



AES Levant Holdings B.V.
Al Manakher Power Plant
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Date: 3rd April 2016

Ms. Natacha Foucard
Officer-in-Charge
Special Procedures Branch
Office of the United Nations
High Commissioner for Human Rights
Palais des Nations
1211 Geneva 10
Switzerland

Re: 16 February 2016 Joint Communication from Special Procedures

Dear Ms. Foucard,

I have the honour to respond to the letter you sent to me on 16 February 2016 setting out the inquiry of the Chairperson of the Working Group on the issue of human rights and transnational corporations and other business enterprises; the Special Rapporteur on the issue of human rights obligations relating to the enjoyment of a safe, clean, healthy and sustainable environment; the Special Rapporteur on the promotion and protection of the right to freedom of opinion and expression; and the Special Rapporteur on the situation of human rights defenders.

At the outset, please be assured that AES Levant, the owner and operator of the IPP4 power project ("IPP4"), takes its responsibilities as a good corporate citizen very seriously. We are committed to protecting the health and safety of those who work at IPP4 and those who live in the surrounding communities and to maintain high environmental standards. We also view human rights as being of paramount importance. The depth of these commitments is reflected in the recognition that it has received from independent third parties including the following:

- SGS certifications of ISO 14001 and OHSAS 18001. These certifications demonstrate achievement of the international standards that provide assurance to company management and employees as well as external stakeholders that health, safety and environmental impact is being measured and improved.
- International Safety Award from the British Safety Council with a merit degree for the last two years. This award demonstrates AES Levant's commitment to the health, safety and wellbeing of its workforce.



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- ROSPA GOLD award for occupational Health and Safety for the last two years. This prestigious award shows international recognition of AES Levant's commitment towards occupational health and safety and the environment.
- More than 2.5 million man-hours (starting from the first day of construction and continuing during operation) without a lost time incident.
- First private power generation company included in the Jordanian Ministry of Labour's Golden List for best practices and compliance with labour law.
- Edison Electric Institute's 2015 Safety Achievement Award.
- Top Employer Institute's 2015 Top Employer Award for Jordan.
- AES Levant's commitment to community engagement and social responsibility is reflected by the contributions it has made to local communities including the following:
 - Al Manakhar Village -
 - Solar photovoltaic panels for 110 houses
 - 85 solar water heaters for village residents
 - scholarships for 2 children each year for higher education – six children from the village have received scholarships so far
 - expansion of the Al Manakhar school including construction of a new classroom and playground
 - provision of an internet facility and computer equipment to Al Manakhar School
 - renovation of the village Mosque
 - Al Daboubi Village –
 - Medical camp in which 615 community members received medical services
 - Ten wheel chairs donated to the village.
 - Local Employment –
 - 95% of AES Levant's employees are Jordanian (including the Operation and Maintenance Director, the Environment, Health and Safety Manager and Human Resources Manager
 - two engineers are from Al Daboubi Village
 - all unskilled labourers are hired from the local communities



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We welcome discussion about our operations, including any concerns. AES Levant has established a grievance mechanism that allows people to direct concerns through several methods including:

- Through the Governor of Sahab
- Through two Al Manakher village committees
- By direct communication with the Project Company by means of a grievance/suggestion box at the main gate of the plant and
- By telephone with contact numbers published at the main gate of the plant

In accordance with AES Levant's desire for communication and transparency with local community members, on 10 September 2014, AES Levant responded promptly to Mr. Al-Daboubi's first letter to us and suggested a meeting with him at the office of the Governor of Sahab. That meeting was held on 16 September 2014, but despite our best efforts to address his concerns, nothing that AES Levant was able to say or do at that meeting or in any subsequent communication, over the course of nearly one year, with Mr. Al-Daboubi has satisfied him. AES Levant wants to assure you that no employee of AES Levant has filed any complaint with the Minister of Interior of Jordan or with the police against Mr. Al-Daboubi or has otherwise attempted to threaten or intimidate him. AES Levant has no interest in limiting legitimate and peaceful activities in the defence of environmental rights or the legitimate exercise of the right to freedom of expression or freedom of association by Mr. Al-Daboubi or anyone else.

The following provides more specific responses to the six questions set out in your letter.

Q1 Please provide any additional information and any comment you may have on the above-mentioned allegations.

As noted above, any claims that Mr. Al-Daboubi has made alleging that AES Levant has intimidated or harassed him are incorrect. While we cannot comment on what Mr. Al-Daboubi may have said to Jordanian government officials or what they may have said to him, the substantive claims that Mr. Al-Daboubi has made to AES Levant about IPP4's lack of compliance with environmental laws and procedures are also incorrect.

