



Environmental Improvement Project at Kolubara Mine Basin

Stakeholder Engagement Plan

Issue | February 2011

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Appendix A

Grievance Form

LIST OF ABBREVIATIONS

EBRD	European Bank for Reconstruction and Development
EIA	Environmental Impact Assessment
SEA	Strategic Environmental Impact Assessment
EAS	Environmental Approximation Strategy
EPS	PE Elektroprivreda Srbije - Serbian electricity company
RB Kolubara	Kolubara Mining Basin
NGO	Non Governmental Organisation
PR	EBRD Performance Requirements
SEP	Stakeholders Engagement Plan
Project	Kolubara Environmental Upgrade Project
Cut-off date	Relevant date for determining land, properties, public facilities covered by relocation, entitled to compensation under the expropriation procedure
MESP	Ministry of Environment and Spatial Planning
PE	State-owned public enterprise
LB	Local board
CA	Citizens association
CM	City municipality
LEAP	Local environmental action plan
FK 5.5.3.0.1 ¹	Grievance form (product quality, environment, health and safety)
UK 5.5.3.1 ²	Internal and external communications guidelines
PE. 4.4.7	Hazardous substances management procedure
KWh	Monthly magazine issued by EPS – circulation of 1000 copies

¹ RB Kolubara internal quality system procedures

² Internal and external communications guidelines within the RB Kolubara Quality System

1 Introduction

Public Enterprise Elektroprivreda Srbije (EPS - Electric Power Industry of Serbia), the dominant electricity producer in Serbia, has applied to the European Bank for Reconstruction and Development (EBRD) for a loan to modernise and improve the efficiency of EPS' coal mining operations at the Kolubara basin and significantly improve the quality and uniformity of the lignite it delivers to EPS' power stations. EPS is a 100% state-owned public company. The Kolubara Mining Basin (RB Kolubara) with its open cast mines is one of 11 subsidiaries of EPS.

It is a requirement of EBRD that a plan is prepared and implemented detailing how stakeholders are identified and consulted with during projects. This Stakeholder Engagement Plan (SEP) has been designed to guide current and future stakeholder engagement activities of EPS and RB Kolubara in relation to the project. In preparing this SEP, it is recognised that:

- Primary responsibility for engagement with stakeholders affected by the coal production lies with the Ministry of Mining and Energy, the Ministry of Environment and Spatial Planning and the Republic Agency for Spatial Planning;
- EPS and RB Kolubara cooperates with the Ministry of Mining and Energy and the Ministry of Environment and Spatial Planning in the phase of making Decisions at the strategic level, whereas RB Kolubara is tasked with implementing consultation and resettlement (as set out in the spatial plans developed by the Ministry of Environment and Spatial Planning) on the ground and liaising with the competent local authorities;
- The demarcation of lands, public facilities and households that will be the subject of relocation and/or resettlement in areas were set out under the Kolubara Mining Basin Lignite Mining Area Spatial Plan (Official Gazette RS No 122/98 dated 30 December 2008, hereinafter referred to as: the 2008 Spatial Development Plan) and the local government Zoning Plans;
- The relevant date (the “Cut-Off date”) for determining compensation for lands and properties purchased through voluntary negotiation or through expropriation is based on the 2008 Spatial Plan for the Kolubara Coal Basin and the Final Decision No 465-8/2008-VI of 19 March 2008 issued by the Department of Property and Legal Affairs of the Lazarevac Municipality Administration. Together these documents form the basis for the Cut-Off Date for determining the status of lands, public facilities and households that may have to be relocated and/or resettled;
- Environmental Impact Assessments (EIAs) undertaken on behalf of EPS and RB Kolubara do not directly address the social aspects of the proposed investment associated with the proposed EBRD loan;
- The new equipment location procured under this Project will be in areas where coal mining has already taken place. The expansion of coal mining to allow higher quality lignite to be extracted to be used in blending with lower grade lignite will also take place in an area designated under the 2008 Spatial Plan, i.e. in areas where agreement has already been reached on the purchase of lands and properties, relocation of public facilities and the resettlement of households (based on the 2008 Cut-Off date);
- No further resettlement will be required for the Tamnava West Field OCM before 2018 and for Field C OCM before the end of mining operations, i.e. during the period of the proposed EBRD loan.

The following sections detail the existing arrangements for stakeholder engagement for the Project and identify the actions that will be taken to establish a corporate SEP that EPS will adopt for use in planning and implementing existing and future mining activities. They provide:

- A description of the regulatory, lender and other requirements for consultation and disclosure;
- A summary of the Serbian and regional legislative framework regarding public consultation, public access to information and project disclosure, particularly in respect of activities required under local permitting processes;
- A brief record of key consultation activities undertaken to date with respect to the development of the Kolubara basin;
- An identification of potential stakeholders identified for the Project;
- An action plan for further consultation and disclosure during the preparatory, construction and operational phases of the project, including details such as the format for effective and culturally meaningful interaction with different stakeholder groups; and
- Proposals for a grievance mechanism and a mechanism for addressing stakeholders comments.

1.1 Background

Coal mining has been taking place in the Kolubara Mining Basin for over 50 years and the proposed investment of EBRD funds is intended to improve mining operations on the open cast mines and to introduce the coal quality management system providing an energy resource of a more uniform quality to allow associated power plants to operate more efficiently.

Although EPS has no operational responsibilities for stakeholder engagement and resettlement activities (these are the responsibility of RB Kolubara), it liaises with the relevant ministries (Ministry of Environment and Spatial Planning and Ministry of Mining and Energy) and has a strategic oversight role. RB Kolubara is responsible for engagement and implementing resettlement at the local level, in cooperation with the municipal authorities and it has a direct relationship with the Ministry of Environment and Spatial Planning. Throughout this SEP, specific reference is therefore made to both EPS and RB Kolubara depending on the competence.

EPS is the dominant company in the Serbian electricity sector, responsible for lignite mining and electricity generation, distribution and supply. EPS generates almost all of Serbia's electricity. 55% of its installed capacity of 7,120 MW is provided by six lignite-fired power stations supplied by two basins, Kolubara and Kostolac. The Kolubara mining basin is located 50km due south of Belgrade and provides around 75% of the lignite used for EPS' thermal generation. It produces over 30 million tonnes per year, which is supplied to the Nikola Tesla, and Morava thermal power plants on EPS' own railway system. The basin is owned and operated by RB Kolubara.

At present the basin has an automated system for analysing the calorific value and other characteristics of the lignite, but it does not have an online analysis system. The decision on whether lignite is being mined (to be sent directly to the power plants) or inter-burden (layers of earth between seams which is to be dumped) is made by the competent technical staff based on visual observation and experience. Lack of online analyzers causes very high coal quality variations delivered to the power plants. This requires liquid fuel to be used in addition to the coal in the thermal power plants, and results in increased equipment wear and tear and higher harmful gases emission. Moreover, uncontrolled coal combustion occurs on the open cast mine dump sites.

2 Project Description

Kolubara Mining Basin is located approximately 50km due south of Belgrade. The site overlaps with the municipalities of Lazarevac, Lajkovac, Ub and Koceljeva, as well as smaller parts of the municipalities of Arandjelovac, Barajevo and Obrenovac. In total it covers a surface area of 600km².

This area is characterized by lowlands and slightly inundated terrains around the rivers Kolubara, Tamnava, Pestan, and Turija. It belongs to the Kolubara basin, which includes a wide area between the Valjevo and the Rudnik mountains, to the south, as well as the Sumadija mountains to the east, the Sava River to the north and Cer and Vlasic to the west. Figure 1 shows the basin location.



