



# Stakeholder Engagement Plan

---

## **Stakeholder Engagement Plan**

June 2021

# Stakeholder Engagement Plan

---

## **Stakeholder Engagement Plan**

June 2021

### **Public**

#### **Contact Details**

**Dr. Andreja Ilic – Director**

Energetika d.o.o

Address: Prvoslava Rakovića 4A, 34000 Kragujevac

Phone: (034) 305-185

Email: [office@energetika-kragujevac.com](mailto:office@energetika-kragujevac.com)

## Table of Contents

<b>1. INTRODUCTION</b>	<b>4</b>
1.1. Background	4
1.2. Objective of the Plan	4
1.3. Scope of the Plan	5
<b>2. PROJECT BACKGROUND</b>	<b>6</b>
<b>3. CONSULTATION AND DISCLOSURE</b>	<b>7</b>
3.1. National Legislative Requirements	7
3.2. EBRD Requirements	8
3.3. Existing Stakeholder Engagement and Community Awareness Programmes	9
<b>4. STAKEHOLDER IDENTIFICATION</b>	<b>10</b>
<b>5. STAKEHOLDER ENGAGEMENT PROGRAMME</b>	<b>12</b>
5.1. Disclosure of Information	12
5.2. Stakeholder Engagement Programme	12
<i>Energetika Environmental and Social (E&amp;S) Meetings</i>	17
<i>Public Consultation Meeting</i>	17
<i>Ash Disposal Site Landowner Meetings</i>	17
<i>Trade Union and Affected Staff Member Engagement</i>	17
<i>EBRD E&amp;S Meetings</i>	18
<b>6. REPORTING AND GRIEVANCE MECHANISM</b>	<b>19</b>
6.1. Monitoring, Reporting and Feedback Mechanisms	19
6.2. Grievance Mechanism	19
<i>Project Grievances</i>	19
<i>Heating Grievances</i>	19
6.3. Grievance Resolution	20
6.4. Roles and Responsibilities	20
<b>APPENDIX I – Complaint Procedure and Grievance Form</b>	<b>21</b>

# 1. INTRODUCTION

## 1.1. Background

This document is a Stakeholder Engagement Plan (SEP) for the Kragujevac Boiler Upgrade Project to be implemented by Energetika d.o.o (“the Company”). This document identifies relevant stakeholders and defines communication channels and plans regarding the boilers to be installed in Kragujevac.

The SEP provides an overview of national legislation, the European Bank for Reconstruction and Development (EBRD) Environment and Social Policy (ESP) 2019, the EBRD Performance Requirement 10: Information Disclosure and Stakeholder Engagement, European Union (EU) directives and international best practice related to information disclosure. It outlines the general approach to stakeholder engagement and public consultation.

The SEP is a live document, being reviewed periodically during project implementation. It will be updated as necessary in line with new or changed activities, changes in Project design or newly identified stakeholders.

Specific objectives of the SEP are detailed below.

## 1.2. Objective of the Plan

This SEP is a public document, which sets out the implementing body’s commitments relating to stakeholder engagement, consultation and disclosure activities in connection with the proposed EBRD investment for the energy efficiency measures.

Energetika, the district heating company of Kragujevac, is tasked with the project development and installation of the improved natural gas-fuelled boilers included in this Project. The public will be able to access and review this SEP (in Serbian and English) at the Company’s head office<sup>1</sup> in Kragujevac, as well as on the [Energetika website](#)<sup>2</sup>.

The goal of this SEP is to set out how stakeholder engagement will be carried out for the Project and how long-term relationships between the Kragujevac Boiler Upgrade Project and the local communities will be maintained. This SEP also aims to inform, improve and facilitate decision-making that involves Project-affected people and other interested stakeholders in an inclusive and timely manner, and to ensure that these groups are provided with sufficient opportunity to voice their opinions about the Project.

The SEP briefly describes the public consultation carried out to date, and defines activities that will be implemented by the Project to inform stakeholders about the nature and the potential impacts associated with the energy efficiency measures.

The SEP contains a stakeholder identification table where relevant stakeholders are identified with the most appropriate communication channels and strategies, information disclosure requirements and grievance processes that will be adopted. If there are

---

<sup>1</sup> Prvoslava Rakovića 4A, 34000 Kragujevac

<sup>2</sup> <http://www.energetika-kragujevac.com/>

stakeholders who are not included in the SEP they can get in touch with the contact provided above in Kragujevac to receive information about the Project and be added to the stakeholder engagement programme in this SEP.

Specific objectives of the SEP are detailed below:

- Define the Project area;
- Identify, map and assess affected parties and other interested stakeholders, and how they may be affected by or interested in the Project;
- Set out stakeholder analysis undertaken to understand Project stakeholders, so that appropriate methods and tools to engage them can be developed;
- Provide an action plan for consultation that allows for meaningful stakeholder input into the Project;
- Ensure stakeholders have access to information on Project activities in a timely manner;
- Ensure information disclosed to stakeholders can be understood and locations for consultation are accessible to all who want to attend;
- Ensure that any vulnerable groups are identified and consulted;
- Establish clear mechanisms for answering stakeholders' questions, concerns and grievances; and
- Document formal consultation and information disclosure activities, define stakeholder tracking and records management system.