An Environmental and Social Impact Assessment ("ESIA") was conducted by Parsons Brinckerhoff in association with the Jordanian Royal Scientific Society for AES Levant in 2012 (and approved by the Jordanian Ministry of Environment ("MOE"), OPIC and EBRD) identified the Al Manakher village (the number of residents approximately is now approximately 1000) as the closest community to the Project and considered said community as a stakeholder of the Project. Residents of Sahab and other communities in the immediate vicinity of the plant were identified as unlikely to be affected by the Project. Mr. Al-Daboubi is a resident of Khasafiya Daboubi, a village about 3-4 km from the Project.



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In September 2014, Mr. Al-Daboubi sent emails to AES Levant and the Boards of Directors of both The AES Corporation ("AES") and Mitsui & Company, Ltd. ("Mitsui"), the indirect owners of AES Levant. In those emails, Mr. Al-Daboubi claimed that the local community was not allowed to participate in the ESIA for IPP4, that emissions from IPP4 will have severe adverse effects on the local community and that emissions exceed safe international standards resulting in a risk to health and contamination of the soil and water. He also indicated that he would be presenting a "complete case study" to the project's specialists. He asked for a meeting and threatened that if a meeting was not set for the following week, he would release "relevant information" to the media. A meeting did take place the following week in the office of the Governor of the Sahab district at which time Mr. Al-Daboubi rejected as false, without studying them, the certificates certifying that IPP4 was in compliance with all local and international standards. Those certificates were issued following tests conducted by Mott MacDonald Ltd. (the Lenders' Engineer), PB Power and the Royal Scientific Society of Jordan, all reputable independent third parties. Instead, he asked that AES Levant appoint him to test and monitor IPP4's environmental compliance.

This set the pattern for a year of communications with Mr. Al-Daboubi in which he rejected the environmental tests conducted by reputable independent international consultants, threatened to go the media or file grievances and sought employment for himself and his relatives with AES Levant. During this period, Mr. Al-Daboubi used Facebook to encourage his community not to participate in a medical camp that AES Levant was providing as a community service (over 1000 community members did participate) and complained to various Jordanian government bodies (which gave rise to inspections of IPP4 by the Ministry of the Environment ("MOE") and confirmation that IPP4 was in compliance with all environmental requirements). He also complained to OPIC and EBRD which led to these lenders sending human rights, employee rights specialists and health, safety and environment specialists to visit the site and village in order to investigate Mr. Al-Daboubi's allegations. The feedback from OPIC and Mott MacDonald, the Lenders' Engineer, was that the project was in compliance. EBRD met with Mr. Al-Daboubi to discuss his allegations and, as we understand it, told him that if he wanted to take the matter further he should make a complaint through its Project Complaint Mechanism ("PCM"). The record of the PCM process including Mr. Al-Daboubi's complaint, EBRD's response and AES Levant's response are published on EBRD's website. At no time, did anyone from AES Levant intimidate, threaten or harass Mr. Al-Daboubi, nor did anyone from AES Levant file a complaint against him or otherwise take any action that led to his arrest. During all of our communications with Mr. Al-Daboubi, we dealt with him at all times with complete good faith and professionalism.

Q2 In the context of the preparation of [the Environmental Impact Assessment, Non-Technical Summary, Stakeholder Engagement Plan, and Environmental and Social Mitigation and Monitoring Plan], please indicate what measures have been taken by AES [Levant] to ensure prior and meaningful consultation with local communities, and to ensure that any negative environment and human rights impact by IPP4 are regularly monitored.



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Prior and meaningful consultation with local communities was ensured as follows:

An official scoping consultation was organized by the MOE at the Holiday Inn Hotel, Amman on 31 July 2010 in accordance with MOE's ESIA Regulations. A list of relevant and potentially relevant stakeholders was prepared by AES Levant and the MOE. About 20 official and civil organizations were involved, and represented the agencies and organizations that would review and approve the ESIA. The principle objectives of the scoping exercise were to agree upon the proposed project site and to:

- Identify the key environmental issues to be included in the ESIA;
- Identify the legal requirements and framework for the Project over the course of its lifetime;
- Identify the relevant component studies to establish the relevant baseline for the Project;
- Finalize the proposed Terms of Reference; and
- Understand the concerns of the local community.

During the scoping session, AES Levant, through its consultants, provided a presentation detailing the proposed project activities, facilities and processes. Graphics and diagrams were included in the presentation which highlighted the importance of the Project and the potential environmental impacts and proposed methodology for the ESIA. Participants were given the opportunity to provide their concerns in writing, which were used to prepare the Scoping Study that forms part of the ESIA.

AES Levant also organized a public consultation via two means:

- Public meeting in Al-Manakher Village as part of the scoping process.
- House to house meetings with local people to explain the nature of the Project and its expected impacts and benefits

The public meeting was held in Al-Manakher on 4 August 2011. About 150 villagers, all men, were reported to have attended. During this same week, AES Levant organized a house-to-house questionnaire. It was undertaken during the day in order to ensure that women were able to participate (one of the consultants carrying out the questionnaire was a female engineer, for the same reason).