Figure 1 Kolubara Mining Basin geographic location

The Kolubara River divides the basin into two parts. The eastern part includes active open cast mines fields 'B' and 'D', the exhausted Field 'A' and the prospective fields 'C', 'E', 'G', 'F'. The western part of the basin covers the 'Tamnava-East Field' (exhausted), the 'Tamnava West Field' and the 'Veliki Crljeni' active open-cast mines, as well as the prospective 'Radljevo' mine.

The proposed investment programme is for the modernisation of RB Kolubara's coal mining operations. The principal objectives of the proposed investment project (the Project) are to improve the RB Kolubara mining operations efficiency and significantly improve the quality and uniformity of the lignite it delivers to EPS' power stations.

The Project consists of three closely integrated and interdependent components:

- An introduction of a coal quality management system. This equipment will allow RB Kolubara to perform online analysis of lignite quality as it is excavated from various different fields in the basin and blend higher and lower qualities to ensure that the lignite supplied to the power plants is of a uniform quality and within the required parameters.

- Procurement and erection of a spreader in the Tamnava West Field. This will allow for the selective mining of lignite, inter-burden and overburden.
- The acquisition of a new ECS system (excavator, conveyor and spreader) that will allow lignite output to increase and the blending of higher calorific value lignite with lower-quality lignite – the lignite in the eastern part of the mining basin has a higher calorific value than the lignite in the western part.

The Project is designed to generate the following key benefits:

- RB Kolubara will extract its natural resources more efficiently and cleanly. Currently, part of lower quality lignite is dumped together with inter-burden to the dump sites, which is not cost-effective. This type of mining is not in accordance with the sustainable development. Moreover, this increases the dumped overburden volume and causes uncontrolled fires on the dump sites and increased GHG emission. RB Kolubara will supply lignite to its existing client power plants that is of a uniform quality. This will allow those plants to generate in accordance with their design parameters, leading to more stable and efficient operation and controlled uniform emissions. It will also allow those plants to stop using heavy fuel oil when lignite quality is too low. Taken together this will result in lower levels of CO₂ and other emissions as well as reduced wear and tear and maintenance costs.

3 Regulation and Requirements

This section sets out the regulatory context regarding consultation and public disclosure in Serbia as it relates to this Project. Specific reference is made to relevant Serbian legislation, regional regulatory instruments, and relevant EBRD requirements.

3.1 National Legislation

General Framework

Provisions on stakeholder engagement applicable to the Project are set out in the following legal documents:

- **Constitution of the Republic of Serbia of 2006** (OG RS No 83/06): The Constitution provides for a broad structure for public participation and public access to information. Under the Constitution, the work of state bodies and institutions as well as officials may be openly criticized. It also grants the public the right to submit requests, petitions and proposals.
- **Law on Environmental Protection of 2004** (OG RS No 135/2004 and 36/2009): Art. 9 provides that everyone is entitled to be informed of: a) the environmental status and to participate in the process of decision making where implementation may have an effect on the environment (including decision-making in regard to strategic assessments of plans and programs); b) EIAs of projects where realization may result in environmental pollution or a threat to the environment and human health; and c) the approval of new or existing installations (Art.81). It also states that data on the state of the environment shall be open to the public. Public participation in decision-making about EIAs for project implementation shall be carried out through public project presentation and public debate. Stakeholders shall be informed by public announcement of the procedure for decision-making and shall take part in the process by submitting opinions, comments and suggestions to the competent authority and shall be timely informed about the decision.

- **Law on Environmental Impact Assessment of 2004** (OG RS No 135/2004 and 36/2009)³: Art. 20 requires the competent authority to make the EIA Study available to the public, that a public presentation and debate on the Study be arranged and that the project developer participate in the public presentation and debate. It also provides that the Minister shall prescribe more precisely the procedure for public consultation, presentation and debate.
- **Law on Strategic Environmental Assessment** (OG RS No 135/2004): The Law on Strategic Environmental Assessment, which implements the EU's SEA Directive applies to plans, programmes and baselines within field of spatial planning and land use and sets out provisions on public participation.
- **Law on Free Access to Information of Public Importance** (RS, Nos.120/04, 54/07, 104/09 and 36/2010 of 28 May 2010): The Law regulates the rights to access information of public interest held by public bodies. Information of public importance, within the meaning of this Law is information held by a public authority body, created during work or related to the work of the public authority body, contained in a document, and related to everything that the public has a justified interest to know.

These instruments approximate the corresponding EU Directives and introduce the principles of these Directives into national legislation. In addition to the above-mentioned legislation, the following acts on public participation in decision-making, planning and expropriation relate to resettlement and expansion of coal mining operations within Serbia:

- **Law on Confirmation of the Convention on Information Availability, public participation in decision-making processes, and, legal protection within environmental issues of 2009** ("Official Gazette RS International Contracts", №.38/09) (transposing the Aarhus Convention).
- **Law on Expropriation** (OG RS No. 53/95 and 20/2009): The Law provides that real-estate may be expropriated or the ownership restricted, but only where this is in the public interest as determined on the basis of law and on the basis of compensation which may not be lower than its market price. It also provides that the public interest for expropriation of real estate shall be determined by law or a decision of the Government rendered in conformity with this Law.
- **Law on Planning and the Law on Planning and Construction of 2009** (OG RS 72/2009): The law makes provisions for public scrutiny of planning documents, their publication in the official newspapers of the Republic of Serbia, the autonomous region or units of local administration, depending on the type of document and the presentation of planning documents for public insight in a daily and local newspaper, and lasts 30 days from the day of announcement. The presentation of the planning document for public insight is overseen by the Agency of the Republic for Spatial Planning.

In addition, the new System of Environmental Protection contains an article that sets out principles for public participation in strategic environmental assessments (SEA) and environmental impact assessments (EIA). Public engagement and participation is encouraged through presentations of spatial and town/city plans and programmes in the case of strategic impact assessments and through public addresses and hearings in the case of environmental impact assessments.

Responsibility for applying Serbian and relevant regional and international legislation in the field of environmental law and public access to information lies with the Ministry of Environment and Spatial Planning, and the Republic Agency for Spatial Planning.

³ The law is implemented via the Rules on the content of the EIA Study (OG RS No 69/05).

Provisions Relating to the Project

Provisions relating to relocation of households and settlements at Kolubara are set out in the Spatial Plan for the area of the lignite exploitation in the Kolubara basin (Official Gazette of RS, №122/98 of 30.12.2008) and the Regulation plans of local governments (General Regulation Plan for Mali Borak, General Regulation plan for Barosevac, Medosevac and part of Sopic). These documents, adopted by the Serbian Government, are the principal planning documents for the development and define the policy and modalities of relocation of households and settlements.

Under Serbian law special provision is made for households that are being resettled that require additional social support. It is recognized that households are not homogeneous in their demographic, socio-economic, cultural, family, health and other features and that special support may be required by delicate / vulnerable households such as old people, single parents, poor households, those on the edge of poverty, and households with ill and disabled members. In the process of resettlement, these households have the organizational, technical or financial support from RB Kolubara, the local Municipality, and the National Government.

There are formal procedures for consulting stakeholders during the development of spatial plans (e.g. for the development of the Kolubara Coal Basin), and for the development of municipal plans for the relocation of facilities and resettlement of households and individuals. There are other measures to ensure stakeholders are engaged in the development planning process, such as public hearings and referenda to increase public awareness and facilitate public debate and, where agreed, adoption of plans and management arrangements.