### **1.3. Scope of the Plan**

This SEP covers Energetika's operations on the Kragujevac Boiler Upgrade Project, including the contractor's activities. The Plan comprises the following sections:

- Chapter 2 – Project Background
- Chapter 3 – Consultation and Disclosure
- Chapter 4 – Stakeholder Identification
- Chapter 5 – Stakeholder Engagement Programme
- Chapter 6 – Reporting and Grievance Mechanism

## 2. PROJECT BACKGROUND

The district heating system in Kragujevac comprises of a centralised production facility at Zastava, and decentralised production at locations with high heating demands across Kragujevac.

The primary centralised production facility at Zastava comprises of five steam boilers that were originally used to produce electricity. However due to damage to the turbines during the war in 1999, these boilers have been adapted to be used for heating. Two of these steam boilers are powered by gas and three by coal. The adaptation of the steam boilers for use in the DH system has resulted in an inefficient process which requires the steam generated from the boilers to be cooled down with water for transport in the district heating network resulting in energy losses.

The Kragujevac Boiler Upgrade Project involves the decommissioning of these steam boilers, and installation of new gas boilers with a total capacity of 110MW. This will significantly increase the site's boiler efficiency from 55% to over 95%. The new gas boilers will also be designed to capture the waste heat from the boiler stack gases and will further improve the fuel and cost efficiency of the system.

The Project will enable a complete phase out of coal from the centralised production facility at Zastava. This will result in reduction of greenhouse gas emissions, as combustion of natural gas emits significantly less greenhouse gas emissions and the new boilers will have a significantly higher efficiency. In addition, a far more advanced system of plant control and maintenance will be implemented, and the air quality across the city will improve. Overall, the proposed project will contribute to minimising greenhouse gas emissions and will help in meeting the objectives of the Strategy for Sustainable Development of the City of Kragujevac prepared by the local government in 2013.

Two key benefits of the Project are foreseen:

1. **Benefit to Users** - The Project will benefit the current and future users of the DH system due to the improved district heating system which will provide greater flexibility in operations to meet the heating demands and will improve the overall efficiency and reliability of the system. The Project will also serve as a foundation for future Projects promoting the installation of renewable energy sources and energy efficiency measures.
2. **Benefit to general public** - The use of coal in the DH system has resulted in poor air quality. The Project will result in a significant reduction in emissions of sulphur dioxide, and particulate matter, and will lead to an overall improvement in the air quality. The project will also result in the reduction of greenhouse gas emissions.

Currently the Project is in design stage, and the construction works are yet to start. It is expected that the boilers will be purchased and installed before the end of 2021, with a decommissioning plan to be developed by Energetika that will detail the gradual removal of boilers no longer in use. A contractor will be hired by Energetika to carry out the installation of the new boilers (hereby referred to as the "contractor").

## 3. CONSULTATION AND DISCLOSURE

### 3.1. National Legislative Requirements

The level of stakeholder engagement and access to information in Serbia relevant for the District Heating Company of Kragujevac activities is regulated by planning, construction and environmental regulation. Key legislation of the Republic of Serbia, addressing stakeholder engagement, that pertains to the Project includes:

- **The Constitution of the Republic of Serbia**<sup>3</sup> provides a wide platform for public participation and access to information. It also provides the public with the right to submit requests, petitions and proposals. Article 74 states that everyone has the right to a healthy environment and to timely and complete information about the state of the environment.
- **The Law on Free Access to Information of Public Importance**<sup>4</sup> regulates citizens' rights in relation to access to information, held, used and managed by public institutions, sets out the principles and exceptions in the achievement of these rights, as well as the procedures for accessing this information and their protection.
- **The Law on the Protector of Citizens**<sup>5</sup> establishes an independent state authority which protects the human and minority rights and freedoms of citizens (domestic and foreign physical and legal entities) and controls the work of all administrative authorities.
- **The Law on Waste Management**<sup>6</sup> prescribes that the issuing of permits for waste management is made public, i.e. that any submitted request for waste management and accompanying documentation, are publicly disclosed and available for comments.

Disclosure of information and organising public hearings in Serbian legislation is regulated through the process of development and adoption of spatial and urban plans for cities, municipalities, settlements, as well as through the environmental impact assessment process.

The laws which regulate these matters are:

- **Planning and Construction Law**<sup>7</sup>
- **Law on the Confirmation of the (Aarhus)<sup>8</sup> Convention on Access to Information, Public Participation in Decision Making and Access to Justice in Environmental Matters**<sup>9</sup>. The basic principles of this Convention are also supported by other laws and bylaws of the Republic of Serbia, including the Environmental Protection Law<sup>10</sup>, Environmental Impact Assessment Law<sup>11</sup>, Strategic Environmental Impact Assessment

---

<sup>3</sup> Official Gazette of the RS 98/06

<sup>4</sup> Official Gazette of the RS 120/04, 54/07, 104/09 and 36/10

<sup>5</sup> Official Gazette of the RS 79/05 and 54/07

<sup>6</sup> Official Gazette of the RS 36/09, 88/10 and 14/16

<sup>7</sup> Official Gazette of the RS 72/09, 81/09, 64/10 – Constitutional Court Decision (CCD), 24/11, 121/12, 42/13 – CCD, 50/13 – CCD, 54/13 – Constitutional Court Rescript, 98/13 – CCD, 132/14, 145/14

<sup>8</sup> The UNECE Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters ("the Aarhus Convention") establishes a number of rights of the public (individuals and their associations) with regard to the environment. The requirements are on the Party that has ratified the Convention.