A sample of 15 houses out of approximately 35 houses (approximate number of houses in Al-Manakher) was obtained. Twenty per cent of the interviewed residents were women. Based on the above, the issues and concerns identified are summarised as follows:



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- Negative Concerns:
- Dust emissions and noise during construction and operation of the
- Power Project which may negatively affect residents and their health.
- Home cracks from construction and operation activities.
- AES Levant not giving priority in employment to the local community during the construction and operational phases.
- Reducing the price of the land.

Positive Issues:

- The Power Project will attract other industries and businesses to the area.
- The Power Project will help in raising the living standards for the residents of Al-Manakher Village and the surrounding areas.

AES Levant held a follow-up meeting with Al-Manakher residents in May 2012, and responded with an action plan to address the concerns raised in August 2011.

Interaction between the local community and AES Levant is an ongoing process. All interactions are under the direct supervision of the Governor of Sahab.

In order to ensure clear and consistent communication with its closest neighbours, AES Levant has established a community liaison committee comprised of 6 residents of Al Manakher as appointed by the Governor of Sahab (including the Mukhtar of the village) and 2 representatives of AES Levant. AES Levant liaised with the committee during the construction of IPP4 and continues to do so during the operation of IPP4.

Information is disseminated by providing quarterly health, safety and environment reports to the Governor of Sahab and by posting those reports on the notice board outside Al Manakher School. The reports focus on monitoring operational impacts of IPP4 such as noise and emissions, and on any key issues raised by stakeholders during the earlier phases of the project.

In addition, the Environmental and Social Monitoring and Mitigation Plan ("ESMMP") forms part of the overall project management for IPP4 and integrates with other quality, sustainability and health and safety management procedures. The ESMMP was prepared taking into consideration relevant World

Bank / International Finance Cooperation ("IFC") Performance Standards on Social and Environmental Sustainability as well as Jordanian standards, laws and regulations. The ESMMP addresses the following issues:

- Air emissions;
- Noise emissions;
- Impacts to surface water and groundwater;
- Impacts to ecology (flora and fauna); and
- Socio-economic impacts.

Detailed mitigation and monitoring procedures have been developed for each of the foregoing potential impacts of IPP4 in order to assure that no adverse impacts will be caused to the surrounding environment.

Key mitigation measures identified in the ESMMP include:

- Selective catalytic reduction to ensure oxides of nitrogen (NOx) levels comply with World Bank / IFC and Jordanian requirements;
- Low sulphur fuel to limit emissions when firing on heavy fuel oil and diesel fuel;
- Stack of sufficient height and flue gases of sufficient temperature and velocity to ensure good dispersion;
- Bunding of all storage tanks and containers with 110 per cent impermeable bunds to ensure that if a tank were to leak all material would be contained, could be safely removed and the tank could be repaired;
- Dust suppression measures, e.g., water bowsers, to minimize the dust creation during the construction period;
- Encouraging the use of public transport, car sharing and minibuses to minimize the impact on the local traffic infrastructure;
- Installation of a continuous emissions monitoring system to ensure that all emissions limits are adhered to; and
- Installation of fire protection measures to ensure that any fire can be combated effectively.
- Regular monitoring and reporting of all emissions to air, land and water.
- IPP4's implementation of the mitigation and monitoring measures in the ESMMP, ensure that it will comply fully with all relevant Jordanian standards, laws and regulations as well as the requirements of the World Bank / IFC.



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AES Levant welcomes discussion about any concerns regarding its operations and has established a grievance mechanism to ensure that all comments and complaints from any project stakeholder are considered and addressed in an appropriate and timely manner. There are no costs associated with lodging a grievance. Comments can be made via email, post, fax or telephone, or can be made in person. Comments and complaints are summarized and listed in a Complaints/Comments Log Book, containing the name/group of the commenter/complainant, date of receipt, a brief description of issues, proposed corrective actions to be implemented (if appropriate) and the date of the response sent to the commenter/complainant.

A suggestion box with contact telephone numbers is available at the main gate of the plant, the grievance mechanism was communicated verbally to all surrounding local communities through the village committees and during the scoping session, the grievance procedure was communicated officially to Sahab Governor. The grievance mechanism is also intended to facilitate the reporting of any complaints of human rights abuses by AES Levant, however, no such complaints have been received through our grievance mechanism.

Q3 Has AES [Levant] received any guidance from the Government of Jordan on its corporate responsibility to respect human rights, specifically on its expected due diligence process, in line with the UN Guiding Principles on Business and Human Rights?

