

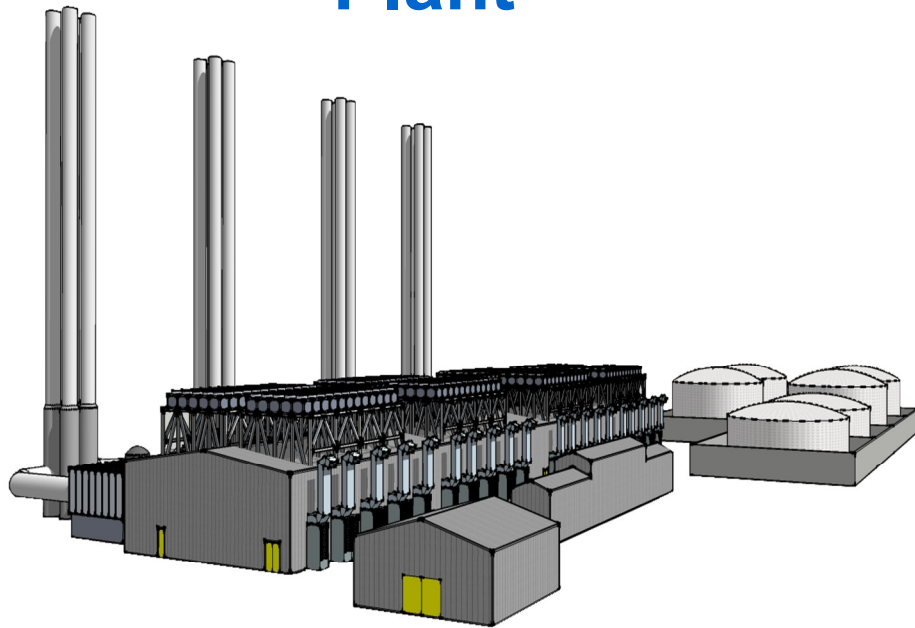
AES Baltic



Mitsui &



AES Levant Holding BV Jordan PSC IPP4 Al-Manaker Power Plant



STAKEHOLDER ENGAGEMENT PLAN

November 2012

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1.0 INTRODUCTION

1.1 Background

AES Levant Holding B.V Jordan PSC (“the Company” or “AES Levant”) has been selected by the Government of Jordan to construct and operate a power plant to generate electricity for the Jordanian grid (“the Project”).

Both the Overseas Private Investment Corporation (OPIC) and the European Bank for Reconstruction and Development (EBRD) are considering providing financing to the Company. As a result, IPP4 is required to meet the standards not only of Jordanian law, but also those of the International Finance Corporation (IFC) and World Bank Group (WB), and of EBRD, which generally requires compliance with European Union standards.

An Environmental and Social Impact Assessment (ESIA) has been prepared to meet the requirements of Jordanian law and IFC/WB, and has been reviewed against the requirements of EBRD. In addition, an Environmental and Social Management and Monitoring Plan (EMMP) identifies the actions that must be taken to avoid, reduce, or control the potential environmental and social impacts in order that the Project is constructed and operated to meet all these requirements. Finally, a Non-Technical Summary (NTS) shows the potential impacts and the actions that will be taken by the Company during construction and operation, to reduce them to acceptable levels. The NTS will also summarise stakeholder engagement and the EMMP, tailored for non-technical readers.

1.2 Objectives of the Stakeholder Engagement Plan (SEP)

This Stakeholder Engagement Plan has been developed with the aim of explaining how the Company will communicate with people and institutions that may be affected by, or interested in, the IPP4 power plant through the remainder of the planning process, during construction, and throughout operation. The plan includes a grievance mechanism for stakeholders to raise any concerns related to the project for the Company’s attention.

1.3 Summary of proposed Project

The Project is proposed to be a 250 megawatt (energy) power plant with 16 diesel engines that will be able to burn heavy fuel oil, distillate fuel oil, and natural gas. The plant is known as IPP4 Al-Manakher Power Project (as the fourth Independent Power Plant in Jordan).