<sup>9</sup> Official Gazette of the RS 38/09

<sup>10</sup> Official Gazette of the RS 135/2004 and 36/2009

<sup>11</sup> Official Gazette of the RS 135/04 and 36/09

Law<sup>12</sup> as well as the Regulation on the Procedure for Public Disclosure, Presentation and Public Hearing for the Environmental Impact Assessment<sup>13</sup>.

Stakeholder engagement activities on matters concerning the application of expropriation (not expected on this Project), from the proclamation of public interest to the payment of compensation, are regulated by the Expropriation Law<sup>14</sup>. It is understood that there will be no expropriation (of land) on this Project, therefore this law will not be used.

### 3.2. EBRD Requirements

The Project will adhere to EBRD Environmental and Social Policy (ESP) 2019 and the EBRD Performance Requirements (PRs). The EBRD PR 7 (Indigenous Peoples) and PR 9 (Financial Intermediaries) are not applicable for this Project.

The main PR associated with Stakeholder Consultation and Information Disclosure is PR 10. The key pertinent requirements of this PR are:

**Table 1: EBRD PR10 Requirements**

- Identify the various individuals or groups i) who are affected or likely to be affected by the Project; or may have an interest in the Project.
- Identify individuals and groups that may be differentially or disproportionately affected by the Project because of their disadvantaged or vulnerable status. The Project may need to use different methods of engagement due to differing issues such as age, gender and ethnicity.
- Disclose relevant Project information to affected stakeholders; information needs to be accessible and culturally appropriate.
- Conduct a meaningful consultation with affected parties; ensure that the consultation is inclusive, culturally appropriate and conducted in the local language.
- Establish an effective grievance mechanism, process or procedure to receive and facilitate resolution of stakeholders' concerns and grievances.

<sup>12</sup> Official Gazette of the RS 135/2004 and 88/2010

<sup>13</sup> Official Gazette of the RS 69/05

<sup>14</sup> Official Gazette of the RS 53/95, Official Gazette of the FRY 16/2001 – Federal Constitutional Court Decision and Official Gazette of the RS 20/2009, 55/2013 – CCD 106/2016 – authentic interpretation

### 3.3. Existing Stakeholder Engagement and Community Awareness Programmes

No public consultation or engagement has yet been carried out by Energetika on this Project due to its current stage. However, the following engagement activities are ongoing irrespective of the proposed Project:

- **Customer and resident complaints** – Energetika have a set procedure for submitting complaints, and have a Commission for resolving consumer complaints, which includes a representative of the Consumer Organization Kragujevac (in place since May 2015). These complaints are currently related to the district heating services Energetika offer and are not related to the Project.
- **City of Kragujevac Environmental Inspectorate and Ministry of Environmental Protection** – Energetika engage with these governmental organisations through inspection of their sites visits, as mandated under national law.
- **Press releases** – Energetika publish press releases and provide information to the local media when required (e.g. for upcoming service changes of development projects). These are carried out through the local TV station, radio station, website and mayor.

Energetika are also in regular communication with the City Council of Kragujevac.

This SEP has been created for this Project to ensure that Energetika will be effectively engaging with those affected by this Project specifically.

## 4. STAKEHOLDER IDENTIFICATION

The purpose of stakeholder identification is to identify and prioritise Project stakeholders for consultation. Stakeholder identification is an ongoing process, and thus key stakeholders will continue to be identified during different stages of the Project. A systematic approach is used to map the stakeholders based on the Project zone of impacts. In this approach, by mapping the zone of social impacts, stakeholders are identified by the impact area.

As a result of the stakeholder mapping, Project stakeholders are categorised into two main categories:

- a) Primary stakeholders - individuals and groups who are affected directly by the Project; and
- b) Secondary stakeholders - those parties which have influence on, but are not necessarily directly impacted by, the Project, and those indirectly impacted by the Project

The key stakeholders identified are presented in Table 2.

**Table 2: Key Identified Stakeholders**

Stakeholder Category	Type	Name	Interest in Project
Primary	Project Shareholders / Internal Stakeholders	Energetika d.o.o	Decision-making process and Project implementation.
	Energetika clients	Individuals benefitting from the district heating supplied by Energetika, including citizens, local businesses, public building owners and users (e.g. schools, hospitals etc.) and factories located in Kragujevac.	Changes to air quality and district heating supply created through the new boilers.
	Energetika staff members	Staff members to be assigned different roles or made redundant due to the installation of the new boilers.	Changes in staffing requirements, health and safety.
	Communities and businesses located close to Energetika's Zastava site	Individuals of the general public living or working close to the site.	Nuisances caused during boiler installations (e.g. noise and access restrictions).
	Owners of lands used for ash disposal	Sites used by Energetika to dispose of ash from their coal-fired boilers are owned government agencies and local government.	Remediation of lands used for ash disposal through development and implementation of a Ash Disposal Site Reintegration Plan.

