



# From Paper to Progress





Tracking agreements between nomadic herders and Mongolia's largest copper mine





Status of Commitments as of May 2020





 Completed
  In Progress
  Delayed
  Not Started

#	Commitment	About the Commitment	Status of Commitment	Original Timeline	2019 Status	2020 Status
Pasture						
1	Re-establish a grazing system to adjust for lost pasture	OT built its mine atop pasture lands where herders used to graze their animals. With the loss of this land, pasture is more scarce. OT and the Khanbogd Soum government agreed to come up with a new pasture use plan to mitigate the effects of overcrowding and overgrazing.	<p>This commitment is DELAYED. An updated pasture use plan has not yet been approved by the Soum Khural.</p> <p>A professional organization developed a recommendation for pasture management. However, when it presented this plan at Bagh meetings, the major recommendation to divide herders into pasture “user groups” was rejected by herders.</p> <p>To fulfill this commitment, the TPC must continue their efforts to re-establish a grazing system, working in close consultation with herders to develop a pasture use plan that meets their needs. The TPC had previously marked this commitment as complete, but in April of 2020, the TPC developed an action plan to do consultations with herders in the near future with the goal of educating herders on the pasture management plan and generate ideas specific to the Gobi Desert. This measure is needed to address ongoing issues with pasture crowding and should be coordinated with related commitments to build new wells (#12) particularly in areas where it could open up additional pastures (#3).</p>	Plan developed by Q4 2017		



2	Reduce herder actions to lock wells / limit pasture access (signed user contracts)	The OT mine's use of water and pasture lands has increased pressure on herders for these important resources. In order to protect increasingly scarce water and pasture, some herders had resorted to locking state-owned wells and restricting access to land. The Khanbogd Soum government with support from the TPC committed to sign contracts with 237 herders to ensure free and open access to state owned water points and land.	This commitment is DELAYED. The original timeline in the agreement called for contracts to be signed with all users of state owned water access points by Q3 2017. Contract language has been approved by the TPC. However, the government's plan clarified that contracts will only apply to engineered or deep wells (not shallow or hand wells). As of May 2020, no contracts had been signed yet.	237 signed contracts by Q3 2017		
3	Open additional pasture use through well building program (#12); clarify herder rights to possession	To address increased scarcity of water and pasture, the Khanbogd Soum government with support from OT agreed to build new wells on reserve pastureland (see commitment #12), with a goal to make more pastureland accessible for regular use by herders. These changes were to be reflected in a Soum government pasture irrigation policy and pasture use plan (see commitment #1). This commitment also includes clarifying herders' rights to possession regarding any new wells built.	This commitment is NOT YET STARTED. The commitment called for the irrigation of all possible reserve pastures by 2018. The reserve pastures have still not been identified. The TPC plans to identify reserve pastures and work towards building deep wells in those areas. The TPC should ensure that wells built carry out their intended purpose to open up additional land to herding.	Irrigate all reserve pastures by 2018		



4	Support local government on pasture management (technical trainings, provision of experts)	The Soum government, as a significant partner in the implementation of the agreements, committed to pursuing technical trainings of its staff on pasture and other related issues to build the local capacity of the government to support implementation of the agreements.	This commitment is IN PROGRESS. The original commitment called for five experts to be trained by Q3 of 2017. The Soum government has 5 staff positions that should be trained in pasture management, however, only one person was available for work when we visited in June 2019. Of the three staff hired to the Agricultural Department, two were on maternity leave. The government had to wait until October 2019 to hire two additional agricultural specialists in order to give them time to pass the public servant examination. Given changes in local government staffing, two additional specialists will need to be trained to ensure the unit is sufficiently staffed with five trained experts.	Send 5 experts to trainings by Q3 2017		
5	TPC to actively support herders, existing institutions, and traditional ways to resolve herding conflicts	In response to rising and at times violent disputes among herders related to water and pasture use, the Soum Governor issued a decree on open access to water points and prohibition on use of winter pastures during summer months. Under Mongolia law, water and pasture are generally for public use. It was thought that more was needed from the government to enforce the law and prevent restrictions on access. This commitment seeks to support herders in settling disputes about water and pasture using traditional and other mechanisms and requires the TPC to actively promote enforcement of the governor's decree.	This commitment is NOT STARTED. It was thought that a resolution must be passed to help enforce the governor's decree, but trying to pass enforcement actions, such as fining those who restrict access to water points and pasture, is difficult to implement. As an alternative, herder representatives to the TPC agreed to organize a campaign to promote the soum governor's decree. The TPC should actively engage on support mechanisms to help herders resolve disputes.	Q3 2017		





6	Document and secure herder customary land and resource use rights (camp cadaster)	The government agreed to support herders to secure customary land rights by organizing a camp cadaster entry campaign. When herders register their camp, including any structures, in the cadaster, they receive a property certificate. This in turn allows herders to access credit by using their property as collateral.	This commitment was IN PROGRESS and close to completion. In 2019, the government organized a campaign in each bagh to complete the cadaster. As of April 2020, 373 herders (or about 80% of all registered herders) had their winter and spring camps mapped and registered. Not all herders who requested registration of their camps had their camps included in the cadaster but any herder who still wants their camp mapped may do so by making a request at the government's office in the Soum center. Herder representatives will also engage in a campaign to ensure remaining herders are aware of how to get their camps mapped.	2018		
7	Detailed analysis of increased livestock numbers and absentee livestock ownership	As livestock numbers continue to rise, this puts greater urgency on the local government and herders to understand the growth in livestock and develop solutions for managing limited resources of pasture and water necessary for the livestock's survival. The government committed to carrying out a more detailed analysis of livestock numbers and "absentee owners" who hire other people to look after their herds. The stated goal was to achieve a clear understanding of livestock ownership and growth in livestock.	<p>This commitment is IN PROGRESS. The government was supposed to have completed counting the livestock owning citizens in Q4 of 2017. The government has done this and now conducts an annual survey of livestock herded by others. However, it has not conducted any analysis, and is at the moment only monitoring livestock numbers.</p> <p>At the June 2019 TPC meeting, the TPC agreed to two additional steps to move this commitment forward: 1) conduct a study to collect data on Khanbogd soum livestock located in other soums and aimags; and 2) conduct a survey on the number of soum herders and the locations of livestock herded by others and use the information for pasture management.</p> <p>The TPC has marked this commitment as completed, but the commitment calls for more than just the collection of livestock numbers. It requires analyzing data in an actionable way that will help them develop a better pasture management strategy. In response, the TPC has stated that the local government will conduct analysis on its data to inform the pasture management plan to be developed in commitment #1 on re-establishing a grazing system.</p>	List of livestock owners by Q4 2017		

8	Consider and decide whether to build speed bumps around animal crossings on OT-KB road	This commitment was discussed in the TPC and all parties agreed it was not necessary to implement this commitment.	N/A	N/A	N/A	N/A
9	Rehabilitate pasture in sites disturbed by past OT activities	OT agreed to rehabilitate eight sites that were previously used by the mine. The purpose of rehabilitating these sites is to restore them to pasture-producing land, to shorten the time that these sites might produce dust if disturbed and to minimize risks of accidents in quarries.	This commitment is IN PROGRESS. The time originally estimated for completing rehabilitation is 2017 to 2027. OT regularly reports to the TPC on rehabilitation progress, which for some areas will take years to complete. As of May 2020, four of the eight sites have been rehabilitated, and another three are currently in progress.	2017-2027 in phases		
10	Continue to implement 2015 protocol allowing temporary livestock grazing within OT fence	When OT built its mine, it placed a fence around its production facilities and prevented herders from grazing their animals on their usual pastures. With this commitment, OT agreed to allow herders to continue grazing their animals in certain areas within the fenced production site of OT. OT has stated in the agreement that this is a temporary situation and the grazing area may not be available for use in the future once mine expansion plans get underway.	This commitment is COMPLETED and involves ongoing implementation. The TPC should continue to monitor whether the area inside the fence is available for grazing and whether herders are aware of the option to use this grazing area.	Ongoing		





