

BOSNIA AND HERZEGOVINA
SARAJEVO WATER PROJECT
FEASIBILITY STUDY UPDATE

EBRD Contract No. C34538 IPPF

Stakeholder Engagement Plan

February 2017

Sarajevo Water Project Feasibility Study Update	Final Report Environmental and Social Audit and Assessment Report Environmental and Social Action Plan Stakeholder Engagement Plan (this document) Non