<b>Stakeholder Category</b>	<b>Type</b>	<b>Name</b>	<b>Interest in Project</b>
<b>Secondary</b>	NGOs	Renewables and Environmental Regulatory Institute and other Serbian NGOs campaigning for improved air quality.	Understanding the proposed measures and air quality changes that the Project will bring.
	Contractors/Suppliers	Contractors and equipment suppliers on the Kragujevac Boiler Upgrade Project.	Tenders and participation in the implementation of the Project.
	Construction workers	Local individuals, based in Kragujevac.	Contractors engaged to carry out the construction works.
	Design Engineer	Technical due diligence consultancy	Detailed designs and specifications of the proposed boilers.
	Local government	City Council of Kragujevac	Changes to the health of residents.
	Permitting bodies	City of Kragujevac Environmental Inspectorate, Ministry of Agriculture and Environmental Protection	Construction permits, enforcing new regulations and rules.
	Trade unions	Energetika have signed two collective bargaining agreements for two active unions dated 30/01/2018, with Annex I dated 22/07/2019 and Annex II 25/12/2019. Energetika workers are mainly members of both unions.	Changes to employment, working conditions and engagement.
<b>Lender</b>	Lending Organisation	EBRD	Loan provision and environmental, social and technical requirements.

## 5. STAKEHOLDER ENGAGEMENT PROGRAMME

### 5.1. Disclosure of Information

The types of information disclosed and the specific methods of communication to be undertaken for this project are summarised in the Stakeholder Engagement Programme in Table 3 below. The objectives of external communications are to provide continuous engagement with affected people and other relevant stakeholders and to inform them about the existing activities, performance, development and implementation of the Project. The information to be disclosed publicly is governed by EBRD's Public Information Policy, EBRD PR 10 and Serbian national legislation.

The SEP is a live document that will be revisited and updated, if necessary, on at least an annual basis (or when changes are made) to reflect the changes in stakeholder engagement due to project developments and new stakeholders. The information that is required to be disclosed may change if there are changes in the Project design, schedule or area of influence. The external and internal communication methods and information for disclosure identified in Table 3 are not exclusive and Energetika may choose to disclose more information upon request by stakeholders.

Energetika is responsible for internal and external communications regarding the existing and future projects and will be the main contact point for affected people. All related Project documents and communication related to the Project will be available and undertaken in English and/or Serbian languages.

In parallel with this SEP, Energetika are currently developing an Environmental Impact Assessment for the installation of the proposed boilers. As part of the process of developing this document, the following engagement activities will be undertaken:

- Through media, inform the public about the details of disclosure of the draft study (e.g. where hard copies are available and the dates and times when they can be reviewed) and invite citizens / organisations to submit comments and/or participate in public hearings. Citizens and organisations can request that their comments are responded to in writing;
- Organisation of a public hearing to present and discuss the draft study (usually held in the local administration building or some other suitable venue);
- Process comments received from all interested stakeholders and revise/complement the draft study accordingly, as well as prepare a report on which comments were not considered and why;
- Deliver the revised study and report to the responsible authority which determines whether all comments were adequately considered and processed.

### 5.2. Stakeholder Engagement Programme

The Stakeholder Engagement Programme envisages that consultation meetings will take place with relevant interested parties prior to the commencement of the Project as well as during the project implementation, if necessary. Consultation and engagement activities are required to address current stakeholder suggestions, ideas or concerns. In order to receive their full engagement, stakeholders will be able to use several channels (phone, e-mail, and

website) for receiving more details about the project or state their comments, ideas throughout the project life cycle.

Stakeholders will be able to attend consultation meetings and be informed of project activities, contact persons and the established Grievance Redress Mechanism (GRM) in detail, including channels for receiving information. Minutes will be taken at all stakeholder meetings and will include a signed attendance register.

Any concern or grievance raised prior to or during the project implementation will be collated and logged by Energetika. Stakeholders can use the grievance boxes to be situated on the boiler installation site (Zastava), as well as through the Energetika head office to submit their grievances. These grievances can be submitted anonymously.

A contractor will be hired by Energetika to carry out the installation of the new boilers. The contractor will assist in the GRM process by escalating of any grievances received to Energetika. Stakeholders have the opportunity to use the channels the most convenient for them for submitting grievances or receiving information.

All comments received will be reviewed in accordance with the commitments made under best international practise presented within the 'EBRD Requirements' section provided in Section 3. Energetika will assess the relevance of the comments received to the Project. For comments which are relevant to the Project, Energetika will assess the feasibility to make changes to satisfy the request. The communicator will be informed of the outcome, including any proposed changes to the Project and/or Energetika's processes resulting from the comment.

