

# ACWA Power Zarqa CCGT Power Plant

Zarqa, Jordan

## Stakeholder Engagement Plan



Prepared For:  
ACWA Power

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## Document Information

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## List of Abbreviations

Abbreviation	Meaning
ACWA Power	International Company for Power and Water Projects
BOP	Balance of Plant
CCGT	Combined Cycle Gas Turbine
CEGCO	Central Electricity Generating Company
CMMS	Computerized Maintenance and Management System
EBRD	European Bank for Reconstruction and Development
EPC	Engineering, Procurement & Construction (Contractor)
E&S	Environmental & Social
ESIA	Environmental & Social Impact Assessment
ESMMP	Environmental and Social Management & Monitoring Plan
ESS	Environmental Scoping Study
HRSG	Heat Recovery Steam Generators
HTPS	Hussein Thermal Power Station
IFC	International Finance Corporation
MoE	Ministry of Environment
NEPCO	National Electric Power Company
NGO	Non-Governmental Organisation
O&M	Operational & Maintenance (Company)
PRs	Performance Requirements (EBRD)
PSs	Performance Standards (IFC)
SEP	Stakeholder Engagement Plan
STG	Steam Turbine Generator
WAJ	Water Authority of Jordan
5 Capitals	5 Capitals Environmental and Management Consulting

## 1 INTRODUCTION

ACWA Power is proposing to develop a new 485MW gas fired power plant consisting of a new Combined Cycle Gas Turbine (CCGT) within the existing landholding of the Hussein Thermal Power Station (HTPS), located in Zarqa, Jordan. The project (ACWA Power Zarqa CCGT Power Plant) will be situated on a brownfield site, in an existing largely industrial/commercial area to the north of Zarqa, in close proximity to a petrochemical refinery, steelworks and other commercial activity.

The proposed project will be operated and maintained by the Central Electricity Generating Company (CEGCO), with the output energy being supplied to the National Electricity Power Company of Jordan (NEPCO), under a 25-year Power Purchase Agreement.

The original HTPS was built in 4 stages between 1973 and 1984 and consisted of 7 steam turbines, operating on Heavy Fuel Oil (HFO), at an efficiency of 28%. The plant ceased to operate in December 2015 and is to be decommissioned under a separate contract in the future. The proposed project will therefore be constructed on other land within the HTPS' landholding, with no additional land take required.

The project will have an inherent social interaction due to its location adjacent to a populated area. However, the project or its associated facilities are not expected to result in land acquisition or the resettlement of communities. Besides long standing interactions between CEGCO and several local stakeholders regarding the existing HTPS, there has also been project specific consultation for the ESIA. This has included the engagement with different stakeholders including the national government, the local government and non-governmental organisations, in the form of a scoping session (see Section 3.2.2). The emphasis that the lender requirements and the Ministry of Environment (MoE) place upon social aspects will ensure that stakeholder engagement is a key on-going part of the project. The main aim of stakeholder engagement is for the project to build and maintain a constructive relationship over time with its stakeholders.

5 Capitals Environmental and Management Consulting (5 Capitals) has been commissioned by ACWA Power as their environmental and social consultant for the project, to demonstrate that the applicable MoE and lender requirements can be met by the project. As such, this has principally included the preparation of an ESIA and this Stakeholder Engagement Plan (SEP).

In line with lenders' requirements, 5 Capitals has prepared this SEP as a supporting management report to the ESIA. This SEP outlines the proposed methodology for stakeholder engagement throughout the lifecycle of the project, with a specific emphasis regarding the guidelines of the international lenders and Jordanian regulations. As the SEP will remain

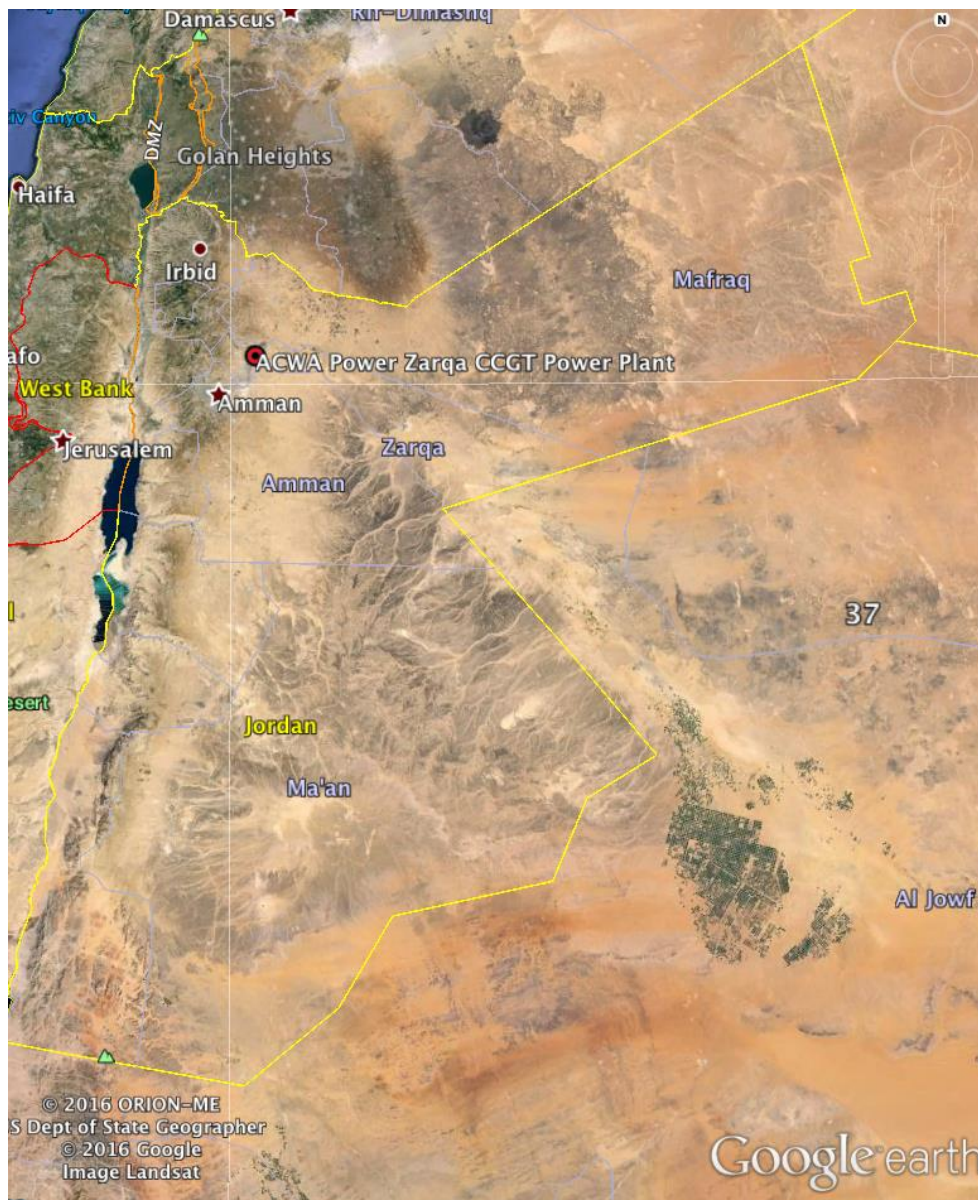


relevant throughout the lifetime of the project, it will act as a reference document but will require updating as project circumstances or stakeholder dynamics evolve.

## 1.1 Location of the Project Site

The Project site is located within Zarqa Governorate in the north of Jordan, approximately 4km north east of the centre of Zarqa city (the capital city of Zarqa Governorate) and 31km northeast of the capital city of Amman. The proposed project will be located entirely within existing land belonging to the CEGCO at the HTPS, which has a total area of 282,000m<sup>2</sup> (28.2 ha).