## Water



11	Request national government to allocate 50% of OT's water use fee to KB Soum Government	The government of Mongolia charges a fixed rate to mining companies for the water they use in their operations. This "water use fee" is paid to the national government, which distributes a portion to the national budget, and a portion to the aimag, provincial government, where the mine is located. The aimag then apportions that money across the soums in its territories. Though the herders and citizens of Khanbogd soum are the ones most impacted by OT's mining activities and use of local water resources, they receive a disproportionately low percentage of the water use fee paid by OT. Both OT and the Khanbogd soum government agreed to lobby to request that 50% of the water use fee paid by OT gets re-allocated back to Khanbogd soum.	This commitment is DELAYED. The Khanbogd government submitted a letter to the aimag citizen's khural in support of an amendment to the law that would distribute 50% of OT's water use fee to the local soum. Unfortunately, there has been no response at the national or aimag level to pass the legislation needed to make this change. Getting additional support to the soum government is vitally important to accomplish other commitments in the Agreements (most notably to implement the soum's Animal Husbandry Sector Development Program commitment #34). It is unclear whether OT and the Khanbogd Soum can find a way to get more of the water use fee to go to the soum or possibly find another way to get more resources to the soum.	Receive response by Q3 2017		
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12	Construct new hand wells across 4 baghs, based on findings of hydrological studies (see #17)*	OT agreed to build new hand wells across the soum as a form of collective compensation to herders. The exact number of wells was to be determined by the TPC based on hydrological studies to ensure that wells would be productive and would not affect water levels of existing wells. The agreement further states that the well locations should incorporate input from herders and should be dispersed across the four baghs to encourage migration and use of alternate pastures and allow herders to continue their customary livelihood practices. An independent joint fact-finding report commissioned by the TPC and published in January of 2017, whose findings were the basis of the Final Agreement commitments, recommended that 75+ hand wells would be needed to address herders' water needs. The TPC later agreed to combine commitments #12 and #17 and implement "a project to conduct pastureland water geophysical survey and drillings, restore wells, and build new wells." They also agreed to coordinate this work with commitments #1 and #3.	This commitment is IN PROGRESS. The agreement contemplated a new well construction program beginning in 2018 after completion of a hydrological study. Instead of financing the construction of wells directly, OT submitted a request for funding through the <a href="#">Gobi Oyu Development Support Fund (DSF)</a> , an aimag-wide fund for community development projects to which OT contributes \$5 million annually. The governing body of the Gobi Oyu Development Support Fund has many stakeholders with competing interests. DSF approved the Chandmani Erdene project to conduct a hydrological study to find water pools on non-irrigated land. The scope of this project, however, was expanded across four soums in the South Gobi aimag and is not solely focused on Khanbogd soum and implementation of this commitment. As a result, the funding and scope for this project are limited and it only contemplates building 12 new wells in Khanbogd Soum (6 deep wells; 1 solar powered well; 5 hand wells). This falls far short of the 75+ hand wells recommended by the independent study. As of the writing of this report, the 12 new wells were constructed, but it is not clear that they are being built in a manner that encourages migration and use of alternate pastures as specified by the agreement. Given that a full hydrological study was never undertaken to establish how many new wells are needed to meet herder water needs in Khanbogd soum, it is not clear how TPC will assess whether the new wells are sufficient, or what further action may be required to address herders' water needs beyond the 12 wells provided through the Chandmani Erdene Project.	Begin well construction in 2018		
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13	Establish well maintenance team to build, repair and monitor condition of wells (see # 37)	Many current wells have not been renovated since the early 1990s. Herders are able to do annual or biannual removal of mud from shallow wells, but deep wells are difficult for herders to maintain on their own. OT agreed to collaborate with the Khanbogd soum government to set up a well maintenance team, which would also benefit herders by providing them employment.	This commitment is DELAYED. The agreement timeline originally contemplated reporting of results of restored wells by Q4 of 2017. The commitment has been delayed because of a lack of capacity within the TPC to develop options for how to structure the well maintenance program. After heavy rains in 2018, six herder cooperatives were hired to conduct emergency repairs of 40 wells. The TPC is looking to the Chandmani Erdene Project to continue making repairs of wells. However, the Chandmani Erdene project repaired only 1 deep well and 10 hand wells in 2018 and 2019. The TPC discussed the need for well maintenance to begin in the Spring of 2020, but it's unclear what additional actions beyond relying on the Chandmani Erdene project will be taken to fulfill this commitment. The TPC responded that an additional 10-15 wells will be repaired under the Chandmani Erdene project in 2020 and that a closed tender would be organized among entities in Khanbogd soum to repair the wells and livestock shelters. We encourage the TPC to make efforts to meet the dual goals of this commitment to repair and maintain wells and to provide employment to impacted herders.	Proof of restored wells by Q4 2017		
14	Gradually stop OT water delivery after resolving new well creation needs	There is a wide-held belief among herders that water levels in wells and well recharge rates have decreased in part due to OT's use of local water resources. During negotiations about the herders' CAO complaints, OT began delivering water tanks to 5 designated locations, to serve herder households who did not have sufficient access to water from local wells. OT agreed to continue delivering water to these households until they obtained sufficient access to water through the construction of new wells as contemplated in commitment #12.	This commitment is COMPLETED. The original timeline noted that the temporary delivery should stop once new wells were built based on commitment #12. TPC agreed that OT would temporarily stop its delivery of water after heavy rains in 2018 made the water deliveries unnecessary for most households receiving this benefit. Though the well-building effort (commitment #12) is still in progress, OT decided to build wells at six water points to provide a sustainable alternative to the water deliveries. The TPC established a working group consisting of members of the Aimag Food and Agriculture Department, the Governor's Office of Khanbogd Soum, the TPC, the well-building company, the herders who own the wells, and members of the Galba Oosh Dolood Basin Administration to assess the performance and quality of the wells. Though one herder disagreed that the well produced sufficient water for his livestock, the working group concluded that all the wells met the technical requirement of being able to supply water for 800 livestock and no further water deliveries are planned.	2018		





15	Close all leaking boreholes in Gunii Khooloi area; equip 2 fountaining boreholes for herders' water use	This commitment included closing all leaking boreholes in the Gunii Khooloi area. This was important to herders, as some OT boreholes had previously been found to leak water from shallow aquifers that herders rely on into deeper aquifers used by OT, contributing to an unknown amount of water loss. OT also agreed to equip 2 boreholes for use by herders, and equipping two boreholes to enable herders to use them for household water needs.	This commitment was COMPLETED in March 2019. OT has now sealed a total of 55 old exploration boreholes, in collaboration with Khanbogd soum, South Gobi aimag and the TPC. All sealed boreholes have been officially handed over to the Galba-Uush Doloodiin river basin authority and the Khanbogd Soum government.	2016		
16	Provide 12 boreholes, equipped for herder water use, to KB Government	OT agreed to hand over 12 exploration boreholes in the Gunii Khooloi area (in addition to the 2 in commitment #15) and Galbyn Gobi to the Khanbogd Soum government for use by local herders for their pastoral water supply needs.	This commitment was COMPLETED in March 2019.	Q3 2017		