The Stakeholder Engagement Programme is detailed in Table 3 below:

**Table 3: Future Stakeholder Engagement Programme**

<b>Stakeholders</b>	<b>Communication Method</b>	<b>Information to be Disclosed</b>	<b>Timeframe</b>
<ul style="list-style-type: none"> <li>▪ <b>Energetika and supporting technical due diligence consultant</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ Internal Energetika meetings with all involved specialists, including technical due diligence consultant and contractors on an as-needed basis</li> <li>▪ At least two meetings should be held between Energetika and the technical due diligence consultant prior to the finalisation of designs and boiler specifications to first explain E&amp;S requirements (particularly BAT emissions levels), and then review the designs.</li> <li>▪ At least one meeting</li> </ul>	<ul style="list-style-type: none"> <li>▪ Updates on the ESAP, SEP and CEMP implementation if necessary</li> <li>▪ BAT emissions level values and compliance of designs with values</li> </ul>	<ul style="list-style-type: none"> <li>▪ Meetings held before design finalisation, prior to construction and during construction</li> </ul>

Stakeholders	Communication Method	Information to be Disclosed	Timeframe
<ul style="list-style-type: none"> <li>■ <b>Communities and businesses located close to Energetika's Zastava site</b></li> </ul>	<p>with the contractor to outline the E&amp;S requirements.</p> <ul style="list-style-type: none"> <li>■ Public meeting organised by Energetika</li> </ul>	<ul style="list-style-type: none"> <li>■ Illustrating images of new boilers to be introduced and planned emissions reductions</li> <li>■ Schedule of works for the boiler installation</li> <li>■ Temporary access limitations and measures being undertaken by contractor to limit disturbances</li> <li>■ Grievance Redress Mechanism – Individuals working/ and/or residing close to the site will be provided with the GRM contact person's details and site manager details and able to visit Energetika head office</li> </ul>	<ul style="list-style-type: none"> <li>■ One public consultation meeting prior to the beginning of construction</li> </ul>
<ul style="list-style-type: none"> <li>■ <b>Energetika clients</b></li> </ul>	<ul style="list-style-type: none"> <li>■ Public meeting organised by Energetika</li> </ul>	<ul style="list-style-type: none"> <li>■ Illustrating images of new boilers to be introduced and planned emissions reductions</li> <li>■ Schedule of works for the boiler installation</li> <li>■ Temporary access limitations and measures being undertaken by contractor to limit disturbances</li> <li>■ Grievance Redress Mechanism - Energetika clients will be provided with the GRM contact person's</li> </ul>	<ul style="list-style-type: none"> <li>■ One public consultation meeting prior to the beginning of construction</li> </ul>

Stakeholders	Communication Method	Information to be Disclosed	Timeframe
		details and site manager details and able to visit Energetika head office	
<ul style="list-style-type: none"> <li>Owners of lands used for ash disposal</li> </ul>	<ul style="list-style-type: none"> <li>One-to-one meetings with landowners</li> <li>Monthly written updates on the progress and status of the Ash Disposal Site Reintegration Plan against the provided timeline, including notice of official handover when complete</li> </ul>	<ul style="list-style-type: none"> <li>Ash Disposal Site Reintegration Plan, demonstrating how the site will be remediated and improved</li> <li>Grievance Redress Mechanism</li> </ul>	<ul style="list-style-type: none"> <li>Meeting during development of the Plan to understand the requirements of the landowner</li> <li>Meeting to disclose final Plan</li> <li>Monthly written updates</li> </ul>
<ul style="list-style-type: none"> <li>NGO - Renewables and Environmental Regulatory Institute and other Serbian NGOs campaigning for improved air quality</li> </ul>	<ul style="list-style-type: none"> <li>Public meeting organised by Energetika</li> <li>Written evidence of reduced air emissions resulting from the boiler replacement</li> </ul>	<ul style="list-style-type: none"> <li>Illustrating images of new boilers to be introduced and planned emissions reductions</li> <li>Schedule of works for the boiler installation</li> <li>Temporary access limitations and measures being undertaken by contractor to limit disturbances</li> <li>Grievance Redress Mechanism – NGOs will be provided with the GRM contact person's details and site manager details and able to visit Energetika head office</li> <li>Actual emissions reductions</li> </ul>	<ul style="list-style-type: none"> <li>One public consultation meeting prior to the beginning of construction</li> <li>Written evidence of reduced air emissions resulting from the boiler replacement after the new boilers' first season of implementation (April 2022)</li> </ul>
<ul style="list-style-type: none"> <li>Contractor</li> </ul>	<ul style="list-style-type: none"> <li>Meetings attended by Energetika representatives periodically on an as-needed basis to report and discuss E&amp;S measures and processes during</li> </ul>	<ul style="list-style-type: none"> <li>Updates on the ESAP and SEP implementation on an as-needed basis</li> <li>E&amp;S issues and data shared with Energetika, and</li> </ul>	<ul style="list-style-type: none"> <li>Energetika meetings held prior to installation and during installation</li> <li>Contractor E&amp;S Lead to meet with Energetika on an as-needed basis</li> </ul>