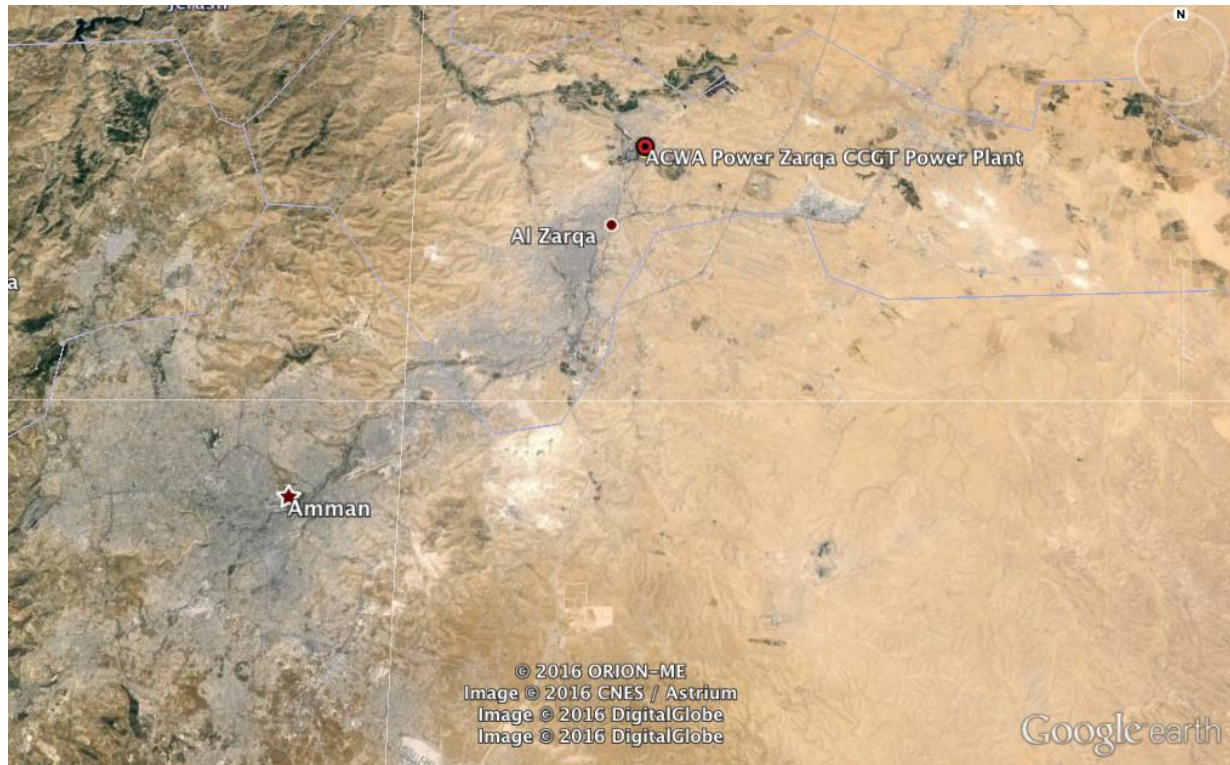
**Figure 1-1 Project Area: National**



Satellite Image Source: Google Earth



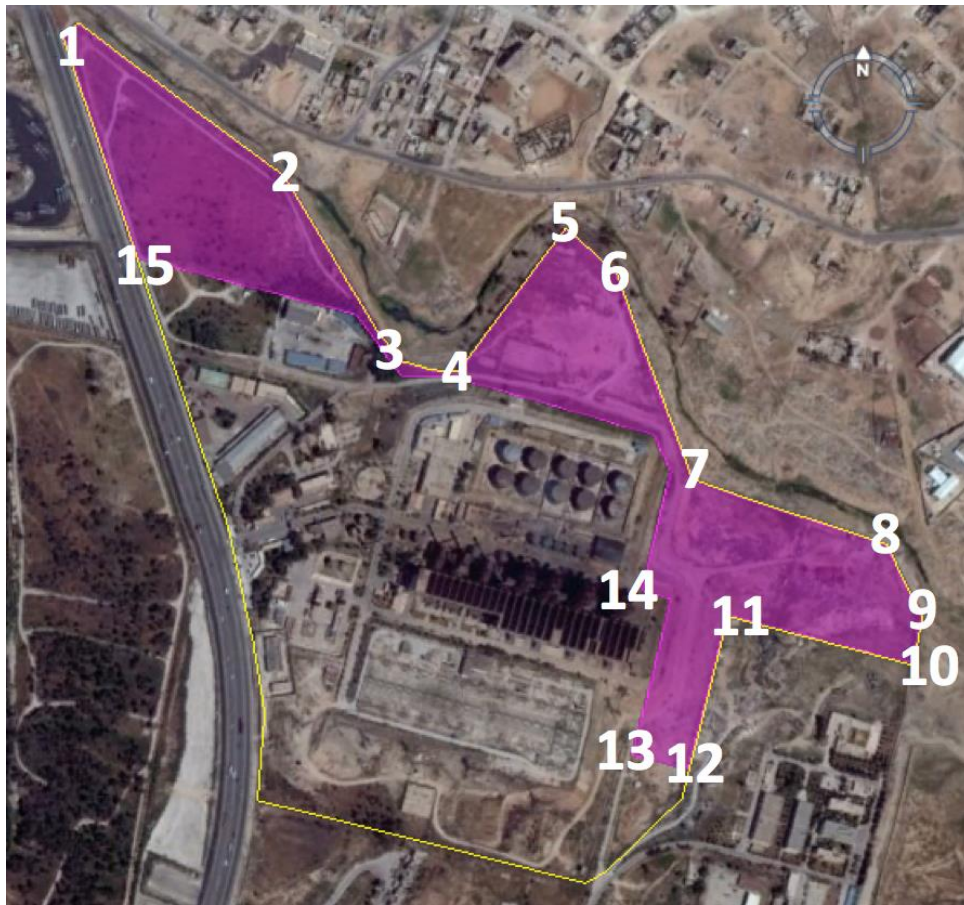
**Figure 1-2 Project Area: Regional**



Satellite Image Source: Google Earth



**Figure 1-3 Project Area: Local (HTPS Boundary in Yellow, Project Site in Purple)**



**Table 1-1 Project Co-Ordinates**

ID	Degrees Minutes, Seconds	
	Latitude	Longitude
1	32° 7'27.26"N	36° 7'12.88"E
2	32° 7'22.27"N	36° 7'21.63"E
3	32° 7'15.87"N	36° 7'26.34"E
4	32° 7'15.50"N	36° 7'28.71"E
5	32° 7'20.45"N	36° 7'33.12"E
6	32° 7'18.91"N	36° 7'35.15"E
7	32° 7'11.75"N	36° 7'38.13"E
8	32° 7'9.44"N	36° 7'46.13"E
9	32° 7'6.94"N	36° 7'47.51"E
10	32° 7'5.34"N	36° 7'47.01"E
11	32° 7'6.99"N	36° 7'39.44"E
12	32° 7'1.70"N	36° 7'37.76"E
13	32° 7'2.25"N	36° 7'35.35"E
14	32° 7'7.88"N	36° 7'35.73"E
15	32° 7'19.28"N	36° 7'15.65"E

## 1.2 Brief Project Description

The ACWA Power Zarqa CCGT Power Plant (the 'project') will involve the design, construction, ownership financing, operation and maintenance of a combined cycle thermal power generating facility, with an expected electrical output of 485MW. The project will be designed for base load operation, and will be capable of cyclic duty (two shifting). Bypass stacks and associated exhaust gas dampers will allow the combustion turbine generator(s) to revert to simple cycle operation, in the event of an unforeseen prolonged outage of the Heat Recovery Steam Generators (HRSG) or the Steam Turbine Generator (STG).

Fuel used for the operation of the CCGT Power Plant will be Natural gas and Light Distillate Oil (LDO) will be used as back up. The fuel will be supplied by NEPCO via a new gas pipeline connection to Jordan's main gas pipeline, which is located approximately 600m to the southeast of the project boundary. NEPCO will construct and operate a spur line from the main line to the eastern extent of the project area. The project will include a gas receiving facility within the project land.

Back up fuel will be delivered via an existing fuel oil pipeline emanating from the adjacent petrochemical refinery. The power station will include on site storage tanks to ensure 14 days of power production at peak load. The existing pipeline was used at the existing HTPS to convey back up fuel from the same petrochemical facility. A fuel unloading facility will also be constructed for delivery of fuel by road tanker, as a contingency.

The Balance of Plant (BOP) and auxiliary facilities required to support the power production process will include: demineralized water treatment plant, condensate polishing plant, electro-chlorination plant, dosing system, make-up water system, fuel storage facilities, and computerized maintenance and management system (CMMS).

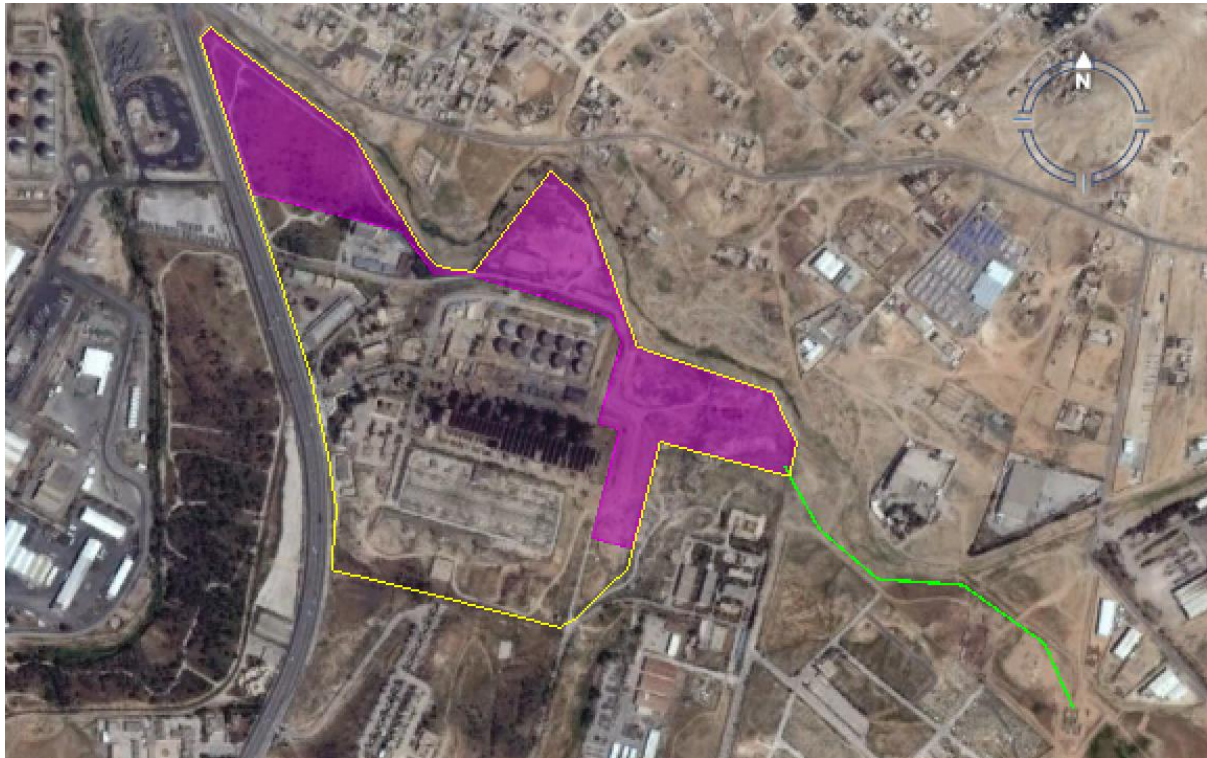
The evacuation of electric power generated by the facility will be through the existing 132kV substation, owned and operated by NEPCO and located within the existing HTPS landholding. The interface point(s) between the Project Company's scope and NEPCO's scope is to be at the 132 kV high voltage bushings of the main power transformers.