17	Hydrogeological study (study of water reserves under pasture)*	<p>The parties originally agreed that OT would fund a hydrological study that would map the water reserves under pastures in Khanbogd Soum and provide the basis for implementing the new well-building program. This was based on the recommendation of the Multi-Disciplinary Team and Independent Expert Panel (MDT/IEP) Joint Fact Finding Report published in 2017. The TPC was to define the Terms of Reference of the study. The goal of this study was to quantify OT's current and future impacts on water by providing an understanding of shallow groundwater dynamics on which herders depend, by strengthening modelling, and by measuring changes in water resources. The TPC subsequently decided to combine commitments #12 and #17 and implement a project to conduct pastureland water point geophysical surveying and drilling, restore wells, and build new wells. The TPC decided to fund the water point geophysical survey and well building program through the Gobi Oyu Social Development Fund as part of the Chandmani Erdene project (see commitment #12).</p>	<p>This commitment is DELAYED. The TPC is no longer envisioning a full hydrological study as was originally agreed. It is unclear exactly what information has been or will be collected through the water point-specific geophysical surveys, but it seems highly unlikely that the TPC's current plan will meet the original goals to "quantify OT's current and future impacts on water by providing an understanding of shallow groundwater dynamics on which herders depend, by strengthening modelling, and by measuring changes in water resources."</p>	Q2-Q3 2017		
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## Monitoring

18	Replace outsourced environmental monitoring with local monitoring; include paid positions for herders*	<p>There have been many disputes between herders and OT about the reliability of OT's environmental monitoring data. For example, OT and herders have long disagreed on whether the mine has had an impact on water resources used by herders. The parties agreed to establish a participatory monitoring program, in which herders could independently verify OT's information. The scope of the monitoring was to include topics such as pasture, water, soil, vegetation, dust, wildlife, Undai river, Khaliv-Dugat river flow, TSF seepage, and possible downstream impacts from the OT mine. The parties agreed that the program would incorporate a joint fact-finding methodology to ensure scientific rigor, accessibility, and credibility. This should include genuine involvement by herders, who are to be paid for their monitoring work. The monitoring program developed should be sensitive to herding practices to enable maximum participation by herders. It should include capacity building of local specialized organizations and herders in professional monitoring practices. The monitoring program should present its work regularly to herders in a manner that is direct, understandable, and relevant. Findings should be presented at all Baghs and in the Soum center.</p>	<p>This commitment is IN PROGRESS and involves ongoing implementation. The original commitment stated that implementation of monitoring activities would begin in January of 2018. In November 2017 the TPC agreed to give a monitoring contract to Munkh Nagoon Galba NGO, an organization that was specifically formed to carry out this commitment. However, monitoring activities were significantly delayed in large part because the capacity building needs of this NGO have been much greater than anticipated and resources have been limited. In March of 2019, OT agreed to give the NGO a budget of MNT 330 million, with an additional MNT 52,420,000 approved for its 2020 work. Unfortunately, this budget is not enough to attract experienced engineers in environmental monitoring, so Munkh Nagoon Galba NGO hired 3 full-time monitoring staff who are all recent graduates in addition to a Director and administrative person. The staff needs time to be trained to conduct the environmental monitoring. The EHT had asked their technical advisor to also participate in training of the NGO's staff but this training has yet to be scheduled.</p> <p>Equipment and training needs have delayed some monitoring activities. Water level monitoring has begun and involves approximately 68 herders. The NGO also recently started its animal/wildlife monitoring, which involves 16 herders and pasture monitoring, which involves 8 herders. The full monitoring plan can be found here. Sample results are being reported in <a href="#">OT's monthly newsletter</a>, but full reporting of monitoring results has yet to be publicly shared with herders as contemplated by this commitment.</p> <p>The NGO does not appear to have objective criteria in place for selecting herders to participate in paid monitoring roles. This, together with inadequate reporting and consultation practices, have led to mistrust among some herders.</p>	Begin to implement in January 2018		
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19	OT reports on progress of retrospective compensation arrangements	<p>OT's mine infrastructure displaced or negatively impacted a number of herder households who had either spring or winter camps within or near the mine and who used the pastures or water points impacted by the mine. In 2004, OT relocated and provided compensation to 10 herder households whose winter camps were in the path of mine infrastructure development. In 2011, OT identified 89 households whose winter camps would be impacted by additional mine infrastructure development and provided them with compensation packages for impacts to their livelihoods. Herders claimed that these compensation programs did not cover all directly impacted households, including those with spring camps and those who shared camps with other households. During the negotiation of herders' complaint, a Multi-Disciplinary Team and Independent Expert Panel (MDT/IEP) published a Joint Fact Finding Report in 2017, which recommended that the TPC establish a Compensation Claims Committee to review retrospective claims and grant eligible herders with appropriate compensation under the 2004 and 2011 programs. These recommendations were adopted (see commitments #26 and 29) by the TPC, and OT agreed to provide regular reporting to the TPC and herders about the retrospective compensation.</p>	<p>This commitment is IN PROGRESS. The agreement states that OT will provide quarterly updates to the TPC and herders. In total, OT has received 232 claims –157 of which were approved. As of April 2020, OT has paid out USD 1.22 million to 148 households in individual compensation claims. This includes compensation for 32 families whose winter shelters were impacted, 73 families whose spring locations were impacted, and 52 families who were sharing locations with other herding families but had not been separately compensated.</p>	Quarterly		
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20	OT reports annually to KB Soum	OT agreed to report annually to Khanbogd Soum on its past year's performance and plans for the coming year. Topics to be included in the reporting include: local economic impacts such as employment, local taxes and fees paid, local procurement; environmental impacts, environmental monitoring and management programs and related data, and social performance including compensation programs, support for vulnerable people, training and business development, projects funded by the Cooperation Agreement, donations etc. This should be published in Mongolian in a form which is accessible to herders and the local community.	This commitment is IN PROGRESS and involves ongoing implementation. OT reports information through various social media accounts, a <a href="#">newsletter</a> it issues regularly (prints 1,500 copies), its website ( <a href="http://ot.mn/reports/">http://ot.mn/reports/</a> for English; <a href="#">Mongolian</a> ), and its reporting done related to the Development Support Fund.	Annually		
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21	Expand OT community relations work (i.e. household visits, attend bagh meetings)	OT agreed to expand its community relations work by training people who would provide a more effective means of communication between OT and herders. Community relations staff are to participate in formal meetings such as Bagh meetings and maintain regular contact with the local administration and elected officials. Staff will also keep in regular contact with herders in ongoing compensation programs, including those identified as "vulnerable." Staff will also be able to provide herders and other local residents with up to date information about OT activities (especially during construction) and the activities of contractors working outside the Mine License Area (such as who is working where, for what period of time, and the process for recruitment). Staff will also be able to relay information back to OT management.	<p>This commitment is IN PROGRESS. and involves ongoing implementation. OT agreed to report quarterly to the TPC on the work of its community relations team. Herders have reported receiving regular household visits from the OT community relations team. Herders also reported that the community relations team no longer provides updates in Bagh meetings, which is a preferred method for herders to get information. OT instead provides updates through its monthly <a href="#">newsletter</a>.</p> <p>There is a concern among some herders that community relations staff are not relaying their concerns to OT management about impacts from OT contractors working outside the Mine License Area and are instead telling them to raise their complaints in the TPC, which herders do not find as effective. Herders could benefit from additional work to clarify when communications should go directly to OT or to the TPC (see #22).</p>	Annual household visits; quarterly reporting		
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22	Improve OT's grievance mechanism, clarify options for recourse to outside body	OT agreed to improve its grievance mechanism and to clarify options for raising grievances outside of the TPC. OT agreed to engage herders in consultations to revise the grievance mechanism. OT also agreed to effectively publicize any changes and encourage people with complaints about OT to use the new mechanism.	<p>This commitment is COMPLETE and involves ongoing implementation. OT developed a new procedure to address a complaint within 30 days. OT said that it would revisit the grievance mechanism in a year to decide if it needed to be improved or not.</p> <p>However, we found that herders are not aware of what the process is to raise complaints about OT. There was also confusion among herders about what issues to raise directly with OT and what issues were best raised in the TPC. The TPC and OT should encourage herders to use the grievance mechanism for individual complaints to be resolved quickly. If the TPC continues to receive individual complaints, it should have some process of determining which complaints would fall within the responsibility of the OT general management. There should be careful recording of complaints to ensure consistency and transparency.</p>	Q2 2017		
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## Individual Compensation