The purpose of the new plant is to supply electricity to Jordan’s National Transmission System to help meet temporary demands (“peaking” demands) and to maintain the stability of the System (for example, if there is a sudden drop in the power delivered to the system when another plant has an unexpected outage). Any of the engines can be operated alone or in combination with others, which will allow the Plant to respond quickly to changes in demands.

IPP4 will be located about 14 kilometres east of Amman near the existing AES Amman East Combined Cycle Gas Turbine (CCGT) Power Plant, which is also known as IPP1. The land for both IPP1 and IPP4 is leased from the Ministry of Finance/Department of Lands and Survey and has been surrounded by a fence since the construction of IPP1 (Amman East Power Plant) in 2007-2009. The new plant will lie between IPP1 and the village of Al-Manakher, with the closest part of the village and the village school directly overlooking the plant from a nearby hill

The tri fuel engines that will be used by IPP4 are entirely different from the technology used at IPP1. IPP1 uses steam to drive turbines to generate electricity. IPP4 will use diesel engines that will turn a shaft to generate electricity. They can use some of the same fuel, but they would be entirely different in terms of emissions to air and noise generation.

1.4 Overview of AES Levant

The Company (AES Levant Holding B.V Jordan PSC) is incorporated in Jordan and is owned by two other companies: AES Baltic Holdings B.V and Mitsui & Company Ltd. It will be a company established specifically to construct and operate the Plant.

Although the two power plants have the same major stakeholders, it is important to note that the Company that will own and operate IPP4, AES Levant (AES Levant Holdings B.V. Jordan PSC) is not the same company that owns and operates the Amman East Plant (IPP1), which is AES Jordan PSC. The two companies will have separate management and will operate independently of one another.

While the power plants are run by separate companies, the management of IPP1 and IPP4 will where possible work together to resolve issues that may be related to both plants. This may include working together to develop a regular monitoring program for public areas in the village, such as the school, and reporting the results regularly on bulletin boards or in fact sheets left at the school and with the mukhtar. This may also entail working together with the village to find solutions to issues that may impact them.

2.0 REGULATORY CONTEXT

2.1 Jordanian requirements for stakeholder engagement/public consultation

Under Jordanian law, many institutional stakeholders (government agencies, some civil society organizations) participate as a Committee in initial scoping and location approval for proposed projects that need an Environmental Impact Assessment (EIA). Following site approval, a meeting of stakeholders is held in a location approved by the Ministry of Environment. Here, stakeholders are given information about the project and are able to communicate any concerns and recommendations they may have. There is no further public consultation, although the Committee reviews and comments on the completed EIA. If needed, the developer and the Committee negotiate until agreement is reached. Then, the EIA is approved or disapproved.

Project designs will need to be submitted to the relevant authorities in order to obtain building/construction permits or other approvals.

2.2 Aarhus Convention

The Aarhus Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters is designed to improve the way countries ensure transparency, enabling ordinary people to engage with government and decision-makers on environmental matters. Jordan has not ratified the Convention. This stakeholder engagement plan is generally consistent with what would be required by the Convention and meets OPIC and EBRD requirements.

2.3 IFI requirements for stakeholder engagement and public consultation

AES has decided to develop and implement the plan to meet best international practices and the requirements for stakeholder engagement and public consultations as specified in the EBRD Environmental and Social Policy of 2008 and as specified in the requirement of the International Finance Corporation Performance Standards.

The principles, requirements, methodological and procedural aspects of stakeholder engagement for EBRD Category A projects are described in detail in Performance Requirement R10 (PR10) "Information Disclosure and Stakeholder Engagement". EBRD outlines a systematic approach to

stakeholder engagement that helps the Bank's clients build and maintain a constructive relationship with their stakeholders, in particular the locally affected communities. The IFC addresses stakeholder engagement in Performance Standard 1 (PS 1) "Assessment and Management of Environmental and Social Risks and Impacts", and in the associated Guidance Notes.

In summary, the following system of stakeholder engagement is applicable to the IPP4 project:

- *Identification of project stakeholder groups* including members of the public who could be affected (directly or indirectly) by IPP4 construction and operation.
- *Stakeholder engagement process.* Timely and ongoing provision of information to stakeholders on the environmental and social issues that could potentially affect them
- *Meaningful consultation and disclosure* which will be based on the disclosure of information relevant to IPP4 and the Company's activities, and will be undertaken in a manner that is inclusive and culturally appropriate for all stakeholders.
- *Grievance mechanism* by which the general public and other stakeholders can raise concerns, which the Company will handle in a prompt and consistent manner.

3.0 PROJECT STAKEHOLDERS

3.1 Stakeholder Identification

There are a number of individuals and groups who have an interest in the Project. These are summarised in Table 2.

Table 2. Project Stakeholders	
Stakeholders	Interest in the Project
Residents of Al- Manakher	Closest community to the project; will potentially be directly affected by the project.
Residents of Sahab and other communities in the immediate vicinity of the project	Unlikely to be directly affected; residents likely to seek information on issues such as employment.
IPP4 employees and construction contractors	Health and safety; meeting requirements in minimising impacts.
IPP1 employees	Activities of neighbouring plant
Government Authorities eg Ministry of Environment, Ministry of Energy and Mineral Resources , Roads Authority , Archaeology etc; local police force; Governor of Sahab, WAJ, NEPCO, ERC.	Permitting and ongoing compliance with all applicable laws and regulations.
Non government organisations Royal Scientific Society (RSS)	Interest in the project from a range of different perspectives including environmental, social, health and safety, or power provision. Could be local, regional or international.
Other interested individuals	Any other individual or group who has an interest in the project.

2.3 Community Liaison Committee

In order to ensure clear and consistent communication with its closest neighbours, the Company has established a Community liaison committee comprising of 6 residents of Al Manakher as appointed by the Sabah Governor (including the Mukhtar) and 2 representatives of IPP4. The Company will continue to liaise with the Committee during both the construction and operation of the project. The Committee will be formally registered with the relevant Ministry.

The committee will be responsible for the following:

- Facilitating access to information on the project;
- Informing stakeholders of on-going communications and meetings;
- Informing stakeholder about project progress, issues to expect, construction time table etc.
- Providing feedback from stakeholders on issues that have been raised; and
- Alongside AES, facilitate implementing community projects as appropriate.

The Committee will initially meet monthly, though more frequent meetings will be convened if requested by the village members. Meetings will be held in a convenient location, most likely to be at the Mukhtar's house or in AES' offices. Minutes of all meetings will be taken and will be posted at the school and be made available on request.

Currently AES has been advised by the Governor Sahab that a dedicated process for engaging with women members of the community is not culturally appropriate. However, if circumstances change, AES may consider establishing such a process, in consultation with community members as appropriate.

In order to facilitate consultation with women, a female Community Liaison officer will be appointed. She will be responsible for providing information about the project to the women in Al Manakher (or those from neighbouring communities as necessary), and ensuring they are familiar with the Grievance Process. When grievances are lodged by women, she will also be responsible for follow up and resolution, in conjunction with AES Management. If necessary, AES will appoint a suitably qualified social consultant to support the appointed Female Liaison Officer and assist in the design of a culturally appropriate communication process.

During the construction phase, AES will explore opportunities to engage with women in Al Manakher in order to develop specific mitigation measures or to provide assistance in improving household livelihoods. This will be undertaken in a culturally appropriate manner.

4.0 PROVIDING INFORMATION

This section of the Stakeholder Engagement Plan outlines what information will be available throughout the different stages of the project, and how it will be made available to different stakeholders.

Feedback on this process will be sought from stakeholders during the consultation meetings that will take place in October 2012, and amendments will be made as necessary.

4.1 Summary of Previous Consultation (July 2010-May 2012)

An official scoping consultation was organised by the Ministry of Environment at the Holiday Inn Hotel, Amman on 31 July 2010 in accordance with MoE ESIA Regulations. A list of relevant and potentially relevant stakeholders was prepared by the Company and the MoE. About 20 official

and civil organisations were involved, and represented the agencies and organizations that will approve the site and then review the EIA. The villagers from Al-Manakher were invited but nobody attended. The principle objectives of the Scoping Exercise were to agree the proposed site and to:

- Identify the key environmental issues to be included in the ESIA;
- Identify the legal requirements and framework for the power project over the course of its lifetime;
- Identify the relevant component studies to establish the relevant baseline for the Power Project;
- To finalise the proposed Terms of Reference (ToR); and
- Understand the concerns of the local community.

During the scoping session the Company through its consultants provided a presentation detailing the proposed project activities, facilities and processes. Graphics and diagrams were included in the presentation which highlighted the importance of the Power Project and the potential environmental impacts and proposed methodology for the ESIA. Participants were given the opportunity to provide their concerns in writing which were used to prepare the Scoping Study which forms part of the ESIA.

The Company also organised a public consultation via two means:

- Public meeting in Al-Manakher Village as part of the scoping process.
- House to house meetings with local people to explain the nature of the Power Project and its expected impacts and benefits

The Public meeting was held in Al-Manakher on 4 August 2011. Since this was during Ramadan they structured this as an Iftar, i.e. as though it were the meal to break the fast. About 150 villagers, all men, were reported to have attended. During this same week, the Company organised a house to house questionnaire. It was undertaken during the day in order to ensure that women were able to participate (one of the consultants carrying out the questionnaire was a female engineer, for the same reason). A sample of 15 houses out of approximately 35 houses (approximate number of houses in Al-Manakher) was obtained. Twenty per cent of the interviewed residents were women.

The Company held a follow-up meeting with Al-Manakher in May 2012, and responded with an action plan to address the concerns raised in August 2011. It is important to note that the meeting in May 2012 was primarily intended to address issues associated with IPP1 Amman East plant, not the new IPP4 plant. Because many people may not distinguish between the two plants and the two companies want to assure the community their concerns are taken seriously, the results of this May 2012 meeting are summarised here:

- The Company proposed establishment of a Community Liaison Committee that would include representatives of the community.
- The Company made a commitment to monitor noise in the village asked the village to identify locations where noise should be measured.
- The Company reported it was not allowed to provide electricity directly to the village, but did make commitments to provide houses with solar water heaters in 2012 and investigate the potential of installing solar panels to generate electricity in 2013.
- The company proposed to carry out investigation and repairs where appropriate in relation to cracks in houses reported by the villagers which have occurred during IPP1 construction and follow for IPP4, where relevant.

- The company committed to provide adequate notification and opportunity of employment during construction for suitably experienced men and women.
- The Company committed to fund a scholarship scheme – 1 person a year to attain diploma and relevant skills to advance education to attain suitable skills required for power plant operation.

4.2 Pre Construction (August- September 2012)

The Environmental and Social Impact Assessment and supporting documents were disclosed for public review and comment in English from June to August, and in Arabic from August to September 2012. The documents that were made available to all stakeholders include the following:

- Environmental and Social Impact Assessment
- An Executive Summary of the ESIA and a shorter NonTechnical Summary (NTS) of the ESIA
- Stakeholder Engagement Plan (this document, during August- September only); and
- Environmental and Social Mitigation and Monitoring Programme (ESMMP), which identifies mitigation measures to minimise, reduce, eliminate or control potential adverse impacts on environment and people. These measures will be implemented by the Company during construction and operation.

The final version of the above documents is available at the IPP1 office (contact information is available on the last page of this document), at the EBRD Temporary Resident Office in Amman (Regus Financial District, Al Husari Street, Shmeisani, P.O.Box 940584, Amman 11194, Jordan, Tel: +962 6 5007373, Fax: +962 6 500 7300) at the Al Manakher village school and also at the Mukhtar's office. All documents will be in both English and Arabic. .

4.3 Construction (2013-2015)

During construction, the Company will provide ongoing information to the people of Al-Manakher and, if needed, surrounding areas. Information will be provided in a timely manner and will relate to planned, unplanned and ongoing construction activities. This could include safety measures in the vicinity of the construction site, traffic management, employment opportunities, opportunities for service provision (for example, catering, laundry services, etc.) and any other information identified through the development of the ESMMP. This information will be provided via a range of methods, including:

- Face to face meetings with men and/or women, which could involve the whole community or smaller focus groups. These will be facilitated by the male or female Community Liaison Officers, as appropriate;
- Written updates posted at the local school;
- Via the Community Liaison Committee; and
- Annual project progress reports, including environmental and social impacts, health and safety performance, and implementation of the external grievance mechanism (see section 5.2 below)

4.4 Operation (2016 onwards)

During operation, the company will continue to provide information on the project as necessary. This will focus on monitoring of operational impacts such as noise and emissions, and any key issues raised by stakeholders during the earlier phases of the project. Existing communication

channels will continue to operate, including the Community Liaison Committee and grievance mechanism.

A summary of the consultation activities is provided in Table 3 below.

Table 3: Summary of Stakeholder Engagement Activities and Timing

Stakeholders	Purpose/Objectives	Type of consultation	Related Documentation	Timing
Finalisation of the ESIA, EMMP, SEP and NTS				
Al-Manakher residents	Provide information on the project and disclose key impacts; explain grievance mechanism; seek feedback on mitigation measures	Community meeting; announce members of Community Liaison Committee	ESIA, NTS, EMMP, SEP	October 2012
Residents of Sahab	No major impacts	Employment notice at local school		
Ministry of Environment	Permitting Ongoing communications as necessary	As required	Air monitoring reports Permits and permissions	Ongoing throughout construction and operation
Roads Authority	Permitting Ongoing communications as necessary	As required	Transport Plan	Ongoing throughout construction and operation
Other Government Agencies	Permitting Ongoing communications as necessary	As required		Ongoing throughout construction and operation
Other interested stakeholders	Disclose project impacts and mitigation measures.	Information provided on company website	ESIA, EMMP, NTS, SEP	As required
NEPCO	Project construction reports and during operation phase yearly report. Day to day coordination	Progress report(During construction), yearly report (Operation phase)		As per PPA requirements
ERC	Project construction reports and during operation phase yearly report.	Progress report(During construction), yearly report (Operation phase)		As per Generation Licence requirements
Pre Construction/ Construction				
IPP4 Contractors/construction workers	Provide information on management plan, code of conduct, and grievance mechanism; raise awareness of requirements	Pre-construction: briefing meeting with potential contractors; requirements included in induction program/training During construction: Bulletin boards/internal newsletters; regular and ongoing training.	NTS, SEP, EMMP Monitoring reports	2013 (ongoing)

Table 3: Summary of Stakeholder Engagement Activities and Timing

Stakeholders	Purpose/Objectives	Type of consultation	Related Documentation	Timing
IPP1 management and employees	Provide information on construction program and timing; ongoing communication re issues related to both operations.	Bulletin boards Internal newsletters Regular intranet and email updates	NTS, SEP, EMMP Monitoring reports	2013 (ongoing)
Al-Manakher residents	Update on key activities, progress and timing.	Regular community meeting/s as required / Quarterly. Regular written progress updates, to be posted at village school.	ESIA, SEP, EMMP Traffic Management Plan Monitoring Plans Safety procedures Employment Plan/ opportunities Grievance Procedure Progress against EMMP	From 2013
Other interested stakeholders	Provide information about the project	Disclosure of documents and regular update of information on company website	Fact sheets Monitoring results Progress against EMMP Employment opportunities	From 2013
Operation				
Al-Manakher residents	Update of operational performance, and ongoing communication on key issues.	Regular community meeting/s as required / Quarterly Regular written progress updates posted at village school	Monitoring Plans Safety procedures Grievance Procedure	From 2016
Other interested stakeholders	Ongoing interest in the project	Disclosure of documents and regular update of information on company website.	Monitoring Plans	From 2016

5.0 CONTACT DETAILS AND GRIEVANCES

5.1 Company Representatives

Until a permanent Stakeholder Liaison Officer for IPP4 is appointed, Mr. Feras Mohammad Hammad will have the overall responsibility for handling the consultation and information disclosure process, including organisation of the consultation process, communication with identified stakeholder groups, collecting and processing comments/complaints, and responding to any such comments and complaints. Depending on the nature of a comment/complaint, some comments or complaints will be provided to the appropriate person in the company for a response.

In order to ensure that all stakeholders have adequate access to information, Mr. Feras Mohammad Hammad will be the primary contact person although any personal liaison with the women of Al Manakher shall be via the female representative of the Company identified below.

Contact details for the company representatives are included below.

<i>Mr. Feras Mohammad Hammad, Acting Stakeholder Liaison Officer for IPP4</i>	Contact Point for women for IPP4 Ms. Susan Khadra,
<i>Location: Amman East Power Plant Postal Address: Al Madhonna St – Al Mankher Village P.O. Box 3099 Amman 11181 Telephone: +962 6 4293200 Mobile: +962 7 96401352 E-mail address: feras.hammad@aes.com</i>	<i>Location: Amman East Power Plant Postal Address: Al Madhonna St – Al Mankher Village P.O. Box 3099 Amman 11181 Telephone +962 6 4293200 E-mail address: susan.khadra@aes.com</i>

5.2 Public Grievance Mechanism

The objective of a grievance procedure is to ensure that all comments and complaints from any project stakeholder are considered and addressed in an appropriate and timely manner. There are no costs associated with lodging a grievance.

The Company will accept all comments and complaints associated with the project from any stakeholder. A sample of a Comments and Complaints Form is shown in **Appendix A**, though it is not essential to use this form; comments can be made via email, post, fax, on the telephone or in person. The comments and complaints will be summarised and listed in a Complaints/Comments Log Book, containing the name/group of commenter/complainant, date the comment was received, brief description of issues, information on proposed corrective actions to be implemented (if appropriate) and the date of response sent to the commenter/complainant.

All comments and complaints will be responded to either verbally or in writing, in accordance with preferred method of communication specified by the complainant. Comments will be reviewed and taken into account in the project preparation; however they may not receive an individual response unless requested.

All grievances will be registered and acknowledged within 5 days and responded to within 20 working days. AES will keep a grievance log and report on grievance management, as part of annual project progress reports, which will be available on the company website.

Comments and concerns regarding the project can be submitted in writing in the following ways:

- email: *feras.hammad@aes.com*
- by telephone: Office: +962 6 4293200 *Mobile: +962 7 96401352*
- by post or hand delivered to (see example grievance form attached):

Individuals who submit their comments or grievances have the right to request that their name be kept confidential, though this may mean that the company is unable to provide feedback on how the grievance is to be addressed.

During construction of the IPP4 plant, grievances in relation to construction activities will be managed by the Company and the construction contractor. The Company will provide contact information for the contractor to residents of Al-Manakher before construction begins. This will be available via written notification posted at the school.

A separate grievance mechanism is available for workers, including employees of both the IPP4 Company and its contractors.

APPENDIX A

Comments and Complaints Sample Form

FORM FOR COMMENTS, COMPLAINTS AND REPORTS OF INDIVIDUALS

Reference No:	
Full Name	
Contact Information and Preferred method of communication Please mark how you wish to be contacted (mail, telephone, e-mail).	By Post: Please provide mailing address: _____ _____ _____
	By Telephone: _____
	By E-mail _____
	I would like to communicate with a female community liaison officer
Description of Incident or Grievance: What happened? Where did it happen? Who did it happen to? What is the result of the problem? Source and duration 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: Mr. Feras Mohammad Hammad, Acting IPP4 Stakeholder Liaison Officer, AES Levant B.V. Jordan PSC, Amman East Power Plant office

Address: Amman East Power Plant

Al Madhonna St – Al Mankher Village
P.O. Box 3099
Amman 11181
Telephone: Office: +962 6 4293200 Mobile: +962 7 96401352
E-mail: feras.hammad@aes.com

Contact for Women: Ms. Susan Khadra

Address: Amman East Power Plant (as above)
Telephone: +962 6 4293200
E-mail: susan.khadra@aes.com