<b>Stakeholders</b>	<b>Communication Method</b>	<b>Information to be Disclosed</b>	<b>Timeframe</b>
<ul style="list-style-type: none"> <li>Construction workers</li> </ul>	<ul style="list-style-type: none"> <li>boiler installation and boiler room retrofitting</li> <li>Contractor E&amp;S Leads instruct and direct contractor workers in E&amp;S measures and processes on-the-job</li> </ul>	<ul style="list-style-type: none"> <li>resolutions to issues found</li> <li>E&amp;S (particularly Health &amp; Safety) measures and process to follow</li> </ul>	<ul style="list-style-type: none"> <li>Throughout installation period</li> </ul>
<ul style="list-style-type: none"> <li>Hired Technical Due Diligence Consultant (Design Engineer)</li> </ul>	<ul style="list-style-type: none"> <li>Meetings with Energetika during the design phase of the buildings</li> </ul>	<ul style="list-style-type: none"> <li>Current designs and boiler specifications shared with Energetika and feedback given, ensuring alignment with Best Available Techniques emission limit values</li> </ul>	<ul style="list-style-type: none"> <li>At least two meetings between Energetika and Technical Due Diligence Consultant during design phase to discuss and ensure BAT compliance</li> </ul>
<ul style="list-style-type: none"> <li>Local government and permitting bodies – City of Kragujevac Environmental Inspectorate and Ministry of Environmental Protection</li> </ul>	<ul style="list-style-type: none"> <li>Inspections carried out by officials under national law</li> <li>Submission of emissions statements as required under national law</li> </ul>	<ul style="list-style-type: none"> <li>Emissions values, in-line with national law and international guidelines</li> </ul>	<ul style="list-style-type: none"> <li>Twice per year (as required under national law)</li> </ul>
<ul style="list-style-type: none"> <li>Energetika trade unions and staff members made redundant</li> </ul>	<ul style="list-style-type: none"> <li>Meetings with trade union representatives and Ministry of Labour, Employment, Veteran and Social Policy</li> <li>Meetings with staff members affected by the Project</li> </ul>	<ul style="list-style-type: none"> <li>Information on measures to provide new employment for any affected employees</li> <li>Draft proposal for managing any effects on staff employment</li> <li>Final plan for managing effects on employment</li> </ul>	<ul style="list-style-type: none"> <li>Engagement will commence before the installation of the new boilers, with plan also finalised before installation</li> </ul>
<ul style="list-style-type: none"> <li>EBRD</li> </ul>	<ul style="list-style-type: none"> <li>Annually and on-a-needs basis environmental, social and health &amp; safety updates.</li> <li>Annual Environmental and Social Reports.</li> <li>Provided through</li> </ul>	<ul style="list-style-type: none"> <li>Updates on the ESAP and SEP implementation and overall E&amp;S performance.</li> </ul>	<ul style="list-style-type: none"> <li>Annually and on-a-needs basis meetings before construction, during construction, and during the duration of the project.</li> </ul>

Stakeholders	Communication Method	Information to be Disclosed	Timeframe
	meetings and/or email by the Project Director.		

For more information and comments stakeholders will be able to use the contact information below:

**Dr. Andreja Ilic – Director**

Energetika d.o.o

Address: Prvoslava Rakovića 4A, 34000 Kragujevac

Phone: (034) 305-185

Email: office@energetika-kragujevac.com

In summary of the table above, four key communication methods for this assignment are described below:

### Energetika Environmental and Social (E&S) Meetings

These meetings will provide time for Energetika to organise the implementation of environmental and social (E&S) actions, as well as an opportunity for the contractors to provide updates on their implementation of E&S actions during boiler installation. The interaction between Energetika and the contractors will be stipulated in their scope of works and included in their individual contracts. This will involve regular, daily communication between both parties.

### Public Consultation Meeting

Energetika will organise a public consultation meeting, inviting local residents, local businesses, clients (households and businesses) and interested NGOs, to be held at a COVID-secure venue (e.g. outside area). The Project measures and activities will be explained through this meeting, informing attendees of the Project timeline, benefits and E&S measures to be introduced. Formal minutes and an attendance register will be taken.

If any issues are identified from vulnerable groups, these will be noted and Energetika will organise separate discussions and resolutions for these issues.

### Ash Disposal Site Landowner Meetings

Owners of the sites previously used for ash disposal by Energetika will be consulted separately to develop and monitor the progress of the Ash Disposal Site Reintegration Plan. These meetings will be held to ensure that all site previously used for the dumping of ash and slag are appropriately remediated and reintegrated into the natural landscape to the satisfaction of the owner (publicly or privately owned).