23	OT formally acknowledges problems with 2004 resettlement	In 2004, the Oyu Tolgoi Project started fencing off licensed land for mine construction. During this process, 11 herding households from the Javkhlant and Gaviluud baghs were relocated because their winter camps were within the licensed land or located in close proximity to the Project. These were the only herder households who received any compensation for mine impacts at the time. However, many impacts of the mining project were not considered, including: adequate replacement of winter camps capable of keeping animals warm through the winter months, the reduced quality and quantity of pasture available to animals due to mine infrastructure taking over pastureland or cutting off access to pastureland, diminished water resources available for animals, and diseases caused by increased dust from construction. OT agreed to acknowledge to herders that there were problems in the approach used for relocating herders in 2004.	This commitment was COMPLETED in March of 2017. After filing their complaint to the CAO, the herders engaged in multiple mediated dialogue sessions with OT and the Soum government. During this dialogue, OT acknowledged that OT activities disrupted the lives of herders who graze their herds next to the OT mine site. OT formally apologized in a <a href="#">letter</a> published March 22, 2017 for not consulting more with herders about its activities and for bringing shock and worry to the community.	March 22, 2017		
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24	Establish Compensation Claims Committee (CCC)	<p>OT's mine infrastructure displaced or negatively impacted a number of herder households who had either summer or winter camps within or near the mine and who used the pastures or water points impacted by the mine. In 2004, OT relocated and provided compensation to 10 herder households whose winter camps were in the path of mine infrastructure development. In 2011, OT identified 89 households whose winter camps would be impacted by additional mine infrastructure development and provided them with compensation packages for impacts to their livelihoods. Herders claimed that these compensation programs did not cover all directly impacted households, and that OT did not properly account for traditional seasonal household movements throughout the soum. Consequently, the Multi-Disciplinary Team and Independent Expert Panel (MDT/IEP) Joint Fact Finding Report published in 2017 recommended that the TPC establish a Compensation Claims Committee to review retrospective claims and grant eligible herders with appropriate compensation under the 2004 and 2011 programs. The TPC agreed to establish a Compensation Claims Committee to review retrospective compensation claims of herder households who believe they meet the eligibility guidelines established by the TPC for impacted groups.</p>	<p>This commitment was COMPLETED in May 2017 with the establishment of the Compensation Claims Committee. The TPC decided that all members of the TPC would convene separately as a Compensation Claims Committee.</p> <p>As of 7 March 2019, the Compensation Claims Committee was officially dismissed, and the TPC agreed to address any remaining claims during regular TPC meetings. As of May 2020, there are no pending claims with the TPC.</p>	Q3 2017		
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25	Adopt CCC Operational Guidelines	The Parties agreed to jointly formulate and adopt operational guidelines for the Compensation Claims Committee to guide the committee's work in evaluating claims submitted by herders.	This commitment was COMPLETED in May 2017 with the approval and adoption of the operational guidelines for the Compensation Claims Committee.	Q2 2017		
26	2004 resettlement-discuss newly eligible claims & compensate	In 2004, the Oyu Tolgoi Project started fencing off licensed land for mine construction. During this process, 10 herding households comprising 16 families from the Javkhlant and Gavliuud baghs were relocated because their winter camps were within the Mine License Area or located in close proximity to the Project. Some herders who should have received the full 2004 compensation were left out or received only partial compensation. Oyu Tolgoi acknowledged that there were problems in the approach used for relocation by Ivanhoe Mines Mongolia International (IMMI) in 2004, and agreed to a re-assessment of which households should have been found eligible for compensation at that time.	This commitment is IN PROGRESS. A total of USD1.2 million has been distributed to herders since 2017 as part of the individual compensation packages related to commitments #26, #29, and #32. As of May 2020, the TPC received 232 claims, of which 157 were approved for compensation packages. Compensation has been distributed to 148 of those households so far.	Begin in Q3 2017		




27	For the 2004 resettled households without a fulltime job at OT: engage in 1-year training program with stipends	Households who were resettled in 2004 were entitled to one year of fulltime employment. For two households that were relocated in 2004 and were included in the 2004 compensation but were not provided fulltime employment, OT agreed to include them in their Livelihood Support Training Program and provide them with stipends for a one year period while they completed the training program.	This commitment is COMPLETED. The two qualifying households without an OT job were included in a 1-year training program starting in 2017.	Begin in Q2 2017		
28	For all 2004 resettled households: engage in the Sustainable Livelihoods Program (#36-42)	For all 10 households that were relocated in 2004, OT agreed to include them in the sustainable livelihoods program to be established as part of the collective compensation to herders. See commitments #36-42.	This commitment is IN PROGRESS. Though the original intent in the agreement was to involve resettled households in projects listed in commitments #36-42, many of those commitments are delayed so herder households have been involved in other sustainable livelihoods programs such as plantation, animal husbandry, sewing, welding and business planning. As of April 2020, 7 out of 10 households were involved in 1 or more sustainable livelihood projects. The TPC agreed that for the remaining 3 households, the grandchildren or great grandchildren from the households would be provided a 2004 contract to participate in a sustainable livelihood project.	Begin in Q2 2017		