The primary way that EPS and RB Kolubara are directly engaged with stakeholders is through the provision of the team responsible for acquiring the national and local bank loan guarantees required to fund relocation and resettlement activities, and to negotiate compensation to those directly affected by relocation and resettlement. There are well-established procedures for dealing with compensation and grievances where independent courts can adjudicate if voluntary agreements cannot be reached.

In accordance with the Serbian legislation, the Spatial and Urban Planning Plans identify the property (land, households, infrastructure and public facilities, etc) requiring relocation due to the Kolubara Mining Basin coal mining activities. Alternative locations for the relocation of households, infrastructure and public facilities, general resettlement conditions and compensation issues are defined by the above-indicated planning documents. Locations have been agreed among the Kolubara Mining Basin, EPS and the competent authorities of the municipalities and citizens affected by the resettlement.

3.2 Regional Regulatory Framework

Stakeholder engagement in Serbia is evolving to fit more closely to the principles of the UNECE Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (Aarhus Convention) of 25 June 1998 (acceded to and ratified by Serbia on 31 July 2009). It is also evolving to align with European Union (EU) standards and practices in this area.⁴

The Aarhus Convention links environmental rights and human rights, identifies the protection of the environmental as a public right, establishes that sustainable development can be achieved only through the involvement of all stakeholders, links government accountability and environmental protection, and focuses on interactions between the public and public authorities in a democratic context. Significantly, the Convention grants the public rights and imposes on Parties and public

⁴ Law on Confirmation of the Convention on Information availability, public participation in decision-making processes, and legal protection within environmental issues ("Official Gazette RS International Contracts", №.38/09).

authorities obligations regarding access to information and public participation and access to justice.

The Kolubara Mining Basin has based on the Order No. 2-01-7300 dated 2 November 2010 appointed a person competent for free access to the public information.

3.3 EBRD Performance Requirements

In accordance with EBRD's Environmental and Social Policy 2008, public consultation and stakeholder engagement is seen as an on-going process, to be initiated at the earliest stage of the environmental assessment process, and to be continued throughout the entire life-cycle of the EBRD-financed project.

To this end EBRD has developed a series of Performance Requirements (PRs) regarding stakeholder engagement that projects and clients receiving EBRD project finance must comply with. EBRD's requirements regarding stakeholder engagement and information disclosure are set out in the following PR's:

- PR 1: Environmental and Social Appraisal and Management;
- PR 10: Information Disclosure and Stakeholder Engagement.

Special attention has been paid by EPS and RB Kolubara to the identification of vulnerable groups whose well-being is directly affected by the Project's activities. Engagement with these stakeholders needs to be planned and managed with special care.

In addition to EBRD's social and environmental safeguards, the following standards are also applicable to the project:

- UNECE Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters of 1998 (Aarhus Convention); and
- The EU Directive 85/337/EEC, amended by Directive 97/11/EC, on the Assessment of the Effects of Certain Public and Private Projects on the Environment.

The laws, regulations and procedures in place in Serbia are generally in accordance with the principles set out in the EBRD Environment and Social Policy of 2008. To this end, and as part of the EU accession process, Serbia is reforming its laws, regulations, planning processes, and management practices to bring it in line with those in force in the EU. For example, the Government has developed an Environmental Approximation Strategy (EAS) to ensure that Serbian environmental legislation aligns with relevant EU law and that administrative structures and procedures are strengthened to ensure strategic planning of environment issues and co-ordination between relevant actors.

4 Consultation Activities Undertaken to Date

4.1 Approach to Relocation and Resettlement for the Project

In undertaking their responsibilities for resettling individuals and households and in relocating public facilities, RB Kolubara and their counterpart municipal planning authorities have adopted the following principles, based on existing legislation and company policy:

1. Respect for civil and political, economic and social rights of citizens during the relocation of settlements in accordance with international conventions and national legal standards;
2. The right to better environmental conditions than the present ones;

3. The right to life in the settlement equipped with utility and social infrastructure at least at the level of existing settlements;
4. The right to choose among possible modes / ways of relocation (in groups or individually - singly);
5. The right to timely information on the terms and conditions of resettlement;
6. The right to reasonable relocation deadlines;
7. The right to full and timely information on legal and other rights in the process of resettlement;
8. Clear definition of obligations which EPS, RB Kolubara and Municipality undertake, as well as the obligations that a household assumes with guarantees of honouring and implementation of assumed obligations;
9. Providing the symbolic, cultural and social continuity with the present settlements;
10. Encouraging organized relocation of settlements or parts of settlements, organizations and landscaping of new settlements according to inherited functional and social values of the previous settlement; the relocation of cultural heritage, corporate and utility facilities, and public service facilities as well, utility equipment for the new settlement according to contemporary needs of the resettled population, etc.;
11. Encouraging economic and social development program that will include support for employment of local population; and
12. Encouraging economic multi-functionalities of the area, i.e. the stimulation of production and service activities in order to diversify the economic structure, to improve the social and cultural development and maintain satisfactory environmental quality.

(Source: Expropriation procedures and basic relocation information about Tamnava - West Field and Field C, Zoran Marković, BL, Vreoci, 28.12.2010)

4.2 Land Acquisition and Resettlement Completed for the Project

The investment programme proposed by EPS to EBRD is for coal mining improvement measures to be undertaken at Field C and Tamnava West. These fields are located on land that has been zoned as part of the 1998 Field C Spatial Development Plan, the Urban Planning Project for the Field D OCM, opening of the new Field C OCM (OG Belgrade No. 10/98) and the 2000 Tamnava West Field Spatial Development Plan (Mali Borak Regulation Plan and Skobalj Regulation Plan, OG Lajkovac Municipality No. 06/7-2000 dated 7 August 2000). It is land that is either owned by EPS or the sites involved are in private ownership that have been purchased through agreements or through formal expropriation procedures.

In the case of the Tamnava West Field OCM, compensations have been paid for all properties affected by the mining operations until the end of 2018. As for the Field C OCM, within the mining field boundaries there are 10 plots (land only) that still need to be compensated, although agreements has been reached with the local governments and for the relocation of these public facilities.

In accordance with the principles stipulated under the 2008 Kolubara Mining Basin Spatial Plan and the General Regulation Plans for the settlements Barosevac, Zeoke, Medosevac and Burovo (OG RS No. 58/2008) a new school was constructed, the medical centre expanded and a preschool construction started, together with the sports-recreational facilities for citizens resettled from the Tamnava West Field area in Lajkovac and the neighbouring Jabucje settlement, as well as for the resettled population of Mali Borak and Skobalj, while the resettlement locations contain the complete utility infrastructure.

For the resettlement of households from Kalenic, a location not affected by the mining operations in another part of this settlement has been developed, and in addition to the plots intended for housing development, a new school, cultural centre and a football field have been provided.

For the citizens resettled from the Field C OCM, the complete infrastructure has been agreed for the Jelav location in the Barosevac settlement. This includes the construction of a new school (which is in the final phase), together with new sports-recreational facilities.

The Field C OCM Development Feasibility Study establishes the need to resettle 45 households located on the left and the right side of the road Arandelovac-Vreoci (EIA, 2009). Of that number, 18 households located on the north side of the road have been relocated based on agreements needed to enable the Field C OCM development. The remaining 27 households on the south side of the road are outside the Field C OCM mining boundaries, and are within an area allocated for a new erection yard, workshop and administrative building to be provided as part of the future Field E needs: these 27 properties were resettled under a special Resettlement Plan within the Field E OCM Development Plan, outside of the scope of this Project.

