types of issues) for management review.

4. **Assessment & Categorization:** Upon logging, the Environmental and Social (E&S) Officer or another designated GRM officer will review the grievance to categorize its **severity and type**. Severity levels might be defined as: Level 1 (minor issue, can be resolved easily on-site), Level 2 (moderate issue, needs involvement of higher management or GDC support), Level 3 (significant issue with potential widespread impact or requiring external agency intervention). The assessor will also determine which department or partner needs to be involved (e.g., if it's an environmental issue, involve the environment team; if it's about contractor behavior, involve the contractor manager). Complex cases may require a quick field verification or consultation with the complainant to fully understand the concern. The categorization helps route the grievance appropriately Throughout this step, confidentiality is maintained; if a complainant requested their identity to remain confidential, the assessment is done using only the facts of the case.

5. **Resolution Approach:** Based on the assessment, a resolution process is undertaken. The GRM officer will coordinate with the responsible personnel to investigate the grievance. **Target timeframe** for resolution is within **10 working days** for straightforward issues. For more complex grievances (especially those involving multiple stakeholders or requiring in-depth evaluation), the process may take longer, but status updates will be given to the complainant at least every 2 weeks. Resolution methods can include: internal investigation and direct-action meetings or mediation between the complainant and project representatives, involvement of local community committees to find acceptable and lasting solutions, or mutually agreed corrective measures. If the grievance involves shared responsibility with GDC or another entity, the project will **jointly escalate** and work with those parties (for example, if the issue is about something under GDC's purview like overall land access, it will be referred to GDC Community Liaison Office while the project still tracks it).

6. **Feedback and Closure:** Once a proposed resolution or outcome is ready, the GRM officer will communicate this back to the complainant in a clear and accessible manner. This could be a written response letter, a meeting, or a community forum announcement, depending on context. The response will detail what was found (if an investigation was done) and what will be done to address the grievance. The complainant is asked to confirm if they are satisfied with the resolution. If yes, they may be requested to sign a Grievance Closure Form (Annex C) or otherwise acknowledge acceptance (verbal acknowledgement in meeting minutes, etc.). The GRM log is then updated to "Closed" with date and outcome. If the complainant is **not satisfied**, the grievance remains open and will proceed to the next step (escalation). Importantly, even after closure, the project may follow up after some time (e.g., a month) to ensure the issue does not recur and the solution implemented is working – this is part of the monitoring.

7. **Escalation (If Unresolved):** If a grievance cannot be resolved at the project level or the complainant rejects the proposed resolution, escalation pathways are available. Initially, unresolved cases can be referred to GDC's Community Liaison Office or regional management, which can re-examine the issue with fresh perspective or higher authority. If the matter is environmental and remains unresolved, the complainant may approach **NEMA** (the environmental regulator) and report the incident. For human rights or discrimination issues, complainants have the option to approach bodies like the **National Gender and Equality Commission** or the **Kenya National Commission on Human Rights**. Ultimately, as a last resort, any party can seek resolution through the courts of law or relevant tribunals. The GRM procedure will inform complainants of their right to escalate externally – using the GRM does **not** waive their rights to other remedies. All escalations will be

noted in the GRM register, and the project will cooperate with external agencies in resolving the grievance. Even if escalated, the project will keep engaging to find acceptable solutions where possible.

Throughout these steps, the GRM emphasizes **confidentiality** and **non-retaliation**. Information about a grievance is shared only with those who need to know in order to resolve it. The identity of complainants who request confidentiality will be protected in records and not revealed without their consent. Moreover, the project commits that **no one will be punished or suffer retribution** for lodging a grievance. This is communicated to workers and community members alike. Any form of retaliation, harassment, or disadvantage to a complainant is against this policy and, if it occurs, would be treated as a serious violation subject to disciplinary action.

5 GRM Accessibility and Inclusion

To ensure the GRM is accessible to all segments of the community and workforce, the following measures are in place:

- **Multiple Entry Points:** As noted, grievances can be raised through various channels – in person, phone, text, written form, or via community representatives. This helps include those who may not be literate (they can give verbal complaints) or who may not have easy access to the project site (they can complain via local leaders or phone).