AES Levant did not receive any guidance from the Government of Jordan on its corporate responsibilities to respect human rights. AES Levant confirms that it has complied and will continue to comply with all Jordanian laws including provisions of the Jordanian Constitution that govern and regulate human rights issues. AES Levant also confirms that it has complied and will continue to comply with all human rights principles provided for under all international conventions and the United Nations Universal Declaration of Human Rights and all other international treaties and conventions which Jordan has ratified.

Q4 How is AES [Levant] meeting its responsibility to respect human right in a way that complies with international human rights standards? Does it have a policy commitment (approved at the most senior level of the company) that is reflected in its operational policies and procedures?

As a subsidiary of AES, AES Levant adheres to AES's common set of values, vision and code of conduct, approved by AES's President and Chief Executive Officer, that defines how we work towards that vision on a daily basis. Our values guide our every action, providing a common framework for how we interact with other employees of AES and its affiliates, conduct business with our partners and suppliers, and serve our customers and the communities in which we operate.

AES's Values Guide was developed to help each of us translate our values into action by describing the business practices and principles that employees of AES and its affiliates are expected to apply to the work we do and the business decisions. The Values Guide is an important resource to ensure that we continue to act with the highest ethical standards in all of our business activities.



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Our values are as follows:

- Put Safety First
- Act with Integrity
- Honour Commitments
- Strive for Excellence
- Have Fun through Work

These values are implemented in a variety of ways including:

- Annual training of all employees to ensure full compliance with AES's Code of Conduct, which guides all of our business practices in relation to anti-bribery, anti-money laundering, conflict of Interest, gift policy etc.
- Ensuring safe operations at IPP4 is the cornerstone of our daily activities and decisions, including a workplace free from violence and negative influences that can distract us from our responsibilities. Acting with integrity and thereby earning the trust of our business partners, customers, shareholders, and the people who live in the communities where we operate.
- Abiding by all laws, regulations, and company policies that govern our work and, when in accordance with our values, striving for a higher standard than what laws and regulations require.
- Supporting sustainable business practices in the communities where we operate. We promote operational practices that reduce the environmental burden associated with our activities and encourage innovation that can offer environmental and social benefits.

Q5 Please explain what AES [Levant] is doing to carry out its human rights due diligence in order to identify, prevent, mitigate and account for how it addresses adverse human rights impacts. How does the company track the effectiveness of its measures to prevent and mitigate adverse human rights impacts, including through consultation with affected stakeholders?

AES Levant is doing the following in respect of the matters described in the question above:

- Fully implementing and complying with the ESMMP and ESIA. Committing to fully comply with ESPS (OPIC's Consolidated Environmental and Social Policy Statement/Labour and Human Rights Policy Statement dated as of October 15, 2010).
- Ensuring that the general public is regularly informed of site activities, including any events with possible negative social impacts.
- Developing and implementing a Stakeholder Engagement Plan ("SEP") with the aim of explaining how AES Levant is communicating with people and institutions that may be affected by, or interested in, IPP4 through the remainder of the planning process, during construction, and throughout operation.



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- The plan includes a grievance mechanism for stakeholders to raise any concerns related to the Project. The SEP was developed and implemented to meet best international practices and the requirements for stakeholder engagement and public consultations as specified in the EBRD Environmental and Social Policy of 2008 and as specified in the requirement of the IFC Performance Standards and to ensure timely and ongoing provision of information to stakeholders on the environmental and social issues that could potentially affect them and to establish meaningful consultation and disclosure of information relevant to IPP4 and AES Levant's activities in a manner that is inclusive and culturally appropriate for all stakeholders.
- AES Levant has a social responsibility program and has implemented numerous projects like solar heater installation and solar PV module installation for each house of Al-Manakher village, supplying blankets heating devices and gas cylinders for each house of Al Manakher village, supplying furniture to the mosque, scholarships for students, repair and extension in the village school, distributing food boxes and wheel chairs in the holy month of Ramadan and a free medical camp which served all of the nearby villages.

Q6 What, if any, operational-level grievance mechanisms has AES [Levant] established or, participated in, to address the grievances identified above and remediate them directly?

This is addressed in the preceding responses.

In conclusion, AES Levant has tried to directly address Mr. Al-Daboubi's concerns with him, with the Government of Jordan when it has investigated Mr. Al-Daboubi's complaints about AES Levant and again with The European Bank for Reconstruction and Development in its investigation in response to Mr. Al-Daboubi's complaint. We hope that this letter will assist you in addressing Mr. Al-Daboubi's complaint. Please do not hesitate to contact me should you need any additional information.

Respectfully submitted,

AES LEVANT HOLDINGS B.V./ JORDAN
IPP4 Al-Manakher Power Plant
by its duly authorized signatory

Name: Eng. Mohammad Meftaur Rahman
Title: Chief Executive Officer