Agreements connected with the Field 'C' project have been reached between the private landowners and EPS/RB Kolubara for the purchase, relocation and or resettlement of the properties, with financial compensation based on established state guidelines and additional support from RB Kolubara being made available to the affected private landowners (as has been their practice to date). Documents from the legal department of the local urban planning authority indicate that in 90% of the cases compensation for the acquisition was agreed through negotiation between RB Kolubara and the affected property owners. In the remaining 10% of cases, compensation was determined by the local courts. As part of the spatial planning process in Serbia, communities and other stakeholders are consulted during the development of plans and implementation processes, and their views have been incorporated into the final plans and management arrangements. The initial consultation with stakeholders was carried out by the Ministry of Environment and Spatial Planning and took place during the formulation of the 2006 and 2008 spatial plans for the development of the lignite coal reserves in the Kolubara Mining Basin.

The consultation process for the resettlement programme has included direct contact with the interested and affected residents through the conduct of surveys and related consultation meetings, and direct talks with the individuals concerned.

Under the Expropriation Law, a multi-tier process of protection of rights through lodging complaints to the competent Ministry or the courts is available. According to the procedures for developing the Urban Plan for Resettlement and Relocation of Stakeholders, citizens can make direct complaints to the Municipal Planning Commission comprising the representatives of the competent ministries.

Following public consultations, the plans drawn up under the above-mentioned Urban Development Project were adopted at the meeting of the Municipal Government of Lazarevac held on 26 March 1998 and the decision was published in the Official Gazette of the town of Lazarevac, No 10/98. The Spatial Plan for the lignite mining area in the Kolubara Basin (Official Gazette of RS, No. 122/98 of 30.12.2008) contains details for the relocation and resettlement required for the development of Tamnava-West Field OCM. Expropriation executed by the end of 2010 included 1200 hectares of land, resettlement of 500 households and relocation of public facilities (graveyard from Mali Borak, schools in Kalenic and Mali Borak, cultural centres in Mali Borak and in Kalenic, sports facilities, etc.). Figure 2 shows the area where resettlement has already been undertaken. For example, polling of the local population was done on several occasions in Mali Borak and Skobalj (Tamnava West Field OCM), last time in 2006, while the Barosevac population was polled in 2008 (Field C OCM).

The Spatial Plan for the area of the lignite exploitation in the Kolubara basin and the EIA prepared for the open cast mine in Field C, identified the need for expropriation of lands and buildings being used for the following purposes, namely:

- 13.67 hectares (ha) on which the household structures were constructed, including gardens,
- 115.50 ha of agricultural land,
- 17.6 ha of forest land,
- 1.45 ha cemetery,
- 17.76 ha of units and working areas of RB Kolubara,
- The total area amounts to 154.55 hectares.

4.3 Resettlement Activities Ongoing for the Project

Before coal extraction can begin in Field 'C' and for the new machinery to enter the area of the 'Istočna Kipa' dump site, the relocation of the village graveyard in Baroševac is to be completed.

The site for the relocation of the village graveyard in Baroševac to a new 4 ha site at Petkovača (near Zmajevac) was agreed through public consultation during the Planning Development Phase by the residents of Baroševac and a referendum held on 23 November 2008. RB Kolubara has acquired the land for the development of the new cemetery, and conceptual design of the structures on the cemetery was agreed with the authorities of the Local Community Baroševac. The development of final designs is in progress, and the construction will commence in the course of 2011, the relocation of the existing cemetery is scheduled to take place in 2012.

EPS and RB Kolubara do not anticipate any significant issues concerning communication with and equitable treatment of stakeholders that could be adversely influenced by the proposed improvements to the coal mining equipment at the Kolubara Mining Basin.

EPS will strengthen their approach to future stakeholder engagement activities by:

- working closely with the Ministry of Environment and Spatial Planning in identifying the stakeholders that may have to be resettled as a result of any future expansion of the Kolubara Mining Basin and other open cast mines;
- taking part in the consultations entered into by the relevant Ministries;
- maintaining continuity between these consultations and the process of detailed planning for, and funding relocation/resettlement activities in conjunction with the relevant municipal planning authorities and RB Kolubara;
- seeking engagement with NGOs and other interested and affected parties (with particular emphasis on vulnerable groups); and
- ensuring that all relevant stakeholders are identified and mapped in an updatable stakeholder engagement database.

4.4 Public Consultation Undertaken for the Project

Consultation has been undertaken during the preparation of the two EIAs with statutory consultees and the general public. The Ministry of Environment and Spatial Planning has implemented the entire procedure as a part of the EIA scoping process in accordance with the Regulations on the scope and content of the study (Official Gazette of the Republic of Serbia, No 69/05). These decisions were publicized in the media and interested public had the opportunity to comment.

The responses received include:

- The decision on defining the scope and content of the EIA study - Field C, recorded under No. 353-02-00382/2008-02 dated 24 April, 2008, issued by MESP;
- The decision on the scope and content of the EIA study - Tamnava West Field recorded under No.353-02-625/2008 dated 4 December 2008, adopted by MESP;
- The notice in the media to make possible for the public concerned to review and appeal the decision issued for Field C;
- The notice in the media to enable the public concerned to review and appeal the decision issued for Tamnava West Field, published in the local daily paper *Globus*, 15-16, November 2008.

The procedure relating to public participation in the EIA was conducted by the Ministry of Environment and Spatial Planning. Public hearings were held at local government offices in the area where the planned open-pit mines are situated i.e. the Municipality of Ub and the Municipality of Lazarevac. In the course of these activities the social issues were set out in the EIA, especially those related to ensuring that the conditions and infrastructure for a regular life of the local population continued. The procedure of the competent ministry dated 31, December, 2010 includes the following for the Tamnava West Field OCM:

- Announcement of public invitation for participation in public debate;
- Public Consultations Minutes under the permitting procedure for the subject Study, filed under No. 353-02-1502/2009-2 dated 23 September 2009 by MESP;
- Decision on forming Technical Commission for assessment of the Study dated 3 August 2009, No. 353-02-1502/2009-2 by MESP;
- The list of those present at the public hearing dated 23 September 2009;
- Remarks of the public concerned – Notice filed under No. 501-93/09-03 by the Ub Municipal, Inspection Department, indicated that the Tamnava West Field OCM EIA was made available to the public every working day at the Ub Municipality premises from the publishing date in the daily paper *Market* until 23 September 2009 when the public hearing was scheduled and that there were no interested stakeholders;
- Report of Technical Committee with suggestions for completion of the Study based on the submitted remarks and suggestions dated 25 December 2009;
- Opinion of the Technical Commission indicating that the Study needs to be updated and sent back to the Commission for compliance dated 15 October 2009;

The procedure of the competent ministry dated 31, December, 2010 includes the following for Field C OCM:

- Minutes of public hearings;

- A list of those present at the public hearing dated 28 June 2009, No. 353-02-00171/2009-02 by MESP;
- Notice of Exposure of the Study in the Municipality of Ub;
- Decision on the formation of the Technical Commission for assessment of the Study, Decision No. 353-02-00171/2009-02 by MESP dated 9 April 2009;
- Report of Technical Commission with suggestions for completion of the Study, filed under No. 353-02-00171/2009-02 dated 28 June 2009 by MESP;
- Report of the Technical Commission for approval, Decision No. 353-02-00171/2009-02 by MESP dated 28 December 2009.

4.4.1 Internal Stakeholder Communications for the Project

EPS will ensure that a transparent procedure for both internal and external communications is in place. Means for internal communications include formal and informal meetings with workers, bulletin boards, intranet and boxes for suggestions. Employees will be able to make confidential comments.

5 Corporate Stakeholder Engagement Plan

5.1 Stakeholder Identification and Plan for Further Consultation

Stakeholder engagement is recognised as an essential component of the appraisal, management and monitoring of environmental and social issues associated with EPS's investment programme. EPS and RB Kolubara consider stakeholder engagement to be an essential part of good business practice and corporate responsibility, as well as providing a positive mechanism by which to improve the quality of the Project. EPS and RB Kolubara also recognise that effective community engagement is central to successful management of risks and impacts on project-affected communities, as well as promoting enhanced community benefits.

To this end, stakeholders have been identified for the preparation and operational phases of the proposed Project. They include groups that:

- Have an interest in the project and its operations;
- Are affected by the Project;
- Have the ability to influence or affect the project and its operations.

Stakeholders could be individuals and organisations that may be directly or indirectly affected by the Project either in a positive or negative way, and who may wish to express their views.

Although the Republic Spatial Planning Agency has primary responsibility for identifying lands and properties that would need to be expropriated to allow the coal and other mineral resources production, RB Kolubara will undertake consultation additional to that required by the disclosure process of the Republic Spatial Planning Agency and the municipal government.

The key national stakeholders have been identified in the EIA and SEA documents relevant to the Project: however, as part of the identification of other relevant stakeholders, emphasis is given to the direct effects/impacts on stakeholders, such as households that may need to be resettled and other stakeholders that may be indirectly affected, including NGOs. The key stakeholder groups identified for the Kolubara project are detailed in Table A.

EPS and RB Kolubara will engage with these groups, ensuring that all relevant project information is made available to these stakeholders. Methods of communication will include the EPS website, and are detailed in Table A.

Table A Stakeholder Groups, Characteristics and Methods of Communication for the Project

№	Stakeholders group	Interest in the Project	Comments	Method of Communication
1	Local Residents			
1a	Local residents and landowners from Kalenic and Mali Borak and residents along the road Arandelovac-Vreoci	Requiring resettlement due to the proposed scheme	There is potential for generating unfounded expectation of the level of compensation that could be claimed and many stakeholders could be unaware of their rights to compensation, how to register a grievance and how to obtain a fair settlement and additional help that may be available to vulnerable individual or households.	Method of external communication: EPS and RB Kolubara websites, <i>Kolubara</i> and <i>KWh</i> magazines, public notifications, meetings with authorities, institutions and other stakeholders, Annual Environmental Report of EPS and RB Kolubara, published environmental objectives at the EPS level and via external queries from the field of product and services quality, environmental protection and health and safety.
1b	Local residents and landowners including Lajkovac, Skobalj and Jabučje (after 2020) and Lazarevac – Barosevac.	Stakeholders with specific interest in the Project who are directly impacted	Local stakeholders may be negatively affected from increased noise emissions and reduced air quality. Positive impacts may arise due to additional employment opportunities.	Method of external communication: EPS and RB Kolubara websites, <i>Kolubara</i> and <i>KWh</i> magazines, public notifications, meetings with authorities, institutions and other stakeholders, Annual Environmental Report of EPS and RB Kolubara, published environmental objectives at the EPS level and via external queries from the field of product and services quality, environmental protection and health and safety.

№	Stakeholders group	Interest in the Project	Comments	Method of Communication
1c	<p>General Public – one or more natural and legal persons, their associations, organisations and groups.</p> <p>Stakeholders – the public either affected or not affected by the project.</p>	Stakeholder with an interest/impact on the Project	This stakeholder may be impacted through changes to the wider economics of the region changes to the haul routes.	<p>Method of external communication: EPS and RB Kolubara website, <i>Kolubara</i> and <i>KWh</i> magazines, public notifications, meetings with authorities, institutions and other stakeholders, Annual Environmental Report of EPS and RB Kolubara, published environmental objectives at the EPS level and via external queries from the field of product and services quality, environmental protection and health and safety.</p> <p>Communication to be also achieved by: media notices, notice boards, grievance forms – FK 5.5.3.0.1.</p>
2	Specialist local Stakeholders			
2a	Local Businesses	Stakeholder with specific interest in the Project who is directly impacted.	Key individual businesses directly affected by the scheme and business organisations/agencies should be identified having direct interest in the Project and participating in the tendering procedure.	Communication to be achieved in writing, e-mails or by phone with stakeholders based on the communications guidelines UK.5.5.3.1 and the Public Procurement Act (OG RS № 116/08)
2a-1	<p>JP Toplifikacija, Lazarevac (Lazarevac District Heating Company) Karadjordjeva 31 11550 Lazarevac Phone: +381 11 8117-130 toplifikacija@toplifikacija.net</p>	Stakeholder with specific interest in the Project who is directly impacted.	Quality coal production will influence more efficient heat generation and negative environmental impact reduction	

№	Stakeholders group	Interest in the Project	Comments	Method of Communication
2a-2	<p>Javno komunalno preduzece Lazarevac, (Lazarevac Public Utility Company) Nikole Vujacica 28, Phone: +381 11 8123-402, www.jpkp-lazarevac.rs</p>	Stakeholder with an interest in the Project.	After Field C OCM opening, new job opportunities will be created, municipal waste collection, transport and environmentally sound disposal.	Pursuant to the Public Procurement Act (OG RS № 116/08), annual contracts.
2a-3	<p>Dom zdravlja 'Dr Djordje Kovacevic' Lazarevac (Dr Djordje Kovacevic Medical Centre, Lazarevac) Dr Djordja Kovacevic 27, Phone: +381 11 8123-141, www.dz-lazarevac.com</p>	Stakeholder with an interest in the Project.	After Field C OCM opening, new job opportunities will be created, new jobs related to medical certificates and periodical worker examinations.	Pursuant to the Public Procurement Act (OG RS № 116/08), annual contracts.
2a-4	<p>Saobracajno preduzece Lastra (Lastra Transport Company) Vladike Nikolaja Velimirovica 12 Phone: +381 11 8123-297 e-mail: office@lastra.co.rs</p>	Stakeholder with an interest in the Project.	Relocation of roads. Arandjelovac – Barosevac road relocation will change transport routes for workers and school children. New job opportunities.	Pursuant to the Public Procurement Act (OG RS № 116/08), annual contracts for worker transport.
2a-5	<p>MUP Lazarevac (Lazarevac Police Department) Branka Radicevica 3 Phone: +381 11 8122-123 No e-mail</p>	Stakeholder with an interest in the Project.	Increased engagement of police forces in the case of local population or focus groups protests.	Communication in the case of emergencies of accidents based on the emergency procedures PE.4.4.7.
2a-6	<p>Elektrodistribucija Lazarevac (Lazarevac Distribution Company) Janka Stajcica 2 Phone: +381 11 8123-478 www.elektrosrbija.rs</p>	Stakeholder with an interest in the Project.	Relocation of lines.	

№	Stakeholders group	Interest in the Project	Comments	Method of Communication
2a-7	NGO – ED za zastitu zivotne sredine i private svojine Barosevac (Barosevac Environmental and Private Property Protection Association) Arandjelovacki put 4 11565 Barosevac Phone: +381 11 8158-658 Mobile: +381 63 888-66-93 e-mail: udruzenjebarevac@gmail.com	Stakeholder with an interest in the Project.	Communication established with this NGO. Consistent observation of environmental principles adopted in the General Regulation Plan for Barosevac, Zeoke, Burovo and Medosevac.	Direct contacts, in writing, e-mails or by phone with stakeholders, based on the external and internal communications guidelines UK.5.5.3.1.
2a-8	NGO – CA Nase Ognjiste Lazarevac 11550 Lazarevac Mobile: +381 64 248-11-20 e-mail: nedjozok@absolutok.net	Stakeholder with an interest in the Project.	Long-term project implementation <i>Raising Environmental Awareness of the Regional Primary School Children (Lazarevac, Lajkovac, Ub Municipalities)</i> . Website: www.skolskoselo.rs	Direct contacts, in writing, e-mails or by phone with stakeholders, based on the external and internal communications guidelines UK.5.5.3.1.
2a-9	NGO-ED Zapis Strmovo 11565 Strmovo Mobile: +381 64 865-77-83	Stakeholder with an interest in the Project.	Strmovo village located on the north-western boundary of the Field C OCM. NGO members take care of a Zoo with about 100 animals, cooperation with the neighbouring schools.	Direct contacts, in writing, e-mails or by phone with stakeholders, based on the external and internal communications guidelines UK.5.5.3.1.
2a-10	NGO-ED Medosevac from Medosevac Mobile: +381 63 80-64-000 e-mail: zeljkoterzic4@gmail.com	Stakeholder with an interest in the Project.	Field C OCM transport routes close to this settlement.	Direct contacts, in writing, e-mails or by phone with stakeholders, based on the external and internal communications guidelines UK.5.5.3.1.
2a-11	NGO-ED Zavod, Medosevac 11560 Vreoci Mobile: +381 64 377-21-61	Stakeholder with an interest in the Project.	Constant pressures in the past 2 years over the MESP inspection regarding Field D OCM. Good cooperation established.	Direct contacts, in writing, e-mails or by phone with stakeholders, based on the external and internal communications guidelines UK.5.5.3.1.
2a-12	NGO-ED Barosevac, Barosevac Mobile: +381 63 8605-034 e-mail: ekobar@absolutok.net	Stakeholder with an interest in the Project.	The oldest NGO in this area, participated in the development of the 2006 Local Environmental Action Plan Lazarevac.	Direct contacts, in writing, e-mails or by phone with stakeholders, based on the external and internal communications guidelines UK.5.5.3.1.

№	Stakeholders group	Interest in the Project	Comments	Method of Communication
2a-13	Lazarevac Fire Department	Stakeholder with an interest in the Project.	Possible engagement of their capacities.	Communication in the case of emergencies or accidents based on the emergency procedures, PE.4.4.7.
2b	Lazarevac Emergency Service Lajkovac, Ub	Stakeholder with an interest in the Project.		Communication in the case of emergencies or accidents based on the emergency procedures, PE.4.4.7.
2c	Primary schools in Kalenic and Mali Borak	Stakeholder with an interest in the Project.		Direct contacts, in writing, e-mails or by phone with stakeholders, based on the external and internal communications guidelines UK.5.5.3.1.
2d	Sports associations and citizens using sports facilities in Kalenic and Mali Borak	Stakeholder with an interest in the Project.	RB Kolubara as a socially responsible company constructed and equipped primary schools in Kalenic and Mali Borak. Complete infrastructure.	Direct contacts, in writing, e-mails or by phone with stakeholders, based on the external and internal communications guidelines UK.5.5.3.1.
2e	Religious communities	Stakeholder with an interest in the Project.	RB Kolubara as a socially responsible company donates considerable funds to religious facilities within the Project impact zone.	Direct contacts, in writing, e-mails or by phone with stakeholders, based on the external and internal communications guidelines UK.5.5.3.1.
2f	Various citizen associations and NGOs (disable persons, socially vulnerable population)	Stakeholder with an interest in the Project.	RB Kolubara as a socially responsible company donates considerable funds to various associations and NGOs. Funds approved by the RB Kolubara Board.	Direct contacts, in writing, e-mails or by phone with stakeholders, based on the external and internal communications guidelines UK.5.5.3.1.
3	Government Agencies			
3a	Ministry of Infrastructure Nemanjina 11 11000 Belgrade www.mi.gov.rs	Stakeholder with specific interest in the development and operation of the Project, who also has the ability to influence or effect the project.	Authority responsible for providing infrastructure relocations conditions within the Project impact zone.	Based on the external and internal communications guidelines UK.5.5.3.1.

№	Stakeholders group	Interest in the Project	Comments	Method of Communication
3b	Ministry of Mining and Energy Kralja Milana 36 11000 Belgrade www.mem.gov.rs	Stakeholder with specific interest in the development and operation of the Project. Issues mining permits and controls mining operations.	This authority is responsible for the regulation of planning and development of energy sector on the Republic level.	Based on the external and internal communications guidelines UK.5.5.3.1.
3c	Ministry of Environment and Spatial Planning Omladinskih Brigada 1 11070 Belgrade www.ekoplan.gov.rs	Stakeholder with specific interest in the development and operation of the Project.	This authority is responsible for the Regulation of environmental impacts, reviewing design documents and issuing permits. Project supervision and control.	Based on the external and internal communications guidelines UK.5.5.3.1.
3d	Ministry of Internal Affairs (Protection and Rescue Directorate)	Stakeholder with specific interest in the development and operation of the Project.	This authority issues permits for fire protection investment-technical documents. It also issues compliance and utilisation permits. Controls fire protection conditions.	Based on the external and internal communications guidelines UK.5.5.3.1.
3e	Republic Agency for Spatial Planning Kralja Milutina 10a 11000 Belgrade www.rapp.gov.rs	Stakeholder with specific interest in the development and operation of the Project.	This authority is responsible for spatial and urban planning.	Based on the external and internal communications guidelines UK.5.5.3.1.
3f	Republic Office for the Protection of Cultural Monuments Radoslava Grujica 11 11000 Belgrade www.heritage.gov.rs	Stakeholder with specific interest in the development and operation of the Project.	This authority is responsible for issuing conditions for planning and design documents and their approval. Also responsible for the conservation of cultural monuments and heritage.	Based on the external and internal communications guidelines UK.5.5.3.1.
3g	Serbian Nature Preservation Office Dr Ivana Ribara 91 11000 Belgrade www.zzps.rs	Stakeholder with specific interest in the development and operation of the Project.	This authority is responsible for issuing conditions for planning and design documents and their approval. Also responsible for flora and fauna protection within the Project impact zone.	Based on the external and internal communications guidelines UK.5.5.3.1.

№	Stakeholders group	Interest in the Project	Comments	Method of Communication
3h	Ministry of Agriculture, Forestry and Water Resources Management and other relevant bodies. Nemanjina 22-26 11000 Belgrade www.minpolj.gov.rs	Stakeholder with specific interest in the development and operation of the Project.	This authority is responsible for issuing conditions for planning and design documents and their approval. Monitors and controls implementation of legal regulations (soil, forests and waters).	Based on the external and internal communications guidelines UK.5.5.3.1.
3i	National Regional Development Agency Trg Nikole Pasica 11000 Belgrade www.narr.gov.rs	Stakeholder with specific interest in the development and operation of the Project.	This authority is responsible to supervise the energy sector on the regional level.	Based on the external and internal communications guidelines UK.5.5.3.1.
3k	Lazarevac Municipality Karadjordjeva 42 11550 Lazarevac www.lazarevac.rs Lajkovac Municipality Omladinski trg 1 14224 Lajkovac Phone: +381 14 71-108 e-mail: infro@lajkovac.org.rs Ub Municipality Treceg Oktobra 4 14210 Ub www.opstinaub.org.rs	Stakeholder with specific interest in the Project who is directly impacted, who also has the ability to influence or effect the Project.	These authorities are responsible for planning for and provision of local facilities and infrastructure associated with resettlement.	Based on the external and internal communications guidelines UK.5.5.3.1.
4	Internal Stakeholders			
4a	Staff of EPS Carice Milice 2 11000 Belgrade www.eps.rs	Stakeholder who has an interest in the project and the ability to influence and be effected by the operation of the project.		EPS will provide a transparent procedure both for internal and external communications. Internal communications – formal and informal meetings with employees, notice boards and EPS website.

№	Stakeholders group	Interest in the Project	Comments	Method of Communication
4b	Staff of RB Kolubara Svetog Save 1 11550 Lazarevac www.rbkolubara.rs	Stakeholder who has an interest in the project and the ability to influence and be effected by the operation of the project.		RB Kolubara will provide a transparent procedure both for internal and external communications. Internal communications – formal and informal meetings with employees, notice boards, RB Kolubara website and intranet. Procedures in place for: internal communication between different environmental management levels and functions, grievance processing, recording and resolution.
5	Others			
5a	<ul style="list-style-type: none"> • Workers Union <i>Kolubara</i>“, Karadjordjeva Str. No.25 Lazarevac, contact phone: 011 8121 080 • Workers Union ”Prerada” Nikola Vujačić str No 36 Lazarevac and Diša Djurdjević str nn Vreoci, contact phone 8120 456; contact persons Milan Ralić 064 8361 590 and Zlatko Petrović 064 8361591 • Worker Union <i>Nezavisnost</i> Kolubarski trg Str No.8 phone: 0118123 901; contact person Milan Radovanović 062 8862140Independent Worker Union <i>Kolubara</i> Diša Djurdjević str No. 26 Vreoci; contact phone:0118145 476; contact person: Zoran Vuković 064 8361 410Worker Union EPS 	Stakeholder with specific interest in the development and operation of the Project.		Direct contacts, in writing, e-mails or by phone with stakeholders, based on the external and internal communications guidelines UK.5.5.3.1.

[Type text]

№	Stakeholders group	Interest in the Project	Comments	Method of Communication
5b	Hunters' Association	Stakeholder with specific interest in the development and operation of the Project.		Direct contacts, in writing, e-mails or by phone with stakeholders, based on the external and internal communications guidelines UK.5.5.3.1.

5.2 Principles of Engagement and Disclosure

The key principles for effective engagement include:

- Providing meaningful information in a format and language that is readily understandable and tailored to the needs of the target stakeholder group(s). Information will be provided in Serbian, although in addition the NTS and SEP will also be available in English;
- Providing information in advance of consultation activities and decision-making. The main method to do this will be to update information on the websites, including EPS and Kolubara websites;
- Providing information in ways and locations that make it easy for stakeholders to access it and that are culturally appropriate. Key location/notice boards will be regularly updated in local villages and towns;
- Respecting local traditions, languages, timeframes, and decision-making processes;
- Inclusiveness in representation of views in terms of age groups, gender and reaching vulnerable and/or minority groups;
- Processes free of intimidation, coercion or incentivisation;
- Ensuring a two-way dialogue that gives both sides the opportunity to exchange views and information, to listen, and to have their issues heard and addressed. This will be achieved through public events, specialist group meetings and via a project-specific grievance mechanism;
- Clear mechanisms for responding to people's concerns, suggestions, and grievances. This is expanded upon in Section 5.8;
- Incorporating, where appropriate and feasible, stakeholder feedback into project or programme design and reporting back to stakeholders;
- Publishing information about project implementation on the proposed EPS website, including a link to project-specific grievance forms;
- Publishing and distributing general information about the investment programme, including general issues and implementation stages, in addition to the grievance mechanism to identified stakeholders in leaflet form;
- Presenting all Project information in a leaflet and on a website in Serbian.

5.3 Information Disclosure

Disclosure of relevant project information assists stakeholders to understand the project's environmental and social risks, impacts and opportunities. To this end, local communities will be provided with a schedule and information on activities that will be arranged, together with the mechanisms for their feedback to improve awareness of what a project involves. Likewise, the company will make available to the public a grievance procedure, in order to collect the negative feedback and to act in correcting the causes that may lead to a negative opinion about developed.

To ensure transparency and availability of information regarding the Kolubara mining project during the preparation, construction and operational phase, EPS (via RB Kolubara) will implement the following actions:

- **Non-technical Summary (NTS):** Prepare a one-page information leaflet (in Serbian). This will be distributed in the area of the proposed mining project, notably in the local

government offices. The leaflet will comprise the most important information regarding the project as well as indicate the EPS website address and associated telephone and email contact information.

- **Website information:** EPS will disclose relevant project information on its website (www.eps.rs) and on the websites of any relevant subsidiary companies. Information will be available in Serbian. In the case of any relevant project changes, EPS will publicly disclose them as well as their impacts.

Copies of this documentation will also be made available to the public in hard copy, upon request. Likewise, the SEP and the stakeholder grievance mechanism will be made available to the public via the website and, on request, in hard copy.

5.4 Key Performance Indicators

A suitable set of key performance indicators (KPI) will be used by EPS to monitor stakeholder engagement. For the Kolubara mining project, this has been developed by RB Kolubara (with support from EPS) as set out in Table B.

Table B: Key Performance Indicators for the Project

Engagement Activity	Desired Outcomes	Key Performance Indicators
1. Provide additional project information	Affected communities have equal distribution of information regarding the project.	The number of NTS leaflets distributed and the public noticeboards containing information leaflets.
2. Engage stakeholders throughout the project lifecycle	Continual two-way communication with a broad cross-section of project stakeholders, including employees, local communities, NGOs, community-based organizations and government agencies.	a) Hold two public meetings per year in suitable communities. b) Complete 10 follow-up interviews with Stakeholders c) Issue 2 project progress press releases per year
3. Manage grievances	Implementation of a grievance mechanism to address important issues and to effectively avoid or minimize conflicts between stakeholders and the project.	Number of grievances received and the number acknowledged with 7 days and replied to within 15 days.
4. Report on engagement activities	Publicly available records of all engagement activities.	6-monthly report detailing as a minimum the number of engagement activities held and the responses received.

5.5 Responsibility and Activity Status

Table C provides a record for the activities to be undertaken for a project with regards to stakeholder engagement. It identifies the responsibilities, programme and status of implementation of these activities, and has been completed as an example for the Project.

To implement Table C activities, EPS and RB Kolubara will form an Expert Team in charge for stakeholder engagement by 1 April 2011 (hereinafter referred to as: the SEP Team).

Table C Stakeholder Engagement Activity for the Project, 28 February 2011

Detail Activities	Responsibility	Schedule	Status
Key Engagement Activity 1. Provide project information			
a. Identify stakeholders lacking project-related information	Operational Manager and SEP Team	By 15.2.2011	Completed initial identification
b. Communicate with stakeholders lacking information in culturally appropriate method and at appropriate literacy levels	Operational Manager and SEP Team	Starting from 15.3.2011 until 1.5.2011	Not started
c. Evaluate key performance indicators	Operational Manager	1.5.2011	Not started
Key Engagement Activity 2. Engage stakeholders through project lifecycle			
a. Continue identification, prioritization, characterization and stakeholder mapping	SEP Team Manager	Periodically	On-going process
b. Develop and provide tools for continuous engagement throughout project phases	SEP Team Manager	Starting from 15.3.2011 until 31.12.2011	Not started
c. Record engagement activities	SEP Team Manager	Quarterly	On-going process
d. Periodic follow-up interviews and meetings with stakeholders	SEP Team and Project Management	During the Project implementation	On-going process
e. Public meetings to announce new information	Project Management and EPS PR Sector Manager	Periodically	On-going process
f. Continual operation of public information office	EPS Public Relations Sector Manager and SEP Team	Continually	On-going process
g. Provision of project progress to local, regional and national media	EPS Public Relations Sector Manager and SEP Team	Periodically	On-going process
h. Evaluation of key performance indicators	EPS Project Monitoring Team Manager	Annually, starting from 31.12.2011	Not started
Key Engagement Activity 3. Manage grievances			

Detail Activities	Responsibility	Schedule	Status
a. Publicise grievance mechanism to stakeholders	EPS Public Relations Sector Manager and SEP Team	15.3.2011 onwards	Not started
b. Acknowledge receipt of each complaint and/or suggestion received within 7 days.	EPS legal department manager	15.3.2011 onwards	Not started
c. Identify corrective action and responsibility for delivery	RB Kolubara legal department manager	Within 15 days as of grievance receipt	Not started
d. Inform complainant of proposed corrective action	RB Kolubara legal department manager	Within 15 days as of grievance receipt	Not started
e. Report on results and evaluation	EPS Project Monitoring Team Manager	Quarterly	Not started
Key Engagement Activity 4. Report on engagement activities			
a. Develop and implement system for documenting, processing, presenting, and reporting the consultations. This should include the information disclosed, details of who attended, the issues raised and grievances lodged, and the status of the grievances.	SEP Team Manager	1.6.2011.	Under preparation
b. Evaluate the Key Performance Indicators: Implement system and make publically available the 6-monthly report	SEP Team Manager	1.6.2011 ongoing	Not started
c. Review SEP and report on whether it is functioning adequately. Update as necessary	SEP Team Manager	1.9.2011 and 6-monthly thereafter	Not started

5.6 Addressing Stakeholder Comments and Grievances

A formalized grievance mechanism is an important tool to monitor and promptly resolve potential conflicts with stakeholders whose interests may be affected. In accordance with stakeholder engagement best practice requirements the grievance mechanism for external stakeholders shall include:

- A clearly defined and simple procedure for submitting stakeholders;
- Maintaining records of all complaints, concerns and suggestions;
- A procedure for reviewing and handling complaints; and
- A procedure for responding to complaints.

At the start of a project, individuals can approach the Ministry of Environment to raise a

grievance, or, once EPS, RB Kolubara and the municipal planning authorities are involved, stakeholders can take grievances to them, with the right to appeal to a local land court.

Information on the procedures to follow in order to lodge a grievance is provided below and will be provided on information boards, and on the relevant websites, including the competent local and governmental authorities.

A Grievance Form is provided in Appendix A.

Responsibility for dealing with community grievances will be assigned to a specified department, responsible for community liaison. Each complaint whether from an individual or a community will be considered and a response to each specific complaint will be directly communicated to the party that raised it.

A formal procedure will be used to log the key information provided to each stakeholder and record incoming communication (i.e. general questions, complaints, etc.). A record of actions taken as a result of communications will also be documented and updated on an ongoing basis as part of the Stakeholder Engagement process.

EPS / RB Kolubara will review the existing grievance mechanisms set out under the Law on Expropriation and develop further grievance mechanisms to ensure that it is responsive to any concerns, complaints particularly from affected stakeholders and communities. Where training is necessary for staff involved in the management of the grievance mechanism, EPS will ensure provision is made.

RB Kolubara will ensure that the following measures are put in place for the Project:

- Set up telephone hotlines;
- Appoint community-liaison officers who receive verbal complaints and fill out forms on behalf of community members and read the complaint back to them to provide confidence that the complaint is accurately portrayed;
- A more informal forum to address grievances, such as a regular presence in local communities to address problems through regular dialogue; and
- Visual displays of the mechanism, such as flow charts.

With regards to the Project, information on the procedures to follow in order to lodge a grievance is provided below, on information boards, EPS's and RB Kolubara's website and the websites of the competent local and governmental authorities.

Locations for raising grievance or giving feedback are:

RB Kolubara

Svetog Save 1, 11550 Lazarevac

Landline: +381 11 8120-248

Fax: +381 11 8123-917

e-mail: projekat@kolubara.rs

www.rbkolubara.rs

The Project Manager (PM) is responsible for project development and is also in charge of related stakeholder engagement and resettlement. The PM will deal with all issues and problems concerning project implementation, including consultation with project parties and stakeholders.

Responsibility for managing the grievance procedure and responses to comments is:

RB Kolubara

Assistant manager for legal affairs

Svetog Save 1, 11550 Lazarevac

Landline: +381 11 8120-248

Fax: +381 11 8123-917

e-mail: projekat@kolubara.rs

www.rbkolubara.rs

With regard to communication, a Register of Communications will be maintained and all written and other forms of communication will be acknowledged and, in the case of straightforward issues, resolved within seven (7) days.

RB Kolubara will make all reasonable efforts to address the complaint upon acknowledgement of the grievance. If RB Kolubara is not able to address the issues raised by immediate corrective action, appropriate, long-term corrective action(s) will be identified. The complainant will be informed about the proposed corrective action(s) and follow-up of corrective action within 30 days upon the acknowledgement of the grievance.

If RB Kolubara is not able to address the particular concern raised or if action is not required, the company will provide a detailed explanation/justification on why the issue has not been addressed. The response will also contain an explanation on how the person/organization which raised the complaint can proceed with the grievance in case the outcome is not satisfactory.

If the respondent is not satisfied with the solutions implemented by the company to address the raised comment or grievance, the complainant may seek other legal remedies in accordance with Serbian law.

6 Reporting and Monitoring

The outcomes of the stakeholder engagement process will be documented by RB Kolubara. This will include the following information:

- Details of the public consultative meetings;
- Details of information made available to stakeholders and the associated mechanisms;
- General information on the participants (e.g. if they are residents or representatives of NGOs etc);
- Issues and concerns raised during the consultative meetings;
- List of number and types of grievances raised in the reporting period and the number of resolved and/or outstanding grievances;
- Information on how the issues raised during the meetings were taken into consideration by RB Kolubara;
- Every six months the project SEP will be reviewed in order to ascertain if it is functioning adequately and to ensure that the named stakeholder groups and methods of communication are still appropriate.

A report will be prepared that will include a summary of implemented corrective measures undertaken to address the grievances.

The key issues to be considered during the six-month review of the SEP will be:

- Is the current engagement process still ‘meaningful’ and ‘culturally appropriate’, particularly in terms of languages used and communication methods?
- Are there any new engagement activities that will be undertaken, including participatory processes, joint decision-making, and/or partnerships undertaken with local communities, NGOs, or other project stakeholders?
- Are vulnerable people/groups being reached? Are their concerns being met?
- Are different formats to meeting stakeholders required e.g., a small focus group for women; a separate discussion for elderly people?
- Is attendance at public meetings adequate, if not; are the local residents aware of the process?
- Is information reaching people in a timely manner?

7 EPS Company Contact Details

JP Elektroprivreda Srbije

Carice Milice 2

11000 Beograd

Landline: +381 11 3952-323

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Appendix A

Grievance Form

A1 Grievance Form

Grievance Reference No.	
Date:	
Name:	
Contact details: <i>Please indicate how you wish to be contacted (post, telephone, e-mail)</i>	
Confidential Yes / No	
Grievance lodged (please underline as appropriate) : in person, by phone, at community meeting, by mail, by email, other (please describe)	
Confirm that the Grievance has been acknowledged and a copy of this form provided to the complainant? Yes	
Date:	
Description of Incident or Grievance (details of complains):	
What would you like to see happen to resolve the problem?	
<u>Response:</u>	
Date	
Action undertaken	
Name and signature of the Officer	
Grievance Closed	
Date:	Signed off: