



**REPUBLICA DEMOCRATICA DE TIMOR-LESTE
MINISTERIO DO COMERCIO INDUSTRIA E AMBIENTE
GABINETE DO MINISTRO**



ENVIRONMENTAL LICENSE

Issued under Decree Law on Environmental Licensing Number 05/2011

In accordance with decision dated on 8th of February, 2017 by the Minister of Commerce, Industry and Environment, Mr. Constâncio da Conceição Pinto, *Approved the Environmental Impact Statement and Environmental Management Plan for Cement Plant, Jetty, Conveyor Belt and Infrastructure project in Ossoua, Tirilolo, Baucau.* Therefore, pursuant to the article 23 of Decree Law number 05/2011, issued an Environmental License for the project activity referred to in the Schedule below, subject to the conditions contained in the Annex.

Schedule

Proponent of the Project	: Timor – Leste Cement
Date Submitted Application	: 16th of October 2014
Application Number	: 08 / AIA-DNMA /VII / 2015
Environmental License Number	: 01 / C:A-1 / DNCPIA-MCIA / II / 2017
Project	: Cement Plant, Jetty, Conveyor Belt and Infrastructure
Activity Scale Construction	: Cement Production is 1.65 Million tons/year, Jetty is 2 km, Belt Conveyor is 2 km and Infrastructure
Category of Project	: Category A
Date of Notification	: 8th of February 2017

Notes

1. This Environmental License is non-transferrable in accordance with Articles 22 (4) of Decree Law 05/2011;
2. Proposed changes to the project affecting environmental impacts or the project area/size, or relocation, are subject to technical review and approval in accordance with Chapter VIII of Decree Law 05/2011;
3. The Proponent is responsible for ensuring all other necessary license, permit, authorisations or recommendations are obtained from relevant government authorities;
4. The Proponent is responsible for ensuring that all subcontractors or others carrying out works must be comply with this Environmental License, EIS and EMP;
5. All future communications, documents and reports prepared by or on behalf of the Proponent in relation to the Project and submitted to the National Directorate for Control Pollution and Environment Impact (NDCPEI) shall be in both Tetum and English, and in both electronic and hard copy;
6. This licence grant to the project, which has been approved dated 8th of February, 2017.

Annex - Conditions of Environmental License

The conditions contained in this Annex are to protect the environment and to mitigate the adverse environmental impacts that generated of the Project.

General Conditions

1. Project in accordance with Environmental Impact Statement, Environment Management Plan documents and Environmental Licenses

- 1.1. The Cement Plant, Jetty, Conveyor Belt and Infrastructure construction project conducted in accordance with the Environmental Impact Statement (EIS) and Environmental Management Plan (EMP) prepared by Timor – Leste Cement, dated 2nd of February, 2017;
- 1.2. The Cement Plant, Jetty, Conveyor Belt and Infrastructure construction project must be conducted in accordance with the World Bank and Asia Development Bank Safety Environmental Principle;
- 1.3. All construction activities associated with the project must be carried out strictly within the project site boundary, as set out in the plant construction project depicted in figure 4.1, page 21 of the EIS;
- 1.4. This Environmental License is granted for first period of (2) years from the date of Notification set out in the schedule. At the time renewal, NDCPEI shall determine the time granted for the second License period;
- 1.5. Any proposed changes, alterations or additions to the Project that the Proponent wishes to undertake that are not consistent with the EIS and EMP and this Environmental License, will require an additional Environmental License or amendment of this Environmental License, in accordance with relevant provisions of *Decree Law 05/2011*;
- 1.6. The NDCPEI may review and alter any conditions in this Environmental License, including by requiring alterations to the Environmental Management Plan, to respond to any proposed changes to any component of the Project through any application made by the Proponent to NDCPEI relating to the Project, if NDCPEI deems it necessary to do so to protect the environment.

2. Construction phase

- 2.1 Before commence of site clearing, should be identify several vegetation types existing within project site, need move and replanting at along the coastal area to prevent severe sea erosion;
- 2.2 Before commence of site clearing, should be identify property such as cultural site, land, and etcetera that existing within project site and communicate with the owners how to relocated and compensate;
- 2.3 When to commence the project activity, community who living close the project area must be engage to offer them jobs in which could help minimize the social impacts;
- 2.4 Need to provide Personal Protection Equipment (PPE) such as helmet, mask, plug, glove, vest, goggles for all employee during working hours;
- 2.5 Vegetation removal or clearing shall be minimized and shall be carried out on land that must be cleared for areas designated for construction only;
- 2.6 The clearing of any coastal vegetation and mangroves out of the Project site is prohibited. In addition, major alteration of the beach for the facility construction which affecting the environmental marine is also prohibited;
- 2.7 Possibility generated sedimentation to the marine water and corals, it should be regularly checked by the proponent through inspecting the facility construction that involve borrow pits, excavation and stockpiles.