29	2011 economic displacement - discuss newly eligible claims & compensate	OT agreed to provide compensation to herder households who were improperly left out of OT's 2011 compensation program. To qualify for a new compensation package, households would need to prove that their household did not receive a compensation package in 2011 even though they either (1) had a winter or spring camp structure at that time within a designated 2011 economic impact zone, or (2) were sharing a winter camp with another household in a designated economic impact zone. Herder households who believe they meet these criteria would have an opportunity to submit a claim through the Compensation Claims Committee (see Commitment # 24). Those found eligible would receive equivalent compensation to OT's 2011 compensation packages.	This commitment is IN PROGRESS. A total of USD 1.2 million has been distributed to herders since 2017 as part of the individual compensation packages related to commitments #26, #29, and #32. As of May 2020, the TPC received 232 claims, of which 157 were approved for compensation packages. Compensation has been distributed to 148 of those households so far.	Begin in Q3 2017		
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30	Conduct Outcome Evaluation & implementation audit of 2011 compensation program	Oyu Tolgoi agreed to commission an Outcome Evaluation of the 89 herder households who received the 2011 compensation program. Due to normal demographic changes, such as marriage, and one death, the 89 households have subsequently become 92 households. OT also agreed to commission a separate Implementation Audit of the 2011 compensation program. An Outcome Evaluation is intended as an interim measure to check the effectiveness of a livelihoods restoration program while it is underway; an Implementation Audit is done at the end of a program to assess whether it has met all livelihood improvement goals.	This commitment is IN PROGRESS. An Outcome Evaluation was completed in July 2018, however, OT has not communicated any plan to conduct a separate Implementation Audit. The experts hired to conduct the Outcome Evaluation presented their report of the 92 households who were in the 2011 compensation program. The report identified 11 households who had unrestored livelihoods and were below the soum poverty line, and 5 herder households who had unsustainable livelihoods because they depended on water deliveries from OT. A final Implementation Audit of the 2011 compensation program should be conducted once additional actions have been taken to help restore the livelihoods of the 11 households identified as needing additional support. In response, the TPC has stated that a closing audit of the 2011 compensation program will be carried out after completing additional measures to restore and stabilize the livelihoods of the 11 households. The 5 households receiving water deliveries have been separately addressed through commitment #14.	Complete Outcome Evaluation in 2017		
31	Decide and implement any additional actions for households that received 2011 compensation, based on Outcome Evaluation findings	The Parties agreed that, based on the findings of the Outcome Evaluation of OT's 2011 compensation program, the TPC would decide whether any additional measures are needed to support the households who received a 2011 compensation package.	This commitment is IN PROGRESS. Of the 92 households evaluated, 11 households were found to have unrestored livelihoods, and 5 households were found to have unsustainable livelihoods because of their dependence on water deliveries. The Outcome Evaluation report recommended that individualized household development plans be put in place for the 16 households who did not have sustainable or restored livelihoods, and that the compensation program be closed for all other households. OT has since contracted with Development Solutions NGO who is working with 11 households to develop individualized plans. The 5 households receiving water deliveries have been separately addressed through commitment #14.	Complete Outcome Evaluation in 2017		
32	CCC to resolve claims of incomplete provision of compensation	The Parties agreed that the Compensation Claims Committee would resolve any grievance and/or complaints on incomplete compensation filed by individual herder households.	This commitment is IN PROGRESS. A total of USD 1.2 million has been distributed to herders since 2017 as part of the individual compensation packages related to commitments #26, #29, and #32. As of May 2020, the TPC received 232 claims, of which 157 were approved for compensation packages. Compensation has been distributed to 148 of those households so far.	Complete Outcome Evaluation in 2017		



33	Cancel confidentiality clauses of 2004 and 2011 compensation agreements	Parties mutually agreed to cancel the confidentiality clauses in the 2004 and 2011 compensation agreements. This agreement was made so that those herders who have received compensation for livelihoods impacts by OT are able to disclose information about their compensation if they choose to do so, without fear of retribution.	This commitment was COMPLETED in March 2017. Each herder is free to share their own compensation agreement, at their own discretion.	22 March 2017		
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## Animal Husbandry Development



34	Implement Khanbogd Soum Animal Husbandry Sector Development Program through 2024	In 2015, OT entered into a "Cooperation Agreement" with the South Gobi aimag and Khanbogd, Manlai, Bayan-Ovoo and Dalanzadgad soums for the purpose of defining how they would work together for the next 30 years towards sustainable development. Through the Cooperation Agreement, the Gobi Oyu Development Support Fund (DSF) was created to provide local grants focused on traditional livestock production and related sectors. The Khanbogd soum government developed the "KB Soums' Animal Husbandry Sector's Development Program until 2024" which outlines long-term projects to be implemented with funding support from OT's Development Support Fund. The agreement with herders includes these projects as part of collective compensation for herder households in Khanbogd soum, though the government and OT committed to their implementation independent of the herders' complaint.	This commitment is IN PROGRESS, though some of the components are delayed. A challenge with relying on funding from the Development Support Fund (DSF), is that the money received by the Khanbogd Soum government from the DSF is not dedicated for use to implement the Animal Husbandry programs. The Khanbogd Soum government reported that it receives USD 70,000 from the DSF each year, and each year, the soum receives project proposals and decides what it will prioritize for funding.	2017-2024		
34a	Assess pasture carrying capacity and quality, determine forage reserve, and update its potential	The South Gobi aimag and Food & Agricultural Department will conduct an assessment of the pasture carrying capacity and quality, determine fodder reserves, and update their potential.	This commitment is COMPLETED. A professional organization was hired with MNT 320 million in funding from the DSF. In 2019, the organization conducted a survey to identify the pasture capacity and reserves across four soums (including Khanbogd soum). This input was used to develop the pasture management plan discussed in commitment #1.	2016-2017		





34b	Establish centralized storage for livestock forage and maintain forage reserve, form an animal emergency risk fund and improve its management	The soum government prepares for emergency shortages of animal forage and hay by storing reserves. For example, the soum government purchases reserve hay from other regions of Mongolia. If the price of hay increases during emergencies, it will sell its reserve hay to herders at the lower price the government paid to purchase the hay. To better prepare for emergency situations that may impact herders, the soum government agreed to design and build a centralized storage area for livestock forage, to maintain a reserve of forage, to form an animal emergency risk fund, and to improve its management of these.	This commitment is IN PROGRESS. The soum has overseen the completed construction of the storage facility for hay and forage, which as of May 2020 is in the process of being commissioned and made ready for use.	2018-2020		
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34c	Build, commission and staff an Animal Health Center	<p>The soum government committed to carry out a feasibility study and develop a design for an animal health center that would include a hygiene and environmental analysis laboratory. The Animal Health Center was inaugurated in April 2017. It was built with funding from the Gobi Oyu Development Support Fund. It was originally built to provide veterinary, animal breeding and laboratory services to the eastern region of South Gobi aimag, including Khanbogd, Manlai, Bayan-Ovoo and Tsogttsetsiy soums. The Khanbogd soum government agreed to coordinate with the South Gobi aimag and Food &amp; Agricultural Department to prepare qualified personnel in the field of hygiene, sanitation and environment to be employed at the laboratory for the Animal Health Center.</p>	<p>This commitment is DELAYED. Construction of the Animal Health Center was completed in April 2017. However, it did not have funding or staff approved for its operation, nor did it have a strategic plan, so the Animal Health Center has yet to be opened and operationalized. This commitment only had money allocated to it in mid-2019 for the strategic plan. The Soum government allocated more than MNT 30 million to the livestock center from the Development Support Fund and is using the money to contract with the Mongolian Agriculture University to develop a five year strategic plan, including defining the functions of the livestock health center, getting accreditation, and hiring and training staff.</p> <p>Though OT paid for the construction of the Animal Health Center through the Development Support Fund, the salaries of staff must be paid for by the government, and the soum government has had difficulty coordinating funding for these staff positions among the various levels of government required for approval. According to the soum government, the Animal Health Center needs seven to nine staff to be fully operational. Two staff were approved to work in October of 2019.</p>	2016-2019		
34d	Train sectorial specialists in application of advanced software and encourage them to possess livestock production management and technological skills	<p>The Khanbogd soum government agreed to coordinate with the South Gobi aimag and Food &amp; Agricultural Department to train specialists in the application of advanced software and encourage them to possess livestock production management and technological skills.</p>	<p>This commitment is DELAYED. The soum has been delayed in hiring appropriate specialists due in part to a lack of available specialists around the country.</p>	2017-2018		