- **Language and Communication:** The grievance process will be explained in the applicable relevant local language during community meetings. Summary brochures or public notices describing how to use the GRM will be provided. Complaints can be submitted in the local language; the project will translate and respond in the same language to ensure understanding.

- **Anonymous Option:** The presence of suggestion boxes and allowance of unsigned complaint forms means individuals can raise issues without revealing identity if they fear stigma or retaliation. These anonymous complaints will be treated with equal seriousness and investigated to the extent possible. Results of such investigations (if general in nature) may be communicated via public channels since direct feedback to an anonymous source isn't possible.

- **No Cost and No Barriers:** There is no financial cost to submit a grievance. The process is designed to be simple; assistance will be provided for filling forms if needed (e.g., a community liaison officer can help a person write down their complaint).

- **Special Consideration for Vulnerable Groups:** If certain community members (like women, youth, disabled persons, or marginalized groups) are less likely to use the formal GRM due to cultural barriers, the project will take proactive steps. For example, female community liaison personnel or gender champions may be available to receive complaints from women. There may be dedicated outreach to ensure pastoral or nomadic groups know how to complain if the project affects them. The Community Engagement Strategy underlines the need to consider marginalized groups in engagement; this GRM follows that guidance by ensuring all voices can be heard.

The project will make public the GRM through: posters at the site gate and in nearby communities (with contact numbers and basic steps), community baraza (meetings) announcements, inclusion in any project newsletters, and via GDC's Community Liaison network. All workers and contractors will be briefed on both the internal and external grievance channels during inductions.

6 Monitoring and Reporting

The GRM is not just a passive tool; it will be actively monitored. The HSE or Community Liaison Officer will compile a **monthly grievance report** summarizing: number of grievances received that month, types of issues, how many were resolved, average time to close, and any pending long-standing cases. This helps track performance of the mechanism.

Trends will be analyzed quarterly – for instance, if multiple complaints are about dust from roads, this indicates a need to improve dust suppression. Such analysis will be shared with project management and also reported to GDC quarterly (as required or during routine reporting) to demonstrate transparency. Key performance indicators (KPIs) for the GRM might include: % of grievances acknowledged within 3 days, % resolved within the target timeline, stakeholder satisfaction with outcomes (perhaps measured informally or via follow-up surveys). These align with GDC's own monitoring indicators for grievances as per the Community Engagement Strategy (which calls for tracking number of grievances, how many resolved, etc., as part of community engagement performance).

An internal review of the GRM effectiveness will be conducted annually. This will consider feedback from users of the mechanism and possibly a stakeholder survey on how comfortable people feel raising issues. The GRM procedure will be updated if needed to improve accessibility or effectiveness (for example, adding another entry channel if a better one is identified, or adjusting timelines if they are found unrealistic). All records of grievances will be maintained for external audits or reviews by lenders/regulators.

In summary, this External/Community GRM is a crucial part of the project's stakeholder engagement strategy. It ensures that any person affected by or interested in the project can voice concerns and receive a prompt, fair response. By operationalizing the principles of ongoing engagement and grievance management – the project aims to foster trust and mitigate social risks. The mechanism is **not static**; it will evolve with the project and community needs, under the overarching guidance of GDC's policies and relevant legal requirements.

7 Budget

Table 7-1: Estimated annual budget

Budget Line Item	Subtotal (KES)
1. GRM Officer (0.1 FTE)	720,000
2. Community Intake Centers	300,000
3. Forms & Feedback Books	187,500
4. Hotline & SMS Platform	64,500
5. Outreach & Awareness	200,000
6. Investigation & Resolution Costs	125,000
7. Quarterly Reporting	50,000
8. Liaison Allowance	50,000
9. Contingency (10%)	169,700
Total External GRM Budget	1,866,700

8 Annexes

Annex A: Community Grievance Intake Form (Template)

Annex B: Grievance Register Template

Annex C: Grievance Resolution and Closure Form

Annex A: Community Grievance Intake Form (Template)

This form is used to record grievances from external stakeholders. The complainant should fill in this form or where necessary request Project staff for assistance.r. in the Form will be explained in local languages as needed.