Restoration of sedimentation areas should be done as soon as possible to prevent severe sedimentation;

- 2.8 For air quality related to fugitive dust, inspection should be done to ensure that marine water and residents living close to the construction site are not affected. Hence spraying water within project site to minimize dust emission to the residential areas and marine water;
- 2.9 The proponent must assure that spring water, surface and ground water nearby are safe from siltation and contamination that includes fuels and lubricants used in the facility construction;
- 2.10 The proponent must guarantee that community water supply facilities are not damaged during the construction activities;
- 2.11 The proponent must enforce the disposal of surplus material at environmentally safe disposal/fill sites and that spoil stockpiles are managed properly;
- 2.12 Soils from the excavation must not be disposal near the beach, water source, farmland and community's residential area;
- 2.13 The community from the residential areas, farmlands and agricultural plantation whom are affected of construction activities must be given compensation in a fair and just manner;
- 2.14 Avoiding in necessary eviction. If any target property area need to occupy, please negotiate in fair manner and applying *prior consent principle*;
- 2.15 During the construction stage, will generated the noise, vibration, dust fugitive, waste, soil contamination from the equipment, it must be controlled, referring to the standard as depicted on page 60 of EIS;
- 2.16 Possibility disturb the marine bottom habitat existing, it should be actively to monitoring the dredging activities and equipment controlled;
- 2.17 Soils from the excavation for Jetty construction, do not disposal into marine water, it must be managed properly;
- 2.18 Trucks carrying construction materials (sand, soil, stones, cement etc) must be covered by tarpaulin to prevent falling of materials from the trucks;
- 2.19 During daytime dust fugitive generated by construction activities, it should be spray with water thrice a day within and surrounding the project site;
- 2.20 Prepare disposal site for solid and liquid waste from the construction activity, excavator and vehicles;
- 2.21 Worker and staff compound close by community village must be develop in coordination with local leaders and the residence. Worker and staff need to respect local people, ritual, symbols of believe and cultures;
- 2.22 The proponent should be responsibility for all employees suffered sick or suffered accidents during construction stage;
- 2.23 The Proponent, through its monitoring program, shall ensure there is regular monitoring of marine water quality and impacts of the Project on the marine environment, in particular the health of coral reefs, and shall conduct regular reef checks;
- 2.24 Do not damage ritual and the cultural site which existing within and surrounding of project site;

- 2.25 The proponent must use the company who has environmental license or recommendation for materials construction supply such as sands, stones and gravels;
- 2.26 The changing of project location during construction process outside the initial design must submit an additional and alteration design document to Environmental Authority to issued an environmental licence;
- 2.27 No fuels sludge from the generator, excavators, cars and motorcycle disposed into sea waters;
- 2.28 No open area burning of solid waste within and surrounding the project site during the construction phase;
- 2.29 All damage of environmental generated by construction activities due to physical, ecological, economic, social and culture, the proponent should responsibility for compensation, rehabilitate and restoration;
- 2.30 The proponent must ensure that the solid waste generated during construction phase must be disposed at dumping site of the Municipality;
- 2.31 Upon completion of the construction phase, the proponent must be responsible to clean up all the solid waste and pile surplus from the construction activity around the project site;

3. Operation phase

- 3.1 Must be engage the local people in working opportunity during Cement Plant, Jetty, Belt Conveyer the operation phase;
- 3.2 Need to provide Personal Protection Equipment (PPE) such as helmet, mask, plug, glove, vest, goggles for all employee during working hours;
- 3.3 The proponent should be responsibility for all employees suffered sick or suffered accidents during Cement Plant, Jetty and Belt Conveyer operation phase;
- 3.4 Must be available space for environmental green within project site, so that minimize the global warming;
- 3.5 Harmful liquid waste that generate during operation stage must be disposed to the treatment tank within project site;
- 3.6 Possibility generated ash and fumes during cement production and generator operation, it should be controlled, maintenance and managed properly;
- 3.7 Need a treatment process for the harmful liquid waste and it should environmental friendly before dispose to the environment;
- 3.8 Harmful liquid spill occurrence during operation stage must be immediately restored so that do not contaminated to the sea water, land and ground water;
- 3.9 The proponent should be ensure that spring water, marine water and community water supply facilities adjacent with the project site are not contaminated during the operation phase;
- 3.10 Need the best available technology within the cement plant processing area to prevent the fire explosion occurrence during the operation stage;
- 3.11 Do not store material such as chemicals, fuels and fuel pumps close to the sea water;

- 3.12 Possibility occurrence a spill of cement during production and loading, it should immediately be restored to prevent sever contamination;
- 3.13 No open area burning of solid waste within and surrounding the project site during the operation phase;
- 3.14 No fuels sludge from the ships, generators, cement plant, cars and motorcycle disposed into sea waters;;
- 3.15 Must be available the garbage bin for solid waste disposed within the project area;
- 3.16 The proponent must ensure that the solid waste generated during operation phase must be disposed at dumping site of the Municipality
- 3.17 All damage of environmental generated by operation activities due to physical, ecological, economic, social culture responsibility of the proponent for compensation, rehabilitate and restoration;
- 3.18 Proponent must comply all the Notes and condition of Environmental License which mentioned above and Environmental Management Plan of the Proponent;
- 3.19 Upon completion of the operation phase, the proponent must be responsible to clean up all the solid waste and restored site of the plant;

The NDCPEI will conduct the supervision during the construction and operation activities refer to the Environment License and Environment Management Plan.

Dili, 8th of February, 2017

Constâncio da Conceição Pinto
Minister