34e	Organize training, meetings and trip for herders to exchange experience and gain knowledge and skills to prevent natural risks, improve animal health and productivity, pasture management practice and traditional and modern ways of livestock herding	The Khanbogd soum committed to organize training, meetings and a trip for herders to exchange experience and gain knowledge and skills to prevent natural risks, improve animal health and productivity, pasture management practice and traditional and modern ways of livestock herding.	This commitment is IN PROGRESS. This commitment is part of a broader plan the soum assumed responsibility for implementing, but OT has been able step in to organize trainings on modern herding practices and knowledge. These include: A training and consultation in 2019 attended by 13 herders involving the naturalization of an Angus breed cow; An experience sharing trip to Selenge aimag attended by 3 herders to learn about cattle farm operations; A trip to Inner Mongolia in 2019 involving 15 herders to learn about intensive farming experiences; Trainings by veterinarians about livestock health standards; and Trainings on establishing and managing cooperatives.	2023-2025		
34f	Strengthen capacity of soum veterinary and breeding service unit with establishment of livestock sector database and provision of equipment and software required to implement the development program	The Khanbogd soum government agreed to strengthen the capacity of the soum veterinary and breeding service unit by establishing a livestock sector database and providing equipment and software required to implement the development program.	This commitment is IN PROGRESS. The Khanbogd soum livestock health center has been provided with furniture, computers and laboratory equipment to carry out its work.	2017-2020		



34g	Place all breeding processes using ram and male goats under the control of a specialized organization, and implement "Core Livestock" project and grow high quality male animals to be used for breeding	The Khanbogd soum government agreed to place all breeding processes using ram and male goats under the control of a specialized organization. It also agreed to implement a "Core Livestock" project to grow high quality male animals to be used for breeding.	This commitment is IN PROGRESS. This commitment is being implemented through herder-initiated efforts with OT support. In 2019, 12 herder households established a cooperative to raise a breed of Gaviluud sheep, which they report is going well as they have added 150 baby lambs in their first year of the project. Additionally, 9 herder households are involved in a project to establish a high-efficiency cattle farm raising an Angus breed of cows. Herders expressed some concern about the success of this project as it is still unclear whether the cows can survive the local climate and whether they will have sufficient forage. To date, they have successfully added 8 baby calves.	2018-2022		
34h	Implement "Intensified Livestock" project and breed highly productive animals suitable for the climate and weather conditions of the soum	The Khanbogd soum government agreed to implement an "Intensified Livestock" project and breed highly productive animals suitable for the climate and weather conditions of the soum.	This commitment is IN PROGRESS. This commitment is being implemented through herder-initiated efforts with OT support. In 2019, 12 herder households established a cooperative to raise a breed of Gaviluud sheep, which they report is going well as they have added 150 baby lambs in their first year of the project. Additionally, 9 herder households are involved in a project to establish a high-efficiency cattle farm raising an Angus breed of cows. Herders expressed some concern about the success of this project as it is still unclear whether the cows can survive the local climate and whether they will have sufficient forage. To date, they have successfully added 8 baby calves.	2020-2022		



34i	Add market value and competitiveness of torom or 2 year old baby camel wool by using advanced wool combing technology and introduce camel and sheep wool shearing technology	The Khanbogd soum government agreed to introduce advanced wool combing technology and introduce camel and sheep wool shearing technology in order to improve production of baby camel wool.	This commitment is DELAYED. There was a one-day training provided to herders on how to use new sheering technology for camel and sheep wool. Some herders have continued to use the new sheering technology, but other herders interested in its use report that they do not have access to the technology. It is unclear what steps will be taken to survey interest among herders and ensure that the technology is more widely available to those interested in using it.	2018-2019		
34j	Produced food products that meet health and hygiene requirements using processed camel's milk	The Khanbogd soum government agreed to introduce an initiative to produce food products that meet health and hygiene requirement using processed camel's milk.	This commitment is NOT STARTED.	2019-2020		
34k	Support other types of production for processing livestock raw material based on a feasibility study	The Khanbogd soum government agreed to introduce an initiative to support other types of production for processing livestock raw material based on a feasibility study.	This commitment is NOT STARTED.	2020-2021		
34l	Establish livestock product processing plant furnished with state-of-the-art technology	The Khanbogd soum government agreed to introduce an initiative to establish a livestock product processing plant furnished with state-of-the-art technology.	This commitment is NOT STARTED.	2021-2022		







34 m	Establish camel and sheep wool processing plant at regional level and produce several kinds of end products	The Khanbogd soum government agreed to introduce an initiative to establish a camel and sheep wool processing plant at the regional level that can produce several kinds of end products.	This commitment is NOT STARTED.	2022-2024		
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## Collective Compensation





35	Provide tuition scholarships to children of herders attending university*	Given the many impacts that the OT mine has on the local culture, society, economy and environment, the Parties agreed that all herders in Khanbogd Soum should be considered “indirectly impacted” by the mine. As compensation to herders indirectly impacted by the OT mine, OT agreed to pay tuition fees for current children of herders (as of the signing of the agreement) attending an accredited college or university. Children must maintain a GPA of no less than 2.7 and major in areas that will contribute to the Soum's development.	This commitment is COMPLETED with ongoing implementation. This commitment is continuing as tuition assistance is still being provided each school year. As of 2019, OT is taking care of a total of 38 students' tuition fees. OT is also reviewing the possibility of providing employment to children of herders who have graduated university, but a decision on this is still pending.	From June 2017		
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36	SLP Project 1: Life skills training program + Young herder promotion program*	As part of OT's commitment to ensure that herders indirectly impacted by the mine have access to collective compensation, OT agreed to projects to train herders in new skills. Two of these commitments were combined: OT agreed to design and implement, in cooperation with the Soum Lifelong Learning Center and with the endorsement of the TPC, a life skills training program. OT also agreed to implement, in cooperation with Khanbogd Youth Union NGO and with the endorsement of the TPC, a Young Herder project for herders under 35 years aimed at preparing the next generation of herders in leadership skills and cooperative management skills.	This commitment is DELAYED. This commitment will be implemented over the long-term. Initial funding for this project has been provided by OT and the UN Population Fund. In December of 2019, a forum for young herders was organized, and 93 herders participated in a discussion involving issues related to the livestock sector, herder health, and traditional nomadic herding practices. Other activities had been planned for 2020, but they have been on hold due to the COVID pandemic.	Begin to implement Q4 2017		
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37	SLP Project 2: Well, fence and shelter maintenance team + artificial pond and water collection points*	As part of OT's commitment to ensure that herders indirectly impacted by the mine have access to collective compensation, OT agreed to establish several projects to provide other or increased income streams to herders. Three such projects around maintenance work have been grouped and described below: A Well Maintenance Brigade Establishment Project will establish a team of local herders and professional organizations to provide well maintenance work on hand wells and deep wells. (See commitment #13) A Khoroo/Camp fence Maintenance Team Establishment Project will establish a team of local herders to carry out livestock shelter construction and maintenance works. An Artificial lake, Pond, and Water Collection Points Project will identify areas in each Bagh where it is possible to create water collection points and where water points need to be restored based on herders' suggestions.	<p>This commitment is DELAYED. Though OT approved MNT 200 million in funding for the project in 2019, this commitment has been delayed because of a lack of capacity within the TPC to develop options for how to structure the well maintenance program. After heavy rains in 2018, six herder cooperatives were hired to conduct emergency repairs of 40 wells. The TPC is looking to the Chandmani Erdene Project to continue making repairs of wells. However, the Chandmani Erdene project repaired only 1 deep well and 10 hand wells in 2018 and 2019. The TPC discussed the need for well maintenance to begin in the Spring of 2020, but it's unclear what additional actions beyond relying on the Chandmani Erdene project will be taken to fulfill this commitment. The TPC responded that an additional 10-15 wells will be repaired under the Chandmani Erdene project in 2020 and that a closed tender would be organized among entities in Khanbogd soum to repair the wells and livestock shelters. We encourage the TPC to make efforts to meet the dual goals of this commitment to repair and maintain wells and to provide employment to impacted herders.</p> <p>Regarding the Project on the Artificial Lake and other water collection points, it is unclear that a plan has been developed to carry out this work.</p>	Begin to implement Q4 2017		
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38	SLP Project 3: Establish herders' market and supply chain for livestock raw materials*	As part of OT's commitment to ensure that herders indirectly impacted by the mine have access to collective compensation, OT agreed to establish several projects to provide other or increased income streams to herders. One of these projects is the Herders Market Project, which is meant to establish a herders' market and supply chain for livestock raw materials.	This commitment is DELAYED. In April of 2019, OT contracted a nonprofit, Development Solutions, to assist the TPC with implementing some of the larger collective compensation projects, including this one. This project and the Slaughterline Project (commitment # 42) have been stalled due to questions about who would manage and carry out these projects. Herders have expressed that they want to ensure that the management and ownership structure benefits herders broadly and not just the organization hired to implement the project. With support from Development Solutions, the TPC organized a vote in January 2020 to decide the legal structure for both the Herder's Market and the Slaughterline so that all herders may participate in and benefit from these collective projects. The majority of voting herders chose to create a cooperative in each bagh, which would join to become one cooperative in charge of managing the herders' market and slaughterhouse.	Begin to implement Q4 2017		
39	SLP Project 4: Improve herder health services*	As part of OT's commitment to ensure that herders indirectly impacted by the mine have access to collective compensation, OT agreed to expand its Healthy Herders project with the Inter-soum hospital to improve health services for herders. OT agreed to develop a project proposal and present it to the TPC for approval.	This commitment is IN PROGRESS. This project is to be implemented over 5 years. In 2018, MNT 80 million in financing was approved, of which MNT 32 million was used in 2019 to purchase a mobile trailer for conducting basic medical examinations at bagh centers, to provide better access to herders.	Begin to implement Q3 2017		
40	SLP Project 5: Livestock fodder planting program*	As part of OT's commitment to ensure that herders indirectly impacted by the mine have access to collective compensation, OT agreed to establish several projects to provide other or increased income streams to herders. One project involved designing and developing a proposal to plant fodder in Khanbogd soum, to be available for use by herders soum-wide.	This commitment is NOT STARTED. The original project idea for planting livestock fodder is not moving forward. It was determined that it would be cost-prohibitive to grow fodder in the Gobi Desert. The TPC has reported that it has formed a working group to develop an alternative project proposal. The TPC must consult herders to find another project to replace this one that will provide an equivalent benefit to the herder community. The TPC may also benefit from consulting experts to ensure an alternate plan can be successful in the Gobi Desert environment.	Begin to implement Q4 2017		

