Associated new facilities for the project that require construction and installation will include:

- A new gas pipeline spur of approximately 600m will be constructed and operated by NEPCO from the main Jordanian gas pipeline that runs from Aqaba to the north of Jordan. The new spur will be a direct connection to this line and will pass underground to the site. The gas pipeline is being constructed on what is known to be government land and will not require land acquisition or any resettlement, as the land is currently open and consists of a small wadi channel (see Figure 1-4);

- A new water pipeline (approximately 800m in length) will be constructed in the north west of the existing HTPS landholding, as part of a water supply agreement with the Water Authority of Jordan (WAJ) to supply up to 2,450m<sup>3</sup>/week, which will provide a combination of process water requirements along with the new deepwater boreholes to be located on the site. The routing of the water pipeline will be beneath the existing road network and therefore, no land acquisition is expected; and
- A new access gate will be constructed in the north of the proposed back up fuel and water storage tank area, to connect the project facility to an existing road at the same location. A new section of road (approximately 40m in length) will be constructed on what is known to be government land and will therefore not require land acquisition or any resettlement.

**Figure 1-4 NEPCO Pipeline Spur to the Project (approximate routing in green)**



Construction is expected to commence in mid-2016, following the financial close of the project and attainment of all necessary local permits/approvals in Jordan. The construction timeline will run from mid 2016 through to the initial Commercial Operation Date (COD) on 1st December 2017, upon which the project will operate commercially in simple cycle. Construction and commissioning works by the EPC contractor will continue through to the full COD on 1st June 2018, upon which the plant will operate commercially in combined cycle.

### 1.3 Local Project Surrounds

The project is located in a predominantly industrial area of Zarqa to the north of the city with several industrial and commercial facilities, including the only petrochemical refinery in Jordan, a steel fabrication plant and large wastewater treatment facility. The Al-Hashmiyeh area is located north of the project area (being the nearest residential receptor to the proposed site) whilst CEGCO staff accommodation is located in relative proximity to the south within the HTPS landholding.

A review of satellite imagery and information gained during site visits has enabled the initial identification of key localities/features in the area as presented below:

**Table 1-2 Local Project Surrounds with Proximity to Proposed Power Block Area**

Name	Type	Proximity from Proposed Site
NEPCO Training Centre	Commercial	0.2km South
Al Hashmiyeh	Residential	0.25km North
Zarqa Cemetery	Cultural	0.5km South South East
CEGCO Engineers Accommodation	Residential	0.65km South West
Agricultural Land	Agriculture	1km South East
Petrochemical Refinery	Industrial	1.5km West
Steelworks	Industrial	1.7m South East
Education Centre	Educational	1.75km South West
Hashmiyeh	Residential	1.7km North West
Sports Stadium	Recreational	2.5km South West
North Zarqa	Residential	4.1km South West
Wastewater Treatment Facility	Industrial	5km North East
Central Zarqa	Residential	5.5km South West

**Figure 1-5 Local Project Surrounds**





**Plate 1-1      Nearest Residential Receptors to the Proposed Project Site**



As previously mentioned, the proposed project will be located entirely within existing land belonging to CEGCO at the HTPS, and therefore the project is not envisaged to result in land acquisition or the resettlement of affected communities.

#### **1.4 SEP Aim**

This document is the Stakeholder Engagement Plan (SEP) prepared for the ACWA Power Zarqa Power Plant, Jordan. It describes the public consultation and information disclosure undertaken to date and the planned engagement for the construction and operational phases of the project. It is prepared according to EBRD Performance Requirements and IFC Performance Standards, with particular relevance to EBRD Performance Requirement 10: Information Disclosure and Stakeholder Engagement.

## 2 REGULATIONS AND REQUIREMENTS

This chapter aims to give an overview of the regulatory requirements applicable to the Project for Public Consultation and Stakeholder Engagement. A more complete review of all the applicable environmental and social legislation in Jordan and all applicable international requirements may be found in the ESIA document.

### 2.1 National Requirements

There are no specific requirements in Jordan with regards to ongoing project public consultation, stakeholder engagement, or stakeholder engagement planning to guide the consultation and engagement process throughout a project.

Despite this, there is a requirement at the EIA scoping stage that does outline the need for engagement in some respect. The "Environmental Impact Assessment Regulation No. (37) for the year 2005" requires two successive phases in the completion of a comprehensive ESIA study in Jordan: (i) Scoping Phase which includes the undertaking a scoping session and submission of a Scoping Report/ToR approved by MoE for the ESIA study and (ii) Assessment Phase which includes undertaking the baseline studies, evaluation and assessment of environmental and social impacts, and the development of an Environmental and Social Management Plan.

The scoping session for the Project was held on 24 February 2016, and a scoping report was approved by MoE and received on 24 March 2016. Details of the scoping session are provided in Section 3.2.2.

### 2.2 Lender Requirements

ACWA Power is seeking project finance from a consortium of lenders, including the European Bank for Reconstruction and Development (EBRD), International Finance Corporation (IFC), as well as commercial banks that may be signatories of the Equator Principles.

#### 2.2.1 EBRD Performance Requirement (PRs)

EBRD has adopted an Environmental and Social Policy (2014) and a set of specific Performance Requirement (PRs) covering key areas of environmental and social impacts. Effective stakeholder engagement and consultation are a key part of EBRD's Environmental and Social Policy and as such, suitable inclusion of engagement and consultation is required at all stages of the ESIA process. The PR10 on "Information Disclosure and Stakeholder Engagement" deals with stakeholder engagement, information disclosure and public consultation. Its main objectives are:

- To develop a systematic approach to stakeholder engagement in projects, with the aim of establishing and maintaining a constructive relationship with these stakeholders, and particularly those people who are directly affected;
- Improve the project's environmental and social performance through stakeholder participation;
- Promote and provide the means for exchange with the affected population on problems that may affect them, and to ensure the disclosure of environmental and social information to the project's stakeholders;
- Ensure that comments and complaints from the affected populations and other stakeholders get responded and are managed appropriately.

PR10 defines the following key requirements:

- Customers (those seeking funding from EBRD) have to involve stakeholders through the provision of useful information, comprehensible and accessible in a culturally adapted manner and is exercised without any manipulation, interference, coercion or intimidation. Stakeholders include in particular the local people directly affected by the project and other stakeholders interested in the project;
- The engagement of stakeholders is based on the following elements: identification and analysis of stakeholders, planning the stakeholders' consulting process, information disclosure, consultation and participation, grievance mechanism and report back to stakeholders.
- The nature and frequency of the stakeholder engagement will be proportionate to the nature and scale of the project and its potential adverse impacts on the affected communities, the sensitivity of the environment and the level of public interest. In order to adapt engagement to the client's and the project's characteristics, it is essential for the client to identify the stakeholder according to the terms described below. The national legislation requirements on information and public consultation, including host country's obligations under international law, must always be met.
- The client clearly defines roles, responsibilities and power, and appoints staff specifically responsible for the implementation and monitoring of stakeholder engagement activities.

For those projects likely to cause adverse environmental and social impacts, the customer shall develop and implement a Stakeholders Engagement Plan that particularly describes the following points:

- Stakeholders identification, including a description of their characteristics and main interests;



- Detailed description of the Engagement and Information Disclosure Plan, including methods and tools, as well as the approach to communicate with the identified stakeholders during the preparation and implementation of the project;
- Procedure to make complaints;
- Resources allocated to information and public consultation;
- Procedures for documentation and consultation monitoring.

When the stakeholder consultation is the responsibility of public authorities, the client works with the public authorities to the extent permitted, to achieve results in line with PR10. When disparities between the requirements of local regulations and those of PR10 occur, the client shall include engagement activities to complete the formal regulatory process and is committed to take additional measures if necessary.

#### ESIA Disclosure

The project falls into the following EBRD classification: Thermal power stations and other combustion installations with a heat output equal or higher than 300 megawatts. Therefore, the project falls into Category A, 'projects with potentially significant adverse future environmental and/or social impacts which require a formalized and participatory environmental and social impact assessment process'.

PR10 outlines the requirements for disclosure and consultation in regard to Category A projects. It is understood that EBRD will likely require a 60-day disclosure of the ESIA, during which time further consultations with identified stakeholders (in line with this SEP) will be required.

