

Corporate Stakeholder Engagement Plan

EPS, Serbia

September 2015

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Grievance Form (EN and SRB)

1 BACKGROUND AND OBJECTIVE

This document is the Corporate Stakeholder Engagement Plan (Corporate SEP) for Public Enterprise Elektroprivreda Srbije (EPS). EPS is a state-owned electric utility power company in Serbia which is engaged in:

- Lignite Mining
- Thermal Power Plants
- Hydropower projects
- Power distribution and supply

Stakeholder consultation and disclosure are key elements of engagement between EPS and the public, and essential for delivery of successful projects.

The SEP objective to ensure that a timely and consistent approach is taken to information disclosure and public consultation for all EPS activities. EPS is committed to develop an 'international best practice' approach to engagement in line with Serbian requirements and uses the European Bank for Reconstruction and Development's Performance Requirement 10 on Information Disclosure and Stakeholder Engagement as International Best Practice.

This Corporate SEP is the framework document, which will be amended and updated as required. It will be supported by division-and sometimes project-specific SEPs that may be required by the implementation of new EPS projects or the extension of existing ones with the goal of having a fit-for-purpose approach for the local circumstances.

EPS CONTACT DETAILS

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11000 Beograd
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Website: www.eps.rs

1.1 BRIEF DESCRIPTION OF EPS ACTIVITIES

EPS is the largest company in Serbia in terms of capital value and number of employees. In 2015, EPS employed approximately 36,000 staff.

EPS is currently under reorganization and the 13 subsidiary companies will be merged as of July 1, 2015, to form three new companies (NewCos), including (i) a company comprising the headquarters and all production sites, (ii) a distribution company, and (iii) a supplier company for energy.

NewCos	Activities
(i) Headquarters & Production Company	<p>Installed generation capacity of approx. 8 GW, of which 55% is coal-fired, 40% hydropower and 5% fuel and gas-fired combined heat and power generation:</p> <ul style="list-style-type: none"> - Hydro power plants (Djerdap, Drinsko-Limske, Vlasinske); - Thermal power plants - coal, heating oil, natural gas (Nikola Tesla, Kolubara, Morava, Kostolac); - Combined heat and power plants (CHP - Novi Sad, Zrenjanin, Sremska Mitrovica); and - Small hydropower plants. <p>Operation of two open pit lignite basins, Kolubara and Kostolac, which produce approx. 38 Mio tonnes per annum (79% at Kolubara and 21% at Kostolac). Kolubara Is located approx. 60 km south of Belgrade) and Kostolac is located approx. 90 km southeast of Belgrade.</p>
(ii) Distribution Company	Distribution of electricity
(iii) Supplier Company	Supply of electricity to the end consumers and public supply

The map below in *Error! Reference source not found.* shows the installed power capacity and mining sites of EPS.

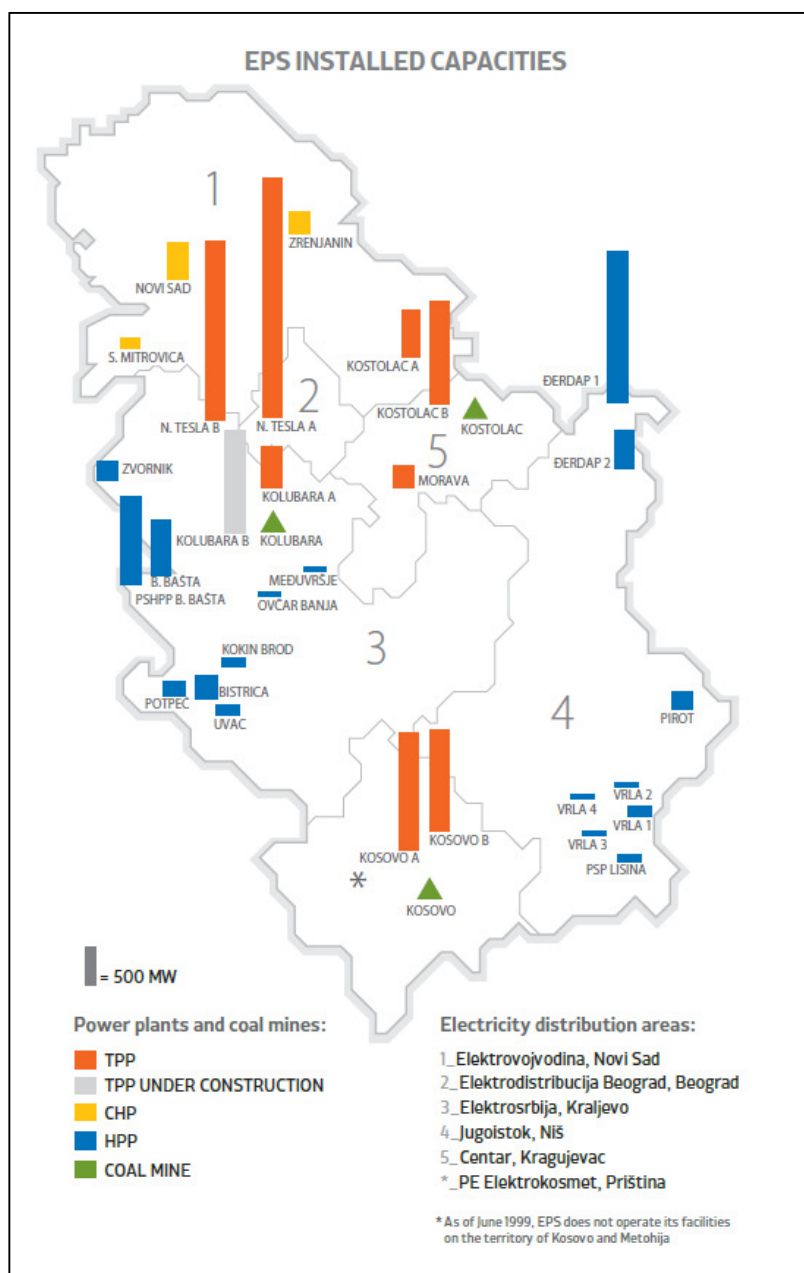


Figure 1 Overview of EPS operations (Source: EPS Technical Report 2014)

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REQUIREMENTS FOR STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE

EPS's Stakeholder Engagement will be designed and implemented in accordance with the following requirements:

- Legislative requirements of the Republic of Serbia;

- EPS principles and procedures, developed to meet the EBRD Environmental and Social Policy (May 2014), Performance Requirement (PR) 10 “Information Disclosure and Stakeholder Engagement”
 - *Identification of people or communities* that could be affected by the project, as well as other interested parties;
 - *Meaningful consultation* with project-affected or other interested parties on environmental and social issues that could potentially affect them;
 - Disclosure of appropriate information and appropriate notification about this disclosure at a time when stakeholder *views can still influence the development of the project*;
 - Stakeholder consultation during *all project stages*, and starting *as early as possible* during project planning and preparation;
 - Operation of a procedure by which people can *submit comments and complaints* (Grievance Mechanism);
 - Maintenance of a *constructive relationship* with stakeholders on an ongoing basis through meaningful engagement during project implementation; and
 - Special provisions shall apply to consultations which involve *vulnerable groups*¹.

2.1

SERBIAN REQUIREMENTS

The level of stakeholder engagement and access to information in Serbia relevant for EPS activities is regulated by planning, construction and environmental regulation. EPS notes that Serbia enacted legislation in 2009 to implement the requirements of the UNECE Aarhus Convention². This legislation is the *Law on Confirmation of the Convention on Information Availability, public participation in decision-making processes, and, legal protection within environmental issues*.

EPS will develop information at both the corporate level, and at the operational level, including for any major new projects or activities. This Corporate Stakeholder Engagement Plan (SEP) explains how the process will work at the Corporate level. If there are SEP activities in your specific area, please contact the company level to identify the information and engagement that would be relevant in your area.

¹ People who by virtue of gender, ethnicity, age, physical or mental disability, economic disadvantage, or social status may be more adversely affected by a Project or operation than others and who may require particular measures to engage them in the process. Vulnerability is considered with regard to the Project context.

² The UNECE Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (“the Aarhus Convention”) establishes a number of rights of the public (individuals and their associations) with regard to the environment. The requirements are on the Party that has ratified the Convention.

The information and stakeholder engagement requirements for new activities will be managed in accordance with Serbian Law and best international practice. For projects requiring environmental and social impact assessment, an SEP will be developed at an early stage to inform people how they will be notified about consultation activities, where information will be put in the public domain, and how complaints will be handled. We welcome your comments on improving these engagement plans.

The number of public meetings organized for a project depends on the environmental and social risks and the related risk rating (i.e. List 1- and List 2 projects) by the competent authority. The competent authority may be the Ministry of Infrastructure, Transport and Construction, or the Ministry of Agriculture and Environment Protection. In certain cases the process is delegated to the local authorities where a project is being developed. All of this information will be clarified for a specific project when it is in the planning stage, so that interested people are made aware of the engagement plans. If the competent authority organizes public meetings on an EPS activity or project, EPS will normally attend the meeting to explain the project and reply to questions and stakeholders' comments.

2.2

GOOD INTERNATIONAL PRACTICE

Corporate Information disclosure

EPS will publish information about its activities at the Corporate Level on the EPS website (www.eps.rs). This will include an annual report on environmental and social performance and health and safety.

Notifications about new projects and activities with environmental or social impacts will be included in Privredni Pregled, Danas, Politika, Dnevnik, etc.. EPS at the level will discuss plans with the municipal authorities nearest the activity or project and agree the appropriate notification and consultation process for the project or activity, designed to meet Serbian requirements and best international practice.

Formal Grievance channels

The legal requirements in Serbia regarding environmental impact assessment state that the competent authority is responsible for collecting suggestions or complaints from all interested parties and provides this to the project developer for consideration. Concerns experienced during project implementation can be brought formally to the attention of the authorities or to the courts through the normal judicial process.

In addition to formal legal channels, EPS has its own grievance mechanism for workers and for the general public (see grievance section below regarding the public mechanism).

3 IDENTIFICATION OF STAKEHOLDERS

A stakeholder is defined as any individual or group who is potentially affected by a project or activity or who has an interest in the project or activity. The objective of stakeholder identification is therefore to establish which organizations and individuals may be directly or indirectly affected (positively and negatively), or have an interest in the project. Stakeholder identification related to EPS at the national level is more general, as the detailed planning needs to be done at the local level for any specific activity. The main groups of corporate stakeholders are listed in

Table 1.

Table 1 Identified Groups of Stakeholders and communication methods

Group of Stakeholders	Communication Method
1. Administrative Bodies and Authorities 3.1. Republic authorities <u>Ministry of Mining and Energy</u> Address: Nemanjina 22-26, 11000 Beograd Phone: 011/3346755 www.mre.gov.rs <u>Ministry of Construction, Transport and Infrastructure</u> Address: Nemanjina 22-26, 11000 Beograd www.mgsi.gov.rs <u>Ministry of Agriculture and Environment Protection</u> Address: Nemanjina 22-26, 11000 Beograd Phone: 011/306-50-38 www.mpzss.gov.rs 1.2. Regional authorities 1.3. Local authorities	Communication with authorities will be along established procedures under Serbian law.
2. Land owner and users 2.1 Individuals, legal entities, local administration holding land title documents 2.2 Tenants or occupiers without formal rights 2.3 Land users (grazing, farming or other activities);	Resettlement, expropriation and livelihood restoration caused by impacts from project activities – will be included in resettlement plans agreed with competent authorities and communicated with those affected.
3. Local population 3.1 Inhabitants/residents near a project or activity 3.2 Residents of settlements located near roads used for project activities, such as transporting materials during construction and operation, contractor and supplier vehicles, etc.	Communication with local residents around EPS operations and activities will be agreed with municipalities, village councils, or other relevant bodies, and subject to comment by the public involved. This will differ depending on location, rural/urban setting, and types of impacts and interest levels. Local communication will focus on disclosure of routine information, meetings with relevant authorities and councils, and implementation of the grievance

Group of Stakeholders	Communication Method
	mechanism.
4. Vulnerable groups who may be impacted by a project or activities.	Once EPS becomes aware of vulnerable groups, the Community Liaison Officer will engage with the group and identify any specific information or consultation needs in order to take any concerns or impacts into account. Communication will differ, based on needs.
5. Non-Governmental and Civil Society Organisations (NGOs and CSOs)	If you wish to be on an e-mailing list to get information about new projects, activities, or when new information is posted on the EPS website, please contact the Community Liaison Officer: Ms. Bratislava Hadži-Paunković (bratislava.hadzi-paunkovic@eps.rs, phone +381 11 2024 837, mobile +381 65 54 57 344, address Balkanska 13, 11000 Belgrade)
6. Media 6.1. Print media 6.2 Radio, TV 6.3. Internet	6.1. Print: for example: Privredni Pregled, Danas, Politika, Dnevnik 6.2 Radio, TV for example: Radio Beograd, 1,2,3, RTS1 and RTS2 6.3. EPS website: www.eps.rs
7. Workers 7.1 Employees 7.2 Contractors and subcontractors 7.3 Suppliers	These three groups are covered in different plans and procedures, including information disclosure and providing a grievance mechanism. They are not covered in this document.

STAKEHOLDER ENGAGEMENT PROGRAM

This Corporate SEP will serve as the framework for stakeholder engagement. There will be a Management Level person in EPS responsible for the EPS Corporate SEP, and their team will review all project-specific SEPs to ensure they meet the corporate standards.

The following table includes general action items defined to improve stakeholder engagement of the EPS activities. It provides a description on the planned activities, target groups, and timelines. This action list will be amended as required for the Project-specific SEPs.

Table 2 EPS Corporate Stakeholder Engagement 2015-2016

Activity/Element	Target Stakeholders	Description
1. Online publication of relevant information regarding EPS activities.	All stakeholders	There will be announcements about EPS's activities relevant for local and national community on EPS's website on a regular basis in English and Serbian language. (www.eps.rs)
2. Formal newspaper notices	All stakeholders	There will be announcements about EPS's activities in national and regional newspapers in local languages on a regular basis. (for example: Privredni Pregled, Danas, Politika, Dnevnik)
3. Grievance and comment Telephone 'hotline'	All stakeholders	As part of the grievance mechanism a staffed telephone is in operation at EPS corporate level (Tel +381 11 2024 837). It is manned during normal business hours, and messages left after business hours on the answer machine will be returned if a telephone number is provided.
4. Conduct public meetings as appropriate	All stakeholders	In addition to public meetings conducted by relevant authorities related to EPS activities, EPS may hold meetings with communities and on particular issues, depending on interest and status of EPS activities. These may include information about new projects, planned extensions of existing projects, status of resettlement plans, and issues such as health and safety or air emissions. For significant operations, such as the Kolubara and Kostolac mining areas, or the planned extensions of the power plant at the Kostolac mine, communication will be regularly scheduled in close collaboration with the competent authorities. Meetings will be announced in the media at least two weeks prior to the meeting.
5. Notices at public places	All stakeholders	EPS will make notices at public places near an activity that is undergoing public consultation or where there are ongoing impacts. These will be defined in the project-specific SEP, but may include community bulletin boards.
6. Community Liaison Officers	Local population	<p><i>Local liaison officers</i> will be appointed and employed by EPS. They will be the local point of contacts for the population in the areas affected by EPS activities. Their responsibility include providing project related information on behalf of EPS (e.g. related to expansion of mining operations) and receiving grievances made orally or filled via the grievance form. The head of the CLO programme is Ms Bratislava Hadži-Paunković.</p> <p>Community Liaison Officer: Ms. Bratislava Hadži-Paunković (bratislava.hadzi-paunkovic@eps.rs, phone +381 11 2024 837, mobile +381 65 54 57 344, address Balkanska 13, 11000 Belgrade)</p>
7. Comment Form and Grievance Form	All stakeholders	A pre-printed comment form (see <i>Annex B</i>) will be made widely available during public meetings and in the project area. Comments can also be provided orally, by email or by telephone and will be logged by the EPS Community Liaison Officer. Comments from individuals can be provided anonymously if wished.
8. Install grievance boxes	Local population	Grievance boxes will be installed at central places around EPS projects and will be equipped with grievance forms so that the people can file written grievances. The Community Liaison Officer will be responsible for emptying the grievance box on a regular basis and provide them to the EPS Complaints Manager.
9. Special actions	Vulnerable groups	If community leaders, other stakeholders or the Community Liaison Officers identify that there are special groups within the community that will require particular measures to engage them in the process, the Community Liaison Officer and team will identify an appropriate means of making contact, explaining the project and understanding their views.

5.1**OVERVIEW**

A grievance could be a complaint, comment or question about EPS activities or projects and their impacts. It could also be about EPS employees or contractors or their vehicles. EPS commits to process any grievance received in a timely manner. Separate EPS companies will manage their own grievances, and EPS will monitor the implementation of their grievance mechanisms.

5.2**EPS GRIEVANCE PROCEDURE**

Reporting a concern or grievance is free, open and accessible to all, and comments and grievances will be addressed in a fair and transparent manner. All workers, including contractors will be informed of the grievance procedure and new workers will be informed when they join the company or project. This guidance note will not deal with the worker grievance mechanism.

The grievance procedure comprises the following steps:

- 1. Identification of grievance:** Stakeholders shall be able to use the following methods to submit a grievance:
 - Talking to the Community Liaison Officer or Telephone hotline or raising a concern at a public meeting;
 - By letter (or putting a note in an EPS grievance box located main offices); and
 - By filling the grievance form online (www.eps.rs).
- 2. Grievance will be formally acknowledged** through a personal meeting, phone call, or letter as appropriate, within 5 working days of submission. The grievance will be recorded in the 'Grievance Log' by the EPS Community Liaison Officer. If the grievance is not well understood or if additional information is required, clarification will be sought from the complainant during this step.
- 3. The Community Liaison Officer will assign the grievance** to the relevant EPS department(s)/personnel /contractor for response and will track the outcome of the process. Significant concerns and incidents will be immediately brought to the attention of senior management.

4. **For complex grievances at the community level**, EPS may consider other grievance management options, such as establishing a conflict resolution committee (EPS representatives, local authorities, complainants, etc.).
5. **Actions deemed necessary to resolve the grievance** are recorded on the grievance log and responsibility and timing agreed.
6. **The outcome of the grievance process will be communicated to the affected party**, normally within 30 working days after receipt of the grievance unless the problem raised is complex and needs further investigation, in which case the complainant will be notified of the time necessary to respond.
7. **The response of the complainant is recorded** to help assess whether the grievance is closed or whether further action is needed.

The EPS Grievance Form is presented in the *Annex*.

A summary of the implementation of the grievance process will be part of the ESP reporting; however, names and identifiable information will be removed so that individuals cannot be identified.

A stakeholder always has the right to complain to the relevant authorities or the legal system, in accordance with the existing legislation of the Republic of Serbia.

6 *RECORDING AND MONITORING STAKEHOLDER ENGAGEMENT*

This section presents an overview of the reports that will be used to report on and monitor SEP activities.

6.1 *RESPONSIBILITY*

Reorganization of EPS took place from 1 July 2015. Currently the responsibilities and departments are being restructured to improve the processes and productivity of EPS. As part of this reorganization EPS will form a team responsible for stakeholder engagement at corporate level. The main activities will include:

- Implementation of this Corporate SEP;
- Supervision of the stakeholder engagement activities at NewCo level (implementation of project-specific SEPs, grievance management on project-level etc.);

- Corporate grievance management (management of central grievance database including major grievances from all EPS sites);
- Identification of risks associated with grievances filed at the EPS sites and definition of corrective actions (in collaboration with the technical departments and relevant personnel);

6.2 *REPORTING*

EPS will update this Corporate SEP as required by the changing activities. In addition EPS will disclose an annual report, which will include a Stakeholder Engagement section.

6.3 *EVALUATION OF EFFECTIVENESS*

From time to time the effectiveness of engagement activities will be evaluated by the EPS Community Liaison Officer against the goals and objectives set out in this Corporate SEP and the site specific SEPs. This evaluation will examine the extent to which activities were implemented in accordance with the Plan and the extent to which they achieved the aims defined here. The results and any lessons learned will then be incorporated into further updates of the Corporate SEP and site-specific SEPs.

ANNEX Public Grievance Form

Reference No (assigned by EPS):

Please enter your contact information and grievance. This information will be dealt with confidentially.

Please note: If you wish to remain anonymous please enter your comment/grievance in the box below without indicating any contact information – your comments will still be considered by EPS; however, EPS will not be able to respond to you regarding the issues without contact information.

Full Name

Please mark how you wish to be contacted (mail, telephone, e-mail).

By Mail (Please provide mailing address):

By Telephone (Please provide Telephone number):

By E-mail (please provide E-Mail address):

Preferred Language for communication

Serbian

Other, please specify:

Description of Incident or Grievance:

What happened? Where did it happen? Who did it happen to? What is the result of the problem?

Date of Incident/Grievance:

One time incident/grievance (date)

Happened more than once (how many times?)

On-going (currently experiencing problem)

What would you like to see happen to resolve the problem?

Signature: Date:

Please return this form to:

JP Elektroprivreda Srbije
Carice Milice 2
11000 Belgrade

Your complaint shall be filed within 5 working days, and the feedback will be sent to you within 30 working days.

Образац за притужбе јавности

Референтни број (додељен од ЕПС-а):

Молимо Вас да унесете Ваше контакт информације и притужбу. Ове информације ће се сматрати поверљивим.

Напомена: Ако желите остати анонимни, унесите Ваш коментар/притужбу у оквир испод без навођења било каквих контакт информација - Ваши коментари ће и тада бити разматрани од стране ЕПС-а.

Име и презиме

Молимо Вас да означите како желите бити контактирани (пошта, телефон, e-mail)

Поштом (наведите поштанску адресу):

Телефоном (наведите број телефона):

E-mail (e-mail адресу):

Жељени језик за комуникацију:

Српски

Други, наведите који:

Опис инцидента или притужбе:

Шта се десило, где и коме? Какав је исход инцидента?

Датум инцидента/притужбе:

Једном (Датум _____)

Више пута (Колико пута? _____)

У току (Тренутно се суочавате са проблемом)

Како бисте Ви желели да се реши тај проблем?

Молимо Вас да овај образац доставите на следећу адресу:

ЈП Електропривреда Србије

Царице Милице 2

11000 Београд

Ваша притужба ће бити заведена у року од 5 радних дана, а повратну информацију ћете добити у року од 30 радних дана.