41	SLP Project 6: Connect deep wells to renewable (solar) energy	As part of OT's commitment to ensure that herders indirectly impacted by the mine have access to collective compensation, OT agreed to provide support in connecting herders' deep wells with renewable energy. The parties agreed to design and develop a proposal and to identify the number and location of deep wells to be connected to renewable energy hook-ups.	<p>This commitment was COMPLETED in September 2018. OT provided MNT 150 million in financing to connect ten deep water wells to solar energy. The soum government conducted a study to determine which wells had the capacity to water the most livestock. A decision was made to distribute the solar hook-ups across the 4 baghs.</p> <p>Herders benefitting from a solar-powered well spoke of it very positively. However, at least one of the solar connections had begun to malfunction within its first year of use, most likely in connection with the extreme cold weather that is common to the area during winter months. This has raised questions about how the additional maintenance costs of the solar energy connections will be managed and whether their utility for herders will endure over time. The TPC may want to follow-up periodically with herder households using the wells to monitor the success of this commitment.</p>	Begin to implement Q4 2017		
42	SLP Project 7: Build livestock slaughter line	As part of OT's commitment to ensure that herders indirectly impacted by the mine have access to collective compensation, OT agreed to establish several projects to provide other benefits or increased income streams to herders. One of these projects is meant to establish a slaughter line with permanent operation.	<p>This commitment is DELAYED. In April of 2019, OT contracted a nonprofit, Development Solutions, to assist the TPC with implementing some of the larger collective compensation projects, including this one. This project and the Herder Market Project (commitment # 38) have been stalled due to questions about who would manage and carry out these projects. Herders have expressed that they want to ensure that the management and ownership structure benefits herders broadly and not just the organization hired to implement the project. With support from Development Solutions, the TPC organized a vote in January 2020 to decide the legal structure for both the Herder's Market and the Slaughterhouse so that all herders may participate in and benefit from these collective projects. The majority of voting herders chose to create a cooperative in each bagh, which would join to become one cooperative in charge of managing the herder's market and slaughterhouse.</p>	Begin to implement 2018		







43	Support (training and micro loans) for SME businesses	As part of OT's commitment to ensure that herders indirectly impacted by the mine have access to collective compensation, OT agreed to establish several projects to provide other or increased income streams to herders. One of these projects includes conducting capacity building training on Small and Medium Enterprise businesses for herders and providing micro loans through KHAAN BANK of up to 30 million MNT.	This commitment was COMPLETED and is in ongoing implementation. This commitment was merged with a broader project implemented by IFC, GIZ and the Gobi Oyu Fund. A budget of MNT 5.9 billion (USD 2.3M) was approved for the first 3 years of implementation. With this funding, a center was built at Dalanzadgad to provide these loans, and at least 4 Khanbogd residents received support, though it is not clear that these were herders. The TPC should continue to monitor this project, track and report on how many herders receive training, and how many herders receive loans. The TPC should also consider ways to reduce barriers to access for herders. The TPC has responded that it will do more to disseminate information to herders about the Khaan Bank loan program.	Begin to implement Q4 2017		
44	Refer to KB Development Committee requests for road paving, clean water and sewage hook-ups	OT and the Khanbogd Government agreed to accept herders' requests to upgrade gravel roads to paved roads in the KB Soum center and to build infrastructure in KB Soum (including provision of clean water and sewage pipeline network installation) and refer them to the relevant government unit.	This commitment is DELAYED. OT provided funding to build a water supply facility to meet the drinking water demand in Khanbogd Soum, which was commissioned in 2017. The Khanbogd Government is financing and implementing works to improve water and sewage connections and to pave the roads in the soum center, but these have yet to be completed.	Q4 2017		
45	Install a Unitel telecommunications antenna in Gaviluud Bagh	The Khanbogd Government agreed to install a Unitel telecommunication antenna in Gaviluud Bagh in order to increase cell signal coverage.	This commitment is NOT STARTED. Unitel conducted a feasibility study for the antennae, and the Parties have identified that it will cost MNT 187,244,000 to install the antenna, but have not identified a source of funding. To date, OT has not offered funding for this commitment.	Q4 2017		





## Undai River Diversion

46	Present official apology letter to herders regarding Undai Diversion	Around 2013, OT undertook major works to divert the Undai River, the only river with surface flows in the region. Herders filed a separate complaint with demands to stop this river diversion, explaining the importance of this water source for replenishing various other water sources, contributing to local pastures, and having historical and cultural significance as the river saved the lives of Chingis Khaan's soldiers with its water. Although the herders' demands to stop the Undai River diversion were not met, OT agreed to present an official apology letter to local herders with regard to the Undai River diversion and to publicly publish the letter.	This commitment was COMPLETED in March 2015. OT published an apology <a href="#">letter</a> which was attached as an annex to the Final Agreement. This commitment was agreed to before the negotiation of the final agreement.	20 March 2015		
47	Re-design waste rock dump to avoid touching the sacred Bor Ovoo area	As a result of OT's diversion of the Undai River, the Bor Ovoo Spring, a sacred site and important water source for herders, had to be relocated. OT agreed to rebuild the spring and to re-design and revise OT's waste rock dump design drawings in order to avoid touching the local sacred hill of Bor Ovoo that is located inside the mine lease area.	This commitment was COMPLETED in September 2016. This commitment was agreed to before the negotiation of the final agreement.	22 September 2016		