- **Date of Complaint:** _____
- **Name of Complainant:** _____ *(Note: Can be anonymous or name of group representative)*
- **Contact Information:** _____ *(Phone number, address, or other contact; if anonymous, note how they will check for response)*
- **Complaint Reference ID (assigned):** GRM-_____
- **Category of Grievance:** Community / Environmental /Safety & Health/ Property / Compensation / Other: _____
- **Location (if applicable):** _____ *(Where did the issue occur?)*
- **Details of Grievance:** *(Describe what happened, the concern, when, who was involved, and any other pertinent details. Attach additional pages if needed.)*
  _____
  _____
- **Requested/Proposed Solution (if any):** *(What would the complainant like to see happen to resolve this?)*
  _____
- **Confidentiality Requested?** [Yes / No] *(Tick 'Yes' if the complainant's identity should be kept confidential beyond the GRM team.)*
- **Complainant Signature:** _____ *(optional)*
- **Received By (Name & Role):** _____ **Date:** _____
- **Signature of Receiver:** _____

(Upon receipt, this form will be logged in the Grievance Register and the top part with reference ID and dates will be filled by the GRM officer.)

Annex B: Grievance Register Template

The Grievance Register is maintained by the GRM focal point. Each grievance is logged as a new entry/row in the register. Key fields include:

- **Reference No.:** (e.g., GRM-001, GRM-002, …)
- **Date Received:**
- **Complainant Name (or Anonymous ID):**
- **Description of Grievance:** (summary of the issue)
- **Responsible Person/Unit:** (who is handling it)
- **Actions Taken:** (brief notes on steps, meetings, investigations)
- **Status:** (Open, In Progress, Resolved, Closed)
- **Date Closed:**
- **Remarks:** (e.g., if escalated, or if follow-up needed later)

This register will be kept in an Excel sheet or logbook and updated regularly. A sample entry might look like:

Ref No.	Date Received	Complainant	Summary of Grievance	Status	Date Closed
GRM-001	yyyy-mm-dd	[Anonymous]	Dust from trucks affecting crops in Village X	Resolved	yyyy-mm-dd
GRM-002	yyyy-mm-dd	John Doe (Village Y)	Crack in house wall possibly from blasting vibrations	In Progress	–
GRM-003	yyyy-mm-dd	Aisha (Vendor)	Delay in payment for supplied materials	Resolved	yyyy-mm-dd

The register will also track if feedback was given and if the complainant was satisfied (this could be noted in the Remarks or a separate “Satisfaction (Y/N)” column).

Annex C: Grievance Resolution and Closure Form

This form is completed by the GRM officer or responsible manager once a grievance has been addressed, to document the outcome and closure details.

- **Grievance Reference No.:** GRM-_____
- **Complainant (Name or ID):** _____
- **Summary of Issue:** _____ *(brief description of grievance as understood)*
- **Investigation Undertaken:** _____ *(brief description of investigation or review process: e.g., site visit, meetings held, evidence gathered)*
- **Findings:** _____ *(what was found or concluded?)*
- **Resolution Actions Implemented:** _____ *(what solution was carried out? e.g., remedial action, compensation paid, apology issued, policy changed)*
- **Date of Resolution:** _____
- **Complainant's Feedback:** _____ *(did the complainant agree the issue is resolved? any comments?)*
- **Complainant Satisfied with Outcome?** [Yes / No]
- **If No – Next Steps/Escalation:** _____ *(e.g., referred to GDC or local authority, awaiting further action)*
- **Name & Signature of GRM Officer:** _____ **Date:** _____
- **Name & Signature of Complainant:** _____ **Date:** _____ *(if available; not mandatory, especially if anonymous or if they prefer not to sign)*

This form, once completed, is attached to the original intake form and filed (physically or electronically). It signifies the closure of the case. If the grievance was escalated externally, note that external outcome (for instance, "case brought to County Commissioner – decision pending") and keep the grievance open until that process concludes.