### Trade Union and Affected Staff Member Engagement

In order to adhere to the Serbian Employment Act, the collective bargaining agreements of the trade unions and the EBRD Performance Requirements, Energetika will undertake engagement activities with the 2 active trade unions and any staff members whose employment may be affected by the Project. The following process of engagement will be followed:

1. Energetika will engage with employees at risk of redundancy, in cooperation with the representative trade union and the Ministry of Labour, Employment, Veteran and Social Policy, and take appropriate measures to provide new employment for any affected employees.
2. After engaging with affected staff members to try to find alternative employment, Energetika will submit a draft proposal for managing any effects on staff employment to the 2 trade unions and the Ministry, no later than eight days from the day the draft proposal was first published. The Ministry and trade unions will deliver their response and opinions regarding the proposal within 15 days from the day of delivery. As stated in the Serbian Employment Act, the Ministry will ensure the minimisation of employment contract termination.
3. Energetika will review all comments on the draft and will finalise the plan and inform affected staff within eight days. The plan will include all measures for managing any effects on staff employment and will include further information on the schedule and content of meetings with staff members and trade union representatives.

As well as through the above process, the plan to manage any effects on staff employment will include the requirement of Energetika to engage with affected workers at a set period after the plan has been implemented. This will be to analyse the effect of the Plan on the employees and evaluate the effectiveness of the process.

### **EBRD E&S Meetings**

Energetika will provide annually (and on an as-needed basis) environmental, social, health and safety updates to the European Bank of Reconstruction and Development during the construction phase. These updates will demonstrate the implementation of E&S actions agreed before the loan ratification. This includes actions to be carried out by the contractors and the Supervising Engineer.

## 6. REPORTING AND GRIEVANCE MECHANISM

### 6.1. Monitoring, Reporting and Feedback Mechanisms

Energetika will monitor the communication channels and will provide feedback as appropriate. A complaint box at the main boiler site (Zastava) will be available for stakeholders and the grievance form will also be available online. Stakeholders can submit their complaints by phone and e-mail.

In order to monitor the implementation of this SEP and the functioning of the grievance mechanism, Energetika will confirm to EBRD that the arrangements are in place and operating before installation of new boilers begins. This will include the sharing of documentation on public hearings, information disclosure and any other form of stakeholder engagement undertaken as part of the SEP. In line with Energetika's submission of the Annual E&S Report, EBRD will also annually assess the SEP implementation.

### 6.2. Grievance Mechanism

#### Project Grievances

Energetika operate a Grievance Redress Mechanism (GRM), established previously in-line with international best practice. This process will be used to respond to Project-related complaints. The process uses an established Commission for resolving complaints, which includes a representative of the Consumer Organization Kragujevac (in place since May 2015). Users can report:

- In person at the counter at Energetika d.o.o. in Ulica Nikole Pašića 15;
- Via email; or
- Online through the website.

Any comments or concerns can be brought to the attention of the Company verbally or in writing or by filling in a grievance form. The grievance form, as attached in Appendix I, and information on the procedure (including contact persons) are available on the Energetika website, during consultations and other engagement activities, and at the Zastava site once construction has commenced. Information banners will also be placed on designated noticeboards at the site.

It is the responsibility of the Director to ensure that all grievances submitted on site are logged in the on-line database – grievances submitted on-line are logged on the database automatically. This result in the grievance mechanism to be implemented.

#### Heating Grievances

Defects in the heating system can also be reported by users. These complaints can be submitted through the phone number 336-238 or by calling the toll-free number 0800 034-033.

### 6.3. Grievance Resolution

Grievances can be submitted either on site by using a grievance box or using other channels such as e-mail, phone number, web page as provided above. The grievance forms will be available on site and stakeholders can fill anonymous complaints if needed. All verbal or written complaints or grievances will be logged immediately after receiving to the contractor or to Energetika.

Complaints will be acknowledged and responded (first response) within 10 working days. Resolutions will be provided within 30 working days or 60 working days, depending on the complexity of issue. Energetika will aim to respond to complainants and resolve the issues as quickly as possible from the date of receipt.

Grievances submitted will be solved through the established Grievance Redress Commission for resolving complaints, which includes a representative of the Consumer Organization Kragujevac. Individuals can request the right to have their name kept confidential and this mechanism does not preclude the right for stakeholders to process grievances through other judicial means. The stakeholder has the right to apply to the Court in case his/her complaint was not resolved through the Grievance Redress Commission.

### 6.4. Roles and Responsibilities

Energetika as the implementing agency has overall responsibility for project implementation and safeguard compliance. The contact below is responsible for ensuring all project related activities are carried out in accordance with Serbian legislation as well as International Financial Institution's policy:

**Dr. Andreja Ilic – Director**

Energetika d.o.o

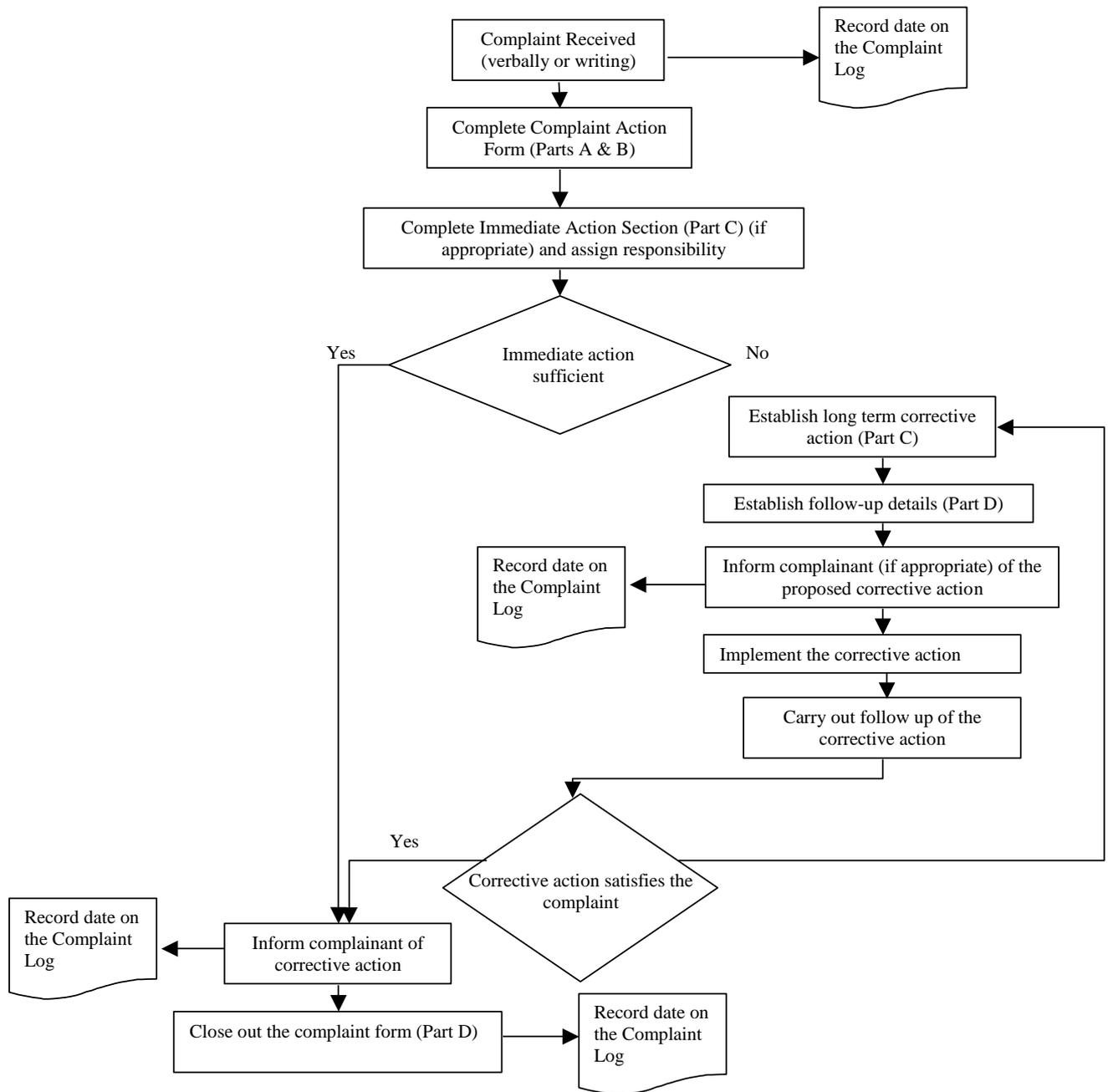
Address: Prvoslava Rakovića 4A, 34000 Kragujevac

Phone: (034) 305-185

Email: [office@energetika-kragujevac.com](mailto:office@energetika-kragujevac.com)

The contractor will assist with this SEP process by elevating complaints to Energetika for their redressal. Any complaints received by the contractor company will be noted on site and passed on to Energetika. This will be stipulated via the tender documentation and the Code of Conduct for the contractor company.

# APPENDIX I – Complaint Procedure and Grievance Form



## Public Grievance Form

Reference No:	
Full Name	
Note: <i>you can remain anonymous if you prefer or request not to disclose your identity to the third parties without your consent</i>	<input type="checkbox"/> I wish to raise my grievance anonymously <input type="checkbox"/> I request not to disclose my identity without my consent
Contact Information  Please mark how you wish to be contacted (mail, telephone, e-mail).	<input type="checkbox"/> By Post: Please provide mailing address: _____ _____ <input type="checkbox"/> By Telephone: _____ <input type="checkbox"/> By E-mail: _____
Language Please mark your preferred language for communication	<input type="checkbox"/> Serbian <input type="checkbox"/> Other
Description of Incident or Grievance: What happened? Where did it happen? Who did it happen to? What is the result of the problem?	
Date of Incident/Grievance	
	<input type="checkbox"/> One time incident/grievance (date _____) <input type="checkbox"/> Happened more than once (how many times? _____) <input type="checkbox"/> On-going (currently experiencing problem)
What would you like to see happen to resolve the problem?	

Please return this form to:

**Dr. Andreja Ilic – Director**

Energetika d.o.o

Address: Prvoslava Rakovića 4A, 34000 Kragujevac

Phone: (034) 305-185

Email: [office@energetika-kragujevac.com](mailto:office@energetika-kragujevac.com)