48	Vegetation plan for new Bor Ovoo Spring	As a result of OT's diversion of the Undai River, the Bor Ovoo Spring, a sacred site and important water source for herders, had to be relocated. OT agreed to rebuild the spring and to re-design and revise OT's waste rock dump design drawings in order to avoid touching the local sacred hill of Bor Ovoo that is located inside the mine lease area.	This commitment was COMPLETED in September 2016. This commitment was agreed to before the negotiation of the final agreement.	May 2016 - August 2018		
49	Information board about original Bor Ovoo Spring placed at new spring	As part of its initiative to account for the herders' loss of the Bor Ovoo Spring, OT agreed to erect an information board about the original Bor Ovoo Spring at the new location.	This commitment was COMPLETED in November 2018. A monument was erected to memorialize the original Bor Ovoo Spring.	Q3 2017		
50	Photo of original Bor Ovoo Spring placed in the Soum Museum	OT presented an original Bor-Ovoo Spring photo to the Herders Representatives for exhibiting in the Soum Museum.	This commitment was COMPLETED in March of 2015. This commitment was agreed to before the negotiation of the final agreement.	20 March 2015		
51	Gobi Grove-tree planting project implementation	OT agreed to finance 88 million MNT to implement the "Gobi Grove" project, a 3-year tree planting project in order to increase environmental green zone.	This commitment was COMPLETED in November of 2019. Over 10,000 trees were planted under the project.	Complete by October 2019		
52	Measures to release blocked Undai river flow at 3 locations within Mine License Area.	To ensure the free flow of the diverted Undai River, OT agreed to take all feasible measures to reestablish flow in three areas inside the mine license area where the flow was obstructed: (1) the quarry area in the west side of the workers' camp; (2) the road to the heating plant; and (3) the new channel area of the Undai River diversion.	This commitment is IN PROGRESS. OT completed measures to improve flow in 2017, but these measures proved ineffective during the rainy season. The TPC undertook additional measures, including: 1) rehabilitated old sand quarry on Undai riverbed in the west Oyut camp; 2) installed additional culverts under the road sections that pass over Undai river, and 3) built a dam on the northern Undai river to allow the free flow of water through the culverts. There has not been another significant rain season to test whether these measures are adequate.	During rainy season		

53	Improve integrity of Khaliv-Dugat diversion channel to reduce erosion	As part of its settlement of the herders' Undai River diversion complaint, OT agreed to improve the integrity of the Haliv-Dugat diversion channel to reduce erosion and convey floodwaters of the Haliv-Dugat River more efficiently. They agreed to conduct a joint fact finding survey to assess the stability of the diversion and identify areas of excess erosion. Based upon findings, the TPC would be charged with agreeing which measures to implement.	This commitment is DELAYED. The Parties should jointly conduct an assessment and develop a plan to improve the diversion channel, which has yet to be done. OT responded that a professional organization is developing an engineering design and plan proposal to improve the diversion channel.	During rainy season		
54	Provide drainage mechanisms to reduce ponding and evaporation of Khaliv-Dugat River	As part of its settlement of the herders' Undai River diversion complaint, OT agreed to provide adequate drainage mechanisms, where appropriate, to reduce ponding and evaporation in the watershed. The TPC was charged with deciding which mitigation techniques to implement.	This commitment is IN PROGRESS. Flood culverts were installed in December 2018 at 4 roadside points alongside the road from the eastern gate of the Mine License Area towards the tailings storage facility in order to enable a normal flow of floodwater during flooding at Khaliv and Dugat rivers. In 2019, TPC members made a joint fact-finding trip and confirmed there was no ponding near the Khaliv river. However, there has not been a significant rain season to test whether these measures are adequate.	During rainy season		

55	OT Independent Technical Review Board to report on Tailings Storage Facility seepage & design changes	OT agreed to have an Independent Technical Review Board (ITRB) review its tailings storage facility (TSF), evaluate and report on proposed modifications to avoid or mitigate any potential downstream impacts, and produce a report to be shared with the TPC. OT agreed to implement recommended modifications.	<p>This commitment is DELAYED. OT shared an incomplete version of the ITRB's November 2018 Independent Operational Review of the TSF on July 29, 2019. The Report's Appendix B was missing, which contained observations and recommendations for improvement. The TPC then organized a special session with relevant OT staff in August 2019 to discuss the tailings storage facility and provided numerous other related documents. TPC discussed a need to schedule information sessions to allow local herders to understand and ask questions about the information provided, including an updated Emergency Response Plan. This has yet to be scheduled.</p> <p>It is not clear what modifications to the design of the TSF were recommended by the ITRB or will be undertaken by OT. This information should be provided to herders ahead of any scheduled information sessions to allow them time to understand the information and ask questions</p>	Q3 2017		
56	Creation of artificial pond & vegetation in Ust Bag Mod Quarry area	The parties agreed to jointly create, landscape and vegetate an artificial pond at the Ust Bag Mod Quarry for use as an additional water source.	This commitment is COMPLETED. Rehabilitation works at Ust Bagh Mod quarry started at the same time as works at Bor Ovoo Spring. The artificial pond was created, and livestock can now get water from it. Many seedlings planted at the site were lost to flooding in 2018 and new seedlings have been re-planted.	August 2018		
57	Add additional pasture monitoring points to OT's participatory monitoring program	OT agreed to include additional monitoring points suggested by the Herders' Representatives in the Pastureland Participatory Monitoring Assessment.	This commitment was COMPLETED in August 2016. This commitment was agreed to before the negotiation of the final agreement.	August 2016		

58	Prepare list of herders living in Undai River Basin. These herders will form a “target group” eligible for benefits under Agreement 2.	The parties agreed to prepare a list of herders that lived in the Undai River Basin area from 2007 to 2012 for compensation as a “target group” eligible for certain benefits as a result of negative mine impacts. This group would be eligible for benefits from commitments # 18 (paid monitoring work), 35-42 (collective compensation projects), 59 (project on cascading elderly herders’ knowledge), and 60 (vocational training).	This commitment was COMPLETED. A list of herders was prepared.	June 2017		
59	Implement project on cascading elderly herders’ knowledge of traditional livestock breeding practices to younger herders	OT agreed to implement a project in collaboration with the Elders’ Council on “Cascading the traditions and advising the youth on traditional livestock breeding practices and inheriting the knowledge”. OT also agreed to provide an honorarium to participating elders living along the Undai River.	This commitment was COMPLETED. As of June 2019, 36 seniors were participating in the project, each earning 100,000 MNT/mo to train 10 people. The project was well received, and in October 2019 the TPC along with the Elders’ Council decided to continue and expand the project. TPC is currently awaiting a project proposal for the expanded project.	Begin to implement by Q4 2017		
60	Explore opportunities for on-the-job vocational training by OT	The parties agreed to jointly explore and discuss the opportunities for engaging people in on-the-job training at OT to provide vocational skills.	This commitment was COMPLETED and involves ongoing implementation. OT organized additional professional training programs in the Soum. Out of 475 individuals who attended the trainings, only six were affected herders. Several herders have expressed interest in these trainings, so OT should continue to explore engaging more interested herders where possible.	Discuss by July 2017	