### **2.2.2 IFC Performance Standards (PSs)**

All of the IFC Performance Standards reference stakeholder engagement and therefore require a level of engagement when each standard is triggered by a project. In particular, PS 1 on "Social and Environmental Assessment and Management Systems" describes the stakeholder engagement requirements in more depth. It states the following:

*"Stakeholder engagement is the basis for building strong, constructive, and responsive relationships that are essential for the successful management of a project's environmental and social impacts. Stakeholder engagement is an on-going process that may involve, in varying degrees, the following elements:*

- *Stakeholder analysis and planning;*
- *Disclosure and dissemination of information;*
- *Consultation and participation;*
- *Grievance mechanism; and*

- On-going reporting to Affected Communities.

*The nature, frequency, and level of effort of stakeholder engagement may vary considerably and will be commensurate with the project's risks and adverse impacts, and the project's phase of development."*

#### Stakeholder Analysis

The Performance Standards require clients to identify the range of stakeholders that may be interested in their actions and consider how external communications might facilitate a dialog with all stakeholders. Where projects involve specifically identified physical elements, aspects and/or facilities that are likely to generate adverse environmental and social impacts to Affected Communities the client will identify the Affected Communities and will meet the relevant requirements described below.

The Performance Standards' guidance on stakeholder consultation state that the client will develop and implement a Stakeholder Engagement Plan that is scaled to the project risks and impacts and development stage, and be tailored to the characteristics and interests of the Affected Communities. Where applicable, the Stakeholder Engagement Plan will include differentiated measures to allow the effective participation of those identified as disadvantaged or vulnerable. When the stakeholder engagement process depends substantially on community representatives, the client will make every reasonable effort to verify that such persons do in fact represent the views of Affected Communities and that they can be relied upon to faithfully communicate the results of consultations to their constituents.

#### Disclosure of Information

The IFC SEP requirements include the disclosure of relevant project information, to help Affected Communities and other stakeholders understand the risks, impacts and opportunities of the project. The developer must provide Affected Communities with access to relevant information on:

- The purpose, nature, and scale of the project;
- The duration of proposed project activities;
- Any risks to and potential impacts on such communities and relevant mitigation measures;
- The envisaged stakeholder engagement process;
- The grievance mechanism.

### Consultations

The IFC guidance indicates that when Affected Communities are subject to identified risks and adverse impacts from a project, the developer will undertake a process of consultation in a manner that provides the Affected Communities with opportunities to express their views on project risks, impacts and mitigation measures, and allows the client to consider and respond to them. Effective consultation is a two-way process that should:

- Begin early in the process of identification of environmental and social risks and impacts and continue on an on-going basis as risks and impacts arise;
- Be based on the prior disclosure and dissemination of relevant, transparent, objective, meaningful and easily accessible information which is in a culturally appropriate local language(s) and format and is understandable to Affected Communities;
- Focus inclusive engagement on those directly affected as opposed to those not directly affected;
- Be free of external manipulation, interference, coercion, or intimidation;
- Enable meaningful participation, where applicable; and
- Be documented.

Furthermore, clients will implement and maintain a procedure for external communications that includes methods to

- Receive and register external communications from the public;
- Screen and assess the issues raised and determine how to address them;
- Provide, track, and document responses, if any; and
- Adjust the management program, as appropriate. In addition, clients are encouraged to make publicly available periodic reports on their environmental and social sustainability

### Grievance Mechanism for Affected Communities

Where there are Affected Communities, the client will establish a grievance mechanism to receive and facilitate resolution of Affected Communities' concerns and grievances about the client's environmental and social performance. The grievance mechanism should be scaled to the risks and adverse impacts of the project and have Affected Communities as primary beneficiaries. It should seek to resolve concerns promptly, using an understandable and transparent consultative process that is culturally appropriate and readily accessible at no cost and without retribution to the party that originated the issue or concern. The mechanism should not impede access to judicial or administrative remedies. The client will

inform the Affected Communities about the mechanism in the course of the stakeholder engagement process.

#### On-going Reporting to Affected Communities

The client will provide periodic reports to the Affected Communities that describe the progress and the implementation of the project's Action Plans on issues that involve on-going risks or impacts on Affected Communities and on issues that the consultation process or grievance mechanism have identified as a concern to those Communities. If the management program results in material changes or additions to the mitigation measures or actions described in the Action Plans on issues concerning the Affected Communities, the updated relevant mitigation measures or actions will be communicated to them. The frequency of these reports will be proportionate to the concerns of Affected Communities but it will not be less than once a year.

### **2.2.3 Equator Principles**

The Equator Principles (EPs) are a voluntary set of guidelines for assessing and managing environmental and social risks in project financing and have become the project finance industry standard globally for addressing environmental and social issues. It is possible that an Equator Principles Financial Institution (EPFI) will take part in the financing of some of the activities of ACWA Power or the consortium. As such the following EPs in relation to Stakeholder Engagement and Grievance Mechanism will be applicable:

#### EP5 - Stakeholder Engagement

For all Category A and Category B Projects, the EPFI will require the client to demonstrate effective Stakeholder Engagement as an ongoing process in a structured and culturally appropriate manner with Affected Communities and, where relevant, other Stakeholders. For Projects with potentially significant adverse impacts on Affected Communities, the client will conduct an Informed Consultation and Participation process. The client will tailor its consultation process to:

- The risks and impacts of the Project;
- The Project's phase of development;
- The language preferences of the Affected Communities;
- Their decision-making processes; and
- The needs of disadvantaged and vulnerable groups.

This process should be free from external manipulation, interference, coercion and intimidation. To facilitate Stakeholder Engagement, the client will, commensurate to the Project's risks and impacts, make the appropriate Assessment Documentation readily



available to the Affected Communities, in the local language and in a culturally appropriate manner.

The client will take account of, and document, the results of the Stakeholder Engagement process, including any actions agreed resulting from such process. For Projects with environmental or social risks and adverse impacts, disclosure should occur early in the Assessment process, in any event before the Project construction commences, and on an ongoing basis.

#### EP6 - Grievance Mechanism

For all Category A and, as appropriate, Category B Projects, the EPFI will require the client, as part of the ESMS, to establish a grievance mechanism designed to receive and facilitate resolution of concerns and grievances about the Project's environmental and social performance.

The grievance mechanism is required to be scaled to the risks and impacts of the Project and have Affected Communities as its primary user. It will seek to resolve concerns promptly, using an understandable and transparent consultative process that is culturally appropriate, readily accessible, at no cost, and without retribution to the party that originated the issue or concern. The mechanism should not impede access to judicial or administrative remedies. The client will inform the Affected Communities about the mechanism in the course of the Stakeholder Engagement process.

### 3 STAKEHOLDER ENGAGEMENT FOR THE PROJECT

This stakeholder Engagement Plan (SEP) has been prepared by 5 Capitals on behalf of ACWA Power in order to guide the appropriate stakeholder engagement process for the project.

It should be recognised that the SEP is a living document and will be utilised throughout the lifecycle of the project in order to guide the necessary engagement with identified stakeholders at the various project phases. In this instance the SEP cannot be considered definitive for the lifetime of the project. As such, the SEP will need to evolve over time as the project progresses, and should be updated as necessary to include any relevant changes (e.g. new requirements, new affected stakeholders, reviews of techniques, changes to engagement methods, changes of relevant personnel).

#### 3.1 Objectives

Stakeholder engagement can be described as the systematic effort to understand and involve stakeholders and their concerns in the project activities and decision-making processes. Stakeholders are defined as any group or individual who can affect, or can be affected by the project.

The main objectives for stakeholder engagement are:

- To inform the relevant stakeholders about the project, to enhance ownership of the project within the host community and to manage stakeholder expectations;
- To understand current and potential emerging issues and to capture views and concerns of the relevant stakeholders with regard to the project (e.g. tension around influx and employment opportunities); and
- To provide a basis for stakeholder participation in environmental and social impact identification, prevention and mitigation as well as to provide a platform for reporting back on mechanisms to address these impacts.

For projects that have the potential to cause environmental and social impacts upon sensitive receptors, consultation is not a single conversation but a series of opportunities to create understanding about the project among those that are likely to be affected or might have an interest in it, and to learn how these stakeholders view the project and its related risks, impacts, opportunities, and mitigation measures. Listening to stakeholder concerns and feedback can be a valuable source of information to help identify environmental and social impacts and inform the project design. Looking further into the future, the SEP can ensure that dialogue with communities is maintained, whilst outlining a suitable grievance mechanism to allow community complaints to be raised in a clear process.

This SEP has been prepared in accordance with the best practice requirements outlined in the IFC Handbook on Stakeholder Engagement<sup>1</sup>, which provides a typical benchmark for stakeholder engagement within the financial industry for project finance lenders, as well as in line with the EBRD PRs and EPs.

As such, this SEP aims to guide the stakeholder engagement process and the project interactions with stakeholders underpinning the following principles and core values:

- Commitment;
- Integrity;
- Respect;
- Transparency;
- Inclusiveness; and
- Trust

### **3.2 Previous Project Consultation, Participation and Engagement**

This section summarises the previous engagement activities that have been undertaken in regard to potential stakeholders. Such engagement has been undertaken directly or indirectly by a number of management functions including local government and project investors.

#### **3.2.1 Announcement of Sponsors**

Stakeholders may have seen the official announcement of ACWA Power signing a 25-year Power Purchase Agreement (PPA) for the project. This was publicised in various media in January 2016 (newspapers, magazines, internet), which also stated key characteristics of the project such as the projects location, technology, fuel type and power output, total investment and appointed contractor. In the media release ACWA stated that: *'Project demonstrates ACWA Power's commitment to socio-economic growth of Jordan; ensured no effective job losses due to the decommissioning of Hussein project'*.

#### **3.2.2 ESIA Process in 2016**

Formal and informal consultation has been undertaken during the various 5 Capitals site visits to date in regard to the ESIA preparation, including by 5 Capitals local ESIA partners 'ECO Consult'.

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<sup>1</sup> IFC, 2007, Stakeholder Engagement: A Good Practice Handbook for Companies Doing Business in Emerging Markets.

### Formal ESIA Scoping Consultation

A scoping consultation exercise for the ESIA was conducted on 23<sup>rd</sup> February 2016. The list of invitees was identified jointly by the Ministry of Environment (MoE) and the 'ESIA team' taking into account all stakeholder groups which are likely to be affected by the Project directly or indirectly including:

- National Government Agencies;
- Local Government Agencies;
- Research and Academic Institutions;
- Non-Governmental Organisations; and
- Local Community Representatives.

### **Plate 3-1 Scoping Consultation Photographs**



The 'EIA Team' documented all records of the scoping session to include transcripts, minutes of meetings, list of participants and attendees and comments. In addition, throughout the scoping session a form was distributed to stakeholders to allow them to document any comments or concerns they might have in writing.

The following table presents the main issues raised by the stakeholders throughout the scoping session and how those comments were incorporated throughout the ESIA, including detailed inclusion of all scoping consultation exercise minutes and documentation in the ESIA appendices (ESIA Volume 4). For example, such key outcomes included the need to undertake a more extensive noise monitoring survey for the baseline.



**Table 3-1 Comments Addressed from the Scoping Consultation Exercise**

Comments from Scoping Consultation Exercise	How comments have been addressed in the ESIA
A stakeholder stated that additional air quality monitoring points should be considered at areas located at a distance from the project site in order to improve the accuracy of the modelling results and pollutant concentrations in such areas (given that all air quality monitoring points are currently located within the Project site and adjacent nearby areas only). In addition, several stakeholders suggested that such data could be available from the Ministry of Environment's continuous air quality monitoring program in the area.	Data collected from the project site area is considered representative of the local air shed within which the dispersion of project emissions will occur. As the locations of these monitoring stations are downwind of the petrochemical refinery, the results of the monitoring activities are taken to indicate the worst case conditions in the air shed locally. The worst-case baseline conditions have therefore been taken as the background for the cumulative impacts assessment of the emissions dispersion model. As such the emissions modelling undertaken in the ESIA portrays the worst-case in terms of ambient air quality as a result of the project.
A stakeholder stated that there must be a continuous air quality monitoring program during the operation phase of the project to measure stack emissions and which should be coordinated with the Environmental Monitoring Department at the Ministry of Environment.	The project will include Continuous Emission Monitoring Systems (CEMS) on each stack.
A comment was raised on the noise baseline monitoring duration stating that 1 hour of monitoring during daytime and 1 hour of monitoring during night-time is not considered sufficient.	The noise baseline study was revised initially based on the feedback of the scoping consultation and was again undertaken following comments from MoE in regard to the scoping report approval. Three separate noise surveys were conducted. The last survey was undertaken over 3 days and 3 nights, with hour long noise monitoring undertaken at 6 locations for both daytime and night time periods.
Some stakeholders inquired about the water requirements of the Project and how will it be supplied and also required that the potential impacts on water resources in the area be studied as part of the EIA.	Water sources are explained in the Project Description. In regard to groundwater, a hydrogeology study had previously been undertaken in regard to this resource. The impacts upon the potential abstraction of back-up water (from groundwater) have been assessed in the ESIA.
Several comments were raised requiring that the EIA identify all the waste streams that will be generated from the project (including hazardous waste) and identify the appropriate handling and disposal measures to be implemented.	The ESIA includes expected waste streams as a result of construction and operation. The ESIA outlines the requirement for the EPC Contractor and O&M Company to prepare Waste Management Plans specific to the construction and operational phases. Specific mitigation in regard to waste and how it should be managed & handled is outlined in provided in the ESIA.
A stakeholder required that the EIA must identify appropriate measures to prevent urbanization in areas close to the thermal power plant. This could include for example the acquisition of land areas adjacent to the power plant.	As the project is a new facility within an existing land holding of CEGCO, it is generally not considered that the project will lead to wider land use changes than have and are currently occurring. Land use planning outside of the project scope is not considered a responsibility of the ESIA.  Potential impacts upon community health, safety and security have been assessed as part of the ESIA. The request is considered to be outside of the scope of the ESIA.

Comments from Scoping Consultation Exercise	How comments have been addressed in the ESIA
A stakeholder inquired on how employees of the old HTPS will be dealt with and that this should be addressed as part of the EIA study.	Employment in regard to existing HTPS employees and future employees at the new project site has been detailed in various sections of the ESIA.
A stakeholder required that the EIA must cover the associated facilities of the Project such as the gas pipeline	The ESIA includes assessment of the associated facilities where suitable design information for such facilities has been provided. Specific environmental parameters in regard to the associated facilities (e.g. biodiversity, cultural heritage and archaeology etc.) include assessment of such facilities. A sub-section of the Project Description fully outlines all information regarding the associated facilities.
The EIA must include an Environmental Emergency Response Plan which details procedures for dealing and handling of any environmental emergency which might occur at the Project site	The requirement for the EPC Contractor and O&M Company to develop project specific Emergency Preparedness and Response Plan has been included to the ESIA. These will be prepared prior to construction and operation.

#### Informal Consultation

During the ESIA process there has been further engagement with the providers of the associated facilities (i.e. NEPCO and WAJ) to understand the nature of such facilities and the processes that will be followed for environmental assessment, as well as any required land acquisition and resettlement. Such consultation has been via face-to-face dialogue and email correspondence.

## 4 STAKEHOLDER IDENTIFICATION AND ANALYSIS

This section of the SEP identifies the key stakeholder groups and analyses how they are likely to be affected by the project. These should include persons or groups who:

- Are directly and/or indirectly affected by the project;
- Have “interests” in the project that determine them as stakeholders;
- Have the potential to influence project outcomes or company operations.

Examples of potential stakeholders are local communities, households being physically or economically displaced, local organizations, NGOs, and government authorities. Stakeholders may also include politicians, other companies, labour unions, academics, religious groups, national social and environmental public sector agencies, and the media.

### 4.1 Approach

A systematic approach to identifying affected stakeholders is considered international best practice. As such, the stakeholders of the project are classified in two categories:

- Impacted Stakeholders, i.e. the people or institutions that can potentially be affected by one or more of the potential impacts of the project; and
- Interest-based Stakeholders, which potentially include public agencies concerned with any of the procedures set by the project, the project's beneficiaries, national and international non-governmental organizations and the interested part of the civil society.

In addition, there are stakeholders outside the affected area, which can be identified through “interest-based” analysis. These are usually government authorities, NGOs and national social and environmental public sector agencies whose area of interest is related to the project, or where such organisations are undertaking projects with communities in these areas.

### 4.2 Impacted Stakeholders

The impacted stakeholders are those that can potentially suffer direct or indirect environmental and social impacts caused by the project. Potential environmental and social impacts are identified and assessed in the ESIA, and are related to air quality, noise, soil and groundwater, waste management and wastewater, ecology and biodiversity, archaeology and cultural heritage, traffic and transportation, socio-economic aspects, occupational health and safety, community health and safety, etc.

The project's geographic area of influence was originally defined in the Environmental Scoping Study (ESS) and further established in the ESIA (see Section 0). This includes not only

the project site, but also all associated facilities (i.e. gas pipeline, water pipeline and access road) and areas potentially affected by cumulative impacts (i.e. air emissions dispersion. This analysis has been used to determine who might be affected by direct or indirect environmental and social impacts caused by the project.

Based on the Project footprint and area of influence, the project will not involve involuntary resettlement, land acquisition, expropriation (of property and land) or loss of livelihood. Therefore, no private landowners or land users of communal areas have been identified as Impacted Stakeholders.

The following impacted communities have been identified as communities that due to their proximity to the project boundary, associated infrastructure and access route can potentially suffer direct negative environmental and social impacts during construction or operation:

**Table 4-1 Impacted Communities**

Name	Type	Description	Proximity from Proposed Site
Al Hashmiyeh	Residential	The nearest residential area to the project, built up around the industries in the local area north of the main city of Zarqa. Predominantly consisting of walled villas.	0.25km North
CEGCO Accommodation	Residential	A purpose built gated residential area for engineers working at the existing HTPS, comprising of villa accommodation (approximately 25 villas) and areas for recreation.	0.65km South West

*Note: No particular disadvantaged or vulnerable groups have been identified that were considered to require different stakeholder engagement measures, as these groups were considered as part of the identified Affected Communities. Representatives from local communities/community groups will represent the views of Affected Communities.*

### 4.3 Interest-based Stakeholders

The interest-based stakeholders for the Project together with the Project interests, stake holding and information requirements are presented in Table 4-2.

**Table 4-2 Identified Stakeholders for Engagement**

Stakeholder Group	Stakeholder Identified	Project interest/ stake holding / information requirements
National Governmental Agencies	Ministry of Environment (MoE)	Key regulatory role and interest in the development of the project – Stakeholder representatives attended the Scoping Consultation Session
	Ministry of Water and Irrigation (MWI)	
	Ministry of Agriculture (MoA)	
	Ministry of Energy and Natural Resources	
	Greater Amman Municipality (GAM)	



Stakeholder Group	Stakeholder Identified	Project interest/ stake holding / information requirements
	Traffic Department	
	Energy and Minerals Regulatory Commission (EMRC)	
	Royal Department for Environment Protection (Rangers)	
	Civil Defence Directorate (CDD)	
	Department of Lands and Survey (DLS)	
	Ministry of Municipal Affairs	
	Ministry of Labour (MoL)	Potential interest in the development of the project – No attendance of Stakeholder representatives to the Scoping Consultation Session
	Ministry of Tourism and Antiquities (MoTA)	
	Ministry of Industry and Trade (MoIT)	
	Jordan Engineers Association (JEA)	
	National Electric Power Company (NEPCO)	
Local Governmental Agencies	Al Zarqa Governorate	Key role of interface, dialogue and providing information to local affected communities regarding the project - Stakeholder representatives attended the Scoping Consultation Session
	Zarqa Environmental Directorate	Key role of interface, dialogue and providing information to local affected communities regarding the project - No attendance of Stakeholder representatives to the Scoping Consultation Session
	Al Zarqa Municipality	
	Al Hashimeyeh Municipality	
Research and Academic Institutions	Hashemite University	Potential interest in the development of the project - Stakeholder representatives attended the Scoping Consultation Session
Non-Governmental Organisations	Royal Society for Conservation of Nature (RSCN)	Concern in regard to ecological and social impacts - Stakeholder representatives attended the Scoping Consultation Session (except JOHUD)
	National Environment and Wildlife Society (NEWS)	
	Jordanian Hashemite Fund for Human Development (JOHUD)	
	Environmental Societies Association	Representing all environmental NGO's in Jordan (RSCN, JES, NEWS, etc). An invitation is issued by the MoE to the Association who in turn invites all environmental NGO's to specific consultation events
Private Sector	Jordan Petroleum Refinery Co.	Potential concerns given the proximity of the facility and power and water interfaces - Stakeholder representatives attended the Scoping Consultation Session

Stakeholder Group	Stakeholder Identified	Project interest/ stake holding / information requirements
	Al Samra Wastewater Treatment Plant Co	Potential concerns given the proximity of the facility and infrastructure interfaces - No attendance of Stakeholder representatives to the Scoping Consultation Session
Other unknown potentially affected parties	Potentially affected nearby residents or visitors	Concern in project affected areas regarding the project undertakings
	People that may speculatively move to the area in search of employment (at construction or operations)	Direct benefits of employment related to either construction or operations of the project
Project Lenders	EBRD	Potential environmental and social risks related to project financing
	IFC	
	Other lending financial institutions	

## 5 STAKEHOLDER ENGAGEMENT PROGRAMME

Stakeholder engagement will be an on-going process that will be undertaken following the disclosure of the ESIA package, during construction and operation of the project. The aim of this section is to describe what information will be disclosed, in what formats, the types of methods that will be used to communicate this information and the methods that will be used for consultation with each of the stakeholder groups identified in the previous sections.

### 5.1 Notification Methods

The following methods will be used to inform stakeholders about the on-going stakeholder engagement process:

- Letters and email - Suitable to engage interest-based stakeholders, including government authorities, public agencies and NGOs (listed in Section 4.3) and to notify them of the engagement and disclosure mechanisms following the disclosure of the ESIA study;
- Posters - Signboards and Illustrative posters (infographics) will be placed at the project entrance. Notices will also be placed in the Municipality building, mosques and primary schools of the affected communities and other such meeting places frequented by residents, to inform the affected stakeholders about the engagement and disclosure mechanisms. Specific notices on the project signboards, or distributed to the outlined locations will also be used to inform people of key activities that may impact them (e.g. start of works, noise activities, transport and delivery of large equipment to the project site, etc.);
- Online - The engagement and disclosure mechanisms for the ESIA package during the construction and operational phases of the project will be advertised on the Project Company's website, with a contact point provided for comment. It is expected that online notifications will be useful for interest-based stakeholders.

### 5.2 Public Disclosure of ESIA

The ESIA for the project has been approved by the MoE in Jordan. The ESIA is under review by the lenders. As required by the lenders, the ESIA shall be publically disclosed for a period of time prior to the projects financial close. The lenders will disclose the ESIA package (including SEP) on their websites for a defined period of time in line with the projects categorisation.

**Table 5-1 ESIA Public Disclosure Timetable**

Action	Likely Concerned Stakeholders	Engagement Method	Timing and Frequency
Disclosure of ESIA Report	Any potentially concerned stakeholder, including all Identified Stakeholders including Impacted Stakeholders and Interest-based Stakeholders	The ESIA will be fully disclosed online in English and as a Non-Technical Summary in Arabic. The ESIA is expected to be available at the website of ACWA Power prior to financial close. Where appropriate, stakeholders have the opportunity to comment or request additional information during this disclosure period.	For an approximate 2-month period prior to financial close
	Those stakeholders who attended the EIA scoping consultation meeting & Representatives from three local communities/community groups, including from Al Hashemiyeh, CEGCO accommodation and Zarqa city.	The stakeholders will be invited to a final consultation meeting to present the findings of the ESIA, where they will have the opportunity to engage with the project developers, EPC contractor, operators and consultants; whilst being able to provide comment in regard to the ESIA.  (method to be confirmed with lenders, as is not a MoE requirement)	During the lenders public disclosure period, prior to financial close

### 5.3 Disclosure of Environmental and Social Information

Disclosure of relevant project information helps Affected Communities and other stakeholders understand the project and relate to the potential risks, impacts and opportunities of the project. Providing stakeholders with complete, accurate and understandable information is essential to ensure meaningful participation.

Following disclosure of the ESIA package, the EPC Contractor (and additionally the Project Company, ACWA Power) will provide Affected Communities with access to relevant information during construction of the project, whilst CEGCO will be responsible for facilitating information during the operation of the project. The following information will be communicated:

- The purpose, nature, and scale of the project;
- The duration of proposed project activities;
- Important or potentially disruptive works (construction and operation);



- Any risks to and potential environmental and social impacts on such communities and relevant mitigation measures;
- Any community related requirements relating to emergency preparedness and response;
- The stakeholder engagement process;
- The grievance mechanism.

### **5.3.1 Engagement Mechanisms for Stakeholders**

The project and its stakeholders will have several ways to engage during construction and operation of the project:

- Notices at the project entrance;
- Post;
- Telephone; and
- Meetings.

Furthermore, informative brochures including grievance procedure will be developed and distributed to the local communities via municipality, mosque and primary schools and other such places frequented by local residents. Contact details of Project company key personnel will also be provided within the notice boards (see details in Appendix A)

Besides the methods above and the projects specified grievance mechanism (see Section 6), other written and verbal complaints may be received at the project's gates, or by project staff on a formal or informal basis – therefore the projects security and staff have to be aware and trained to deal with such instances appropriately. This includes formal documentation of such complaints as per the grievance mechanism.

### **5.3.2 Periodic Monitoring: independent Environmental & Social Audits**

As per the lender's requirements, periodic independent environmental and social monitoring, by way of audits will be undertaken during construction and operation of the project. These audits will be undertaken to monitor the performance of the project with respect to the required environmental & social standards and requirements. It is proposed that quarterly audits are undertaken during construction and annual audits during operation.

All audit reports will include a Non-Technical Summary (NTS) describing the auditing process, any identified non-conformances, how non-conformances identified in the previous audits have been closed out and comments to improve environmental & social performance to prevent potential future non-conformances. The NTS will also include a summary of the grievances received and how each of them was addressed and closed out. The full technical audit report will be available on request, but some specific technical details (e.g.

construction or operational aspects) might not be disclosed due to confidentiality reasons. The Audits NTs will be disclosed to the project lenders (EBRD, IFC and any other lenders involved).

### 5.3.3 Construction

The effective management of stakeholder engagement during the construction period is important as it can set the tone for the remainder of the project (IFC, Handbook for Stakeholder Engagement). The EPC Contractor (and additionally the Project Company, ACWA Power) is responsible for the stakeholder engagement process during construction, and as such is responsible for the implementation of the recommended actions outlined in the table below as a minimum. Although the Project Company may be the management function that directly liaises with the government during this period, it is the EPC Contractor who remains responsible for actions in regard to the engagement.

**Table 5-2 Construction Phase SEP Timetable**

Action	Stakeholders	Engagement Method	Timing and Frequency
Notify stakeholders of construction timeline	Affected communities (i.e. Impacted Stakeholders) and Local Government Authorities	Official letters to local government. Provision of general timetables at site noticeboards. Notices will also be placed in Al Hashimeyeh Municipality, mosques and primary schools of the affected communities and other such meeting places frequented by residents.	Prior to the start of construction and updated throughout construction as timetables change
Emergency Preparedness Action Plan	Affected communities (i.e. Impacted Stakeholders), Local Government Authorities and Emergency Response teams (e.g. Civil Defence)	Specific workshops at Local Municipality to outline and familiarise the emergency preparedness plan to local affected communities	Prior to the start of construction, and repeated if key updates to the plan occur, or enough specific requests are made
Implementation of Grievance Mechanism	Any potentially affected parties	<i>As described in the grievance mechanism section of this SEP</i>	Established at the start of construction and updated throughout construction

Action	Stakeholders	Engagement Method	Timing and Frequency
Independent Environment & Social Monitoring and Reporting	Project lenders	Environmental and social auditing to check compliance with Jordanian standards and EBRD PRs, IFC PSs and EHS Guidelines. Reported to lenders (dissemination to other interested parties at the discretion of the Project Company - i.e. local communities, government).	On a quarterly basis throughout construction
Consultation with stakeholders	All potentially affected parties	Where multiple grievances are received on a certain topic, targeted public meetings/ workshops will be arranged to discuss specific works that may cause disruption	As appropriate during construction
Notify local communities of opportunities for employment	Affected communities (i.e. Impacted Stakeholders) as well any other nearby local communities	Official letters to local government including Al Zarqa Municipality and Al Hashimeyeh Municipality Provision of employment opportunities (including skills and qualification required) at Project site noticeboards at the Project main entrance gate	Prior to the start of construction and throughout construction as workforce requirements might change

### 5.3.4 Operations

The O&M Company (CEGCO) will be the management function responsible for stakeholder engagement and the implementation of the SEP during operations.

At present, the SEP presents high-level general measures for stakeholder engagement during operation. However these should be re-visited and updated accordingly by the O&M Company as the project evolves, so that the SEP is current and relevant.

It will be important for the O&M Company to ensure a smooth transition between stakeholder engagement from construction to operation by understating the techniques that have been most effective for the EPC Contractor during construction. It will be important to continue these techniques so that the stakeholders are already familiar with the typical processes for engagement.

**Table 5-3 Recommended Operational Phase SEP Timetable**

Action	Stakeholders	Engagement Method	Timing and Frequency
Notify stakeholders of operational handover and key	Affected communities (i.e. Impacted	<ul style="list-style-type: none"> <li>Official letters to government</li> <li>Provision of general</li> </ul>	At least 2 months prior to PCOD and COD dates

Action	Stakeholders	Engagement Method	Timing and Frequency
dates regarding commencement of operations	Stakeholders) and Local Government Authorities Project Lenders	timetables at community centres for display • Display of general timetable at the site main entrance	
Emergency Preparedness Action Plan	Affected communities (i.e. Impacted Stakeholders), Local Government Authorities and Emergency Response teams (e.g. Civil Defence)	Specific workshops at Local Municipality to outline and familiarise the emergency preparedness plan to local affected communities	2 months prior to PCOD and COD dates and repeated if key updated to the plan are made or enough specific requests are made
Implementation of Grievance Mechanism	Any potentially affected parties	<i>As described in the grievance mechanism section of this SEP</i>	Established at the start of operations and managed throughout the entirety of the operational period
Independent Environment & Social Monitoring and Reporting	Project lenders and interested Government Authorities	Environmental and social auditing to check compliance with Jordanian standards and EBRD PRs, IFC PSs and EHS Guidelines. Reported to lenders (dissemination to other interested parties at the discretion of the Project Company).	On an annual basis throughout operations
Consultation with stakeholders	All potentially affected parties	Where multiple grievances are received on a certain topic, targeted public meetings/ workshops will be arranged to discuss specific works that may cause disruption	As appropriate during operation



## 6 GRIEVANCE MECHANISM

Given the nature and scale of the project and its associated potential environmental and social impacts, it is envisaged that grievances from affected parties might occur. In line with the lenders' requirements and best practice, it is important that an open and clear system is designed and implemented to ensure that any affected party has the opportunity to raise a complaint.

The aim of the grievance mechanism is establishing a system to receive and facilitate resolution of the stakeholder's concerns and grievances about the Project's environmental and social performance. The grievance mechanism has the Affected Communities as its primary beneficiaries. It seeks to resolve concerns promptly, using an understandable and transparent consultative process that is culturally appropriate and readily accessible at no cost and without retribution to the party that originated the issue or concern.

The implementation of the grievance mechanism for the project will fall under separate parties depending whether the grievance is related to the construction or the operational phases and will be publicised using the means described in Section 5.3.

### 6.1 Characteristics of the Grievance Mechanism

#### 6.1.1 Key Principles

The grievance mechanism for the project will comply with the following principles:

- Clarify at the outset what is the purpose of the procedure;
- The entire process (i.e. how a complaint is received and reviewed, how decisions are made and what possibilities may exist for appeal) will be made as transparent as possible by putting it into written form, publicising it and explaining it to relevant stakeholders;
- Assure people that there will be neither costs nor retribution associated with lodging a grievance; and
- Include precautions such as a clear non-retaliation policy, measures to ensure confidentiality and safeguarding of the personal data collected in relation to a complaint, as well as an option to submit anonymous grievances.

#### 6.1.2 Scope

The scope of the grievance mechanism is to cover all stakeholders' problems and concerns regarding project activities, the implementation of mitigation and compensation measures as per the ESIA and environmental and social performance of the project. Generally, all claims from affected communities should be accepted and no judgment made prior to

investigation, even if complaints are minor. However, according to best practice, the following claims should be directed outside of project-level mechanisms:

- Complaints clearly not related to the project based on assessment of its legitimacy;
- Issues related to governmental policy and government institutions;
- Complaints constituting criminal activity and violence, which should be referred to the justice system;
- Labour-related grievances: A separate mechanism will be established through human resources policies, and include in its scope all grievances by the company employees, contractors, subcontractors and suppliers. This grievance mechanism will be aligned with EBRDs PR 2: Labour and Working Conditions and IFC PS 2;
- Commercial disputes: Commercial matters should be stipulated for in contractual agreements and issues should be resolved through a variety of commercial resolution mechanisms or civil courts.

#### **6.1.3 Publicising Grievance Management Procedures**

The grievance mechanisms will be publicised by posters at the project noticeboard (with grievance forms) and by letters to the authorities. The information provided will be available in relevant languages (i.e. Arabic and English) and will include at least the following:

- What project-level mechanisms are capable of delivering and what benefits complainants can receive from using the company's grievance mechanism, as opposed to other resolution mechanisms;
- Who can raise complaints (i.e. all stakeholders);
- Where, when, and how community members can file complaints;
- Who is responsible for receiving and responding to complaints;
- What sort of response complainants can expect from the company, including timing of response; and
- What other rights and protection are guaranteed.

#### **6.1.4 Submitting a Grievance**

The grievance mechanism will allow for grievances to be filed in several ways:

- Handed directly/posted to a grievance post box at the site entrance; and
- Written by post or email.

Therefore, security personnel at the project's gate must be aware and trained to deal with any grievances appropriately. For illiterate complainants or those that prefer to submit their

grievances verbally, they will have the possibility to meet with the relevant E&S Manager who will take notes on the details of the complainant and read them out loud to the complainant to confirm that the key elements of the complaint have been captured.

If an anonymous grievance (e.g. letter or email without details about the complainant) or the grievant requests to remain anonymous, the grievance will also be accepted and processed. A detailed register of the complaints, submission dates, persons in charge of handling the complaint, the responses provided, and finally the date of the resolution will be kept. These records will be audited by the external independent auditors.

The grievance mechanism will be further publicised at the site gate and at the affected communities, at the company's website and through letters to the authorities. All information about grievance procedures, grievance forms and responses will be available in Arabic, as it is the language used by the identified stakeholders, as well as in English. Access to the mechanism will be free of cost.

#### **6.1.5 Receiving Complaints**

The company will publicly commit to a certain timeframe in which all recorded complaints will be responded and to ensure that this response timeframe is enforced (as below). By letting people know when they can expect to be contacted by company personnel and/or receive a response to their complaint their frustration may be reduced. Below are some receipt procedure rules that will be followed for grievances:

- All incoming grievances will be acknowledged as soon as possible, no later than a week from reception. A formal confirmation—with a complaint number and a timeline for response— assures the complainant that the organization is responding properly, and it gives the project a record of the allegation;
- In cases of sensitive grievances, such as those involving multiple interests and a large number of affected people, where a more complex investigation is required, the complainant will receive an update within two weeks of the grievance being received, explaining the actions required to resolve the complaint, and the likely timeframe;
- The Project Company will explain in the first letter of acknowledgment, which claims are clearly outside the scope of the mechanism and what alternative mechanisms communities can use to address these potential issues (see Section 6.1.2).

#### **6.1.6 Reviewing and Investigating Grievances**

To ensure that all grievances are adequately investigated and closed out, a grievance log will be kept, documenting all the actions taken to address each grievance.

An extensive investigation may be required when grievances are complex and cannot be resolved quickly. The EPC Contractor (during construction) and the O&M Company (during operation) will take full responsibility for investigating the details of grievances received through its grievance mechanism, following the principle of “no cost to communities”. If the investigation team is formed internally, issues that will be taken into consideration include potential conflicts of interest, qualifications, gender composition, and budget. Meetings with complainants and site visits will be undertaken, as appropriate.

In cases of sensitive grievances - such as those involving multiple interests and a large number of affected people - it may help to engage outside organizations in a joint investigation, or allow for participation of local authorities, only if the complainants agree to this approach. The NGOs, local authorities and public agencies listed in Section 4.3 can participate in the investigation of a grievance, if the grievant agrees.

#### **6.1.7 Grievance Resolution Options and Responses**

One of the potential advantages of a grievance mechanism is its flexibility. Rather than prescribe a specific procedure for each particular type of complaint, a list of possible options appropriate for different types of grievances will be provided. Options may include altering or halting harmful activities or restricting their timing and scope (e.g. for construction noise), providing an apology, replacing lost property, providing monetary compensation (e.g. a sheep or goat getting hurt in the project area), revising the community's engagement strategy, and renegotiating existing commitments or policies.

The grievance investigation team will provide a proposal to resolve the complaint, which will have the backing of the Senior Management. The E&S Manager will then contact the complainant to get an agreement on the proposed solution.

If all parties accept the proposed solution, the agreed actions will be implemented in the established timeframe. If the complainant does not accept the proposed resolution, the EPC Contractor or O&M Company (for construction and operation respectively) should re-assess the situation and make sure that all alternatives within the grievance mechanism are explored. If agreeing on a solution acceptable to all parties is not possible within the grievance mechanism, the complaint will be referred to external mechanisms.

Close-up monitoring of a grievance will be undertaken, if possible, by collecting proof that the necessary actions have taken place. For example:

- If the issue was resolved with the satisfaction of the complainants, get a confirmation and file it along with the case documentation;
- Take photos or collect other documentary evidence to create a comprehensive record of the grievance and how they were resolved.



## 6.2 Construction Phase

The construction phase will require two separate grievance mechanisms to be implemented for the following parties as follows:

- Construction personnel, workers, staff and complaints of an internal nature (including sub-contractors);
- External parties.

Both internal and external grievance mechanisms will be managed by the EPC Contractor, who will designate responsibility to a member of staff to receive and follow up on all grievances. Grievances will be investigated by the EPC Contractor and may require co-ordination with the Project Company or other sub-contractors. All received grievances will be acknowledged within a week of receipt of receipt, or quicker depending on the urgency of the grievance.

The EPC Contractor will allocate enough resources (potentially limited to one member of staff – i.e. E&S Manager) to manage all stakeholder engagement. However, the designated member of staff will also be responsible for following up and managing grievances. The member of staff may be supported by an additional team or part of an existing team, however the staff will be experienced in engagement processes and will be familiar with the lender requirement for stakeholder engagement.

### 6.2.1 Construction personnel, workers, staff and complaints of an internal nature (including sub-contractors)

The internal grievance mechanism will be made available to all construction personnel associated with the project. This includes all those employed by the Project Company, EPC Contractor, sub-contractors and any other related contractors. All construction personnel will be made aware of the grievance mechanism during their employment inductions at the project and in employment documents. The EPC Contractor will also encourage sub-contractor companies to also implement a similar grievance system on a basis for sub-contractor level internal complaints.

Grievances of construction personnel will be made in writing to the EPC Contractor via a specific grievance form (see example grievance form in Appendix B). The grievance form will be made available at key locations on-site (e.g. canteen and office locations) as well as at any staff accommodation. The grievance form will be available in Arabic and English. Where the complainant is illiterate, the complaint can be made verbally in confidence to a manager, so that the manager will complete the grievance form on behalf of the grievant.

Grievance forms will include contact details of the complainant, however, a grievance can be raised anomalously if desired. Grievance forms will be posted in a sealed and locked 'post box', with the post box checked on a regular schedule several times a week.

Follow-up to grievances will be completed on a grievance follow up form and signed off by the EPC Contractors grievance control representative. The follow up form will state all actions taken to resolve the grievance and any further dialogue that had ensued, as well as any future monitoring of the situation or other planned actions. The completed and signed off forms will be kept in a dedicated grievance mechanism folder on site, which will be made available for review to the external independent environmental and social auditors during the periodic environmental and social audits' required during the construction phase.

### **6.2.2 External Parties**

In the case of affected parties raising a complaint directly, a grievance form for external parties will also be made available at the Project site main entrance gate. The grievance form will be available in Arabic and English.

The E&S Manager or other EPC Contractor representative for stakeholder engagement shall be available to speak to local communities and receive grievances at appropriate times, including verbal grievances, which will be recorded on the grievance form and followed up in the same fashion as other received grievances. The contact details of the E&S Manager or other EPC Contractor representative for stakeholder engagement will be advertised at the notice board at the Project site main entrance gate, once the individual has been appointed.

## **6.3 Operational Phase**

The operational phase grievance mechanism will be similar to that of the construction phase grievance mechanism outlined above. The process during operations will also be accessible separately for internal personnel and external affected parties. The O&M Company will allocate enough resources (e.g. one member of staff) for stakeholder engagement. This member of staff will also be responsible for following up grievances and will need to arrange all necessary community liaison as appropriate. During operations, the grievances and their follow-up will be managed by a representative of the O&M company (i.e. CEGCO's E&S Manager).

All internal staff grievances will be made by way of a grievance form, available at key location on-site. For external complaints a grievance form system (and other method of contacting the respective project personnel, e.g. email, telephone) will be provided in Arabic and English language at the main entrance of the power plant. The process for reviewing, following up, responding to and recording grievances will be the same as detailed for the construction phase (above). All grievances during operations will be recorded for a minimum of 5 years, with records being kept on site.

Where other complaints are received externally by letter or email these will also be formally recorded and followed up appropriately by the designated representative under the same

process outlined above for construction. The contact details of the E&S Manager will be advertised at the notice board at the plant's main entrance gate, once the individual has been appointed.

## 7 MONITORING AND REPORTING

### 7.1 Independent Periodic Monitoring

Periodic environmental and social monitoring of construction and operational activities is required by the project lenders during the period of the loan agreement. As set out earlier in this SEP, the periodic environmental and social monitoring of the project will be undertaken by an independent qualified consultant who has experience in working with the requirements of international financial institutions. Such periodic audits are recommended on a quarterly basis (every 3 months) during construction and on an annual basis during operations as a minimum.

The auditing process will seek to report good environmental practices as well as reporting non-compliances where necessary. Non-compliances will relate to specific breaches of the applicable environmental & social standards/regulations or the site-specific environmental & social management plans.

The engaged independent consultant will prepare environmental and social audit reports for the EPC Contactor or Operational and Management Company on behalf of the Project Company, which will then be submitted to the lenders for review.

Any distribution of audit reports to parties other than the lenders (e.g. MoE or other Government Authorities) will be at the discretion of the Project Company.

### 7.2 Reporting

Besides the reporting of the independent environmental and social monitoring reports detailed above, the EPC Contractor, O&M Company or Project Company may wish to report back to stakeholders on the project, or its compliance to the respective environmental & social standards. The mechanisms for such reporting have not yet been decided, and if implemented may include the following recommended methods based on best international practices:

- Periodic reporting of project compliance by way of information provision at local community centres available to local residents and officials;
- Periodic public meetings in directly affected communities;
- Display of key project statistics and environmental compliance at the project main entrance;
- Reporting of project status and environmental and social compliance via internet publications on project company website.

Please note: Such methods of reporting are recommendations only and would need to be implemented by the EPC Contractor, O&M Company or Project Company.

## 8 IMPLEMENTATION PLAN

### 8.1 Roles and Responsibilities

#### 8.1.1 Environmental and Social Manager

The Environmental and Social Manager will have the responsibility of the implementation of all aspects of the SEP ensuring that the project is compliant with lenders requirements. The Environmental and Social Manager will be employed by the EPC Contractor during the construction phase and the O&M Company during the operation phase. The Environmental and Social Manager will be overseen by the Project Company HSE Manager. The Environmental and Social Manager must be able to:

- Ensure that the SEP and the available engagement methods are publicised;
- Ensure that project personnel are well briefed in regard to the SEP and grievance mechanism (including security personnel), and that the required resources (e.g. vehicles, company phones, office materials) are provided;
- Ensure that representatives from local communities/community groups can be relied upon to faithfully represent the views of disadvantaged or vulnerable groups (such as women, children, illiterate people) and communicate the results of consultations to their them;
- Supervise the processing and resolution of all grievances; and
- Supervise the disclosure of the non-technical summary of the audit reports and of the full reports if required.

### 8.2 Timeline

The positions outlined in section 8.1 will be filled before the start of construction and operation to ensure that all the requirements of the SEP are implemented as soon as the first construction activities start onsite.

### 8.3 Budget

The staffing requirements and resource expenditures (e.g. posters, printing of NTSS, transport etc) will be identified based on the activities and programmes discussed in the previous chapters. It should be noted that the budget should include a reserve for unforeseen expenses that would result from closing out complex grievances, such as hiring external experts or involving NGOs in the investigation.

The budget for implementing the SEP will be determined once recruitment and purchase of relevant equipment is necessary.



## **APPENDIX A**

### Key Project Personnel Contact Details

### **Key Project Personnel Contact Details**

Contact Person:	Mehmet Yildiz
Position	Project Director
Address	Zarqa Power Plant Project, PO BOX 633, 13110 Zarqa - Jordan
Telephone	+962 7900 965 28
Email	<a href="mailto:MYildiz@acwapower.com">MYildiz@acwapower.com</a>

## **APPENDIX B**

### Example Grievance Form

<b>GRIEVANCE FORM</b> <i>To be used for grievance(s) only. Shall not be used to raise comments, suggestions, or/and inquires or any other matters</i>	
INSTRUCTIONS	Please fill in this Grievance form in clear handwriting and submit through one of the following means: - Directly to Environmental & Social Manager - By email to HOLD - Deposit in the letter box at the Project main entrance
Full Name	First Name:
	Last Name:
	<input type="checkbox"/> I wish to raise my grievance anonymously ( <i>You can remain anonymous if you prefer but we will not be able to contact you with a response to your concern</i> )
Contact Information Please mark how you wish to be contacted (mail, telephone, e- mail).	<input type="checkbox"/> By Post: <i>Please provide mailing address:</i>
	<input type="checkbox"/> By telephone:
	<input type="checkbox"/> By email:
Preferred Language of Communication	<input type="checkbox"/> English
	<input type="checkbox"/> Arabic
Description of Incident/Grievance	<i>What happened? Where did it happen? Who did it happen to? What is the result of the problem?</i>
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?	
Signature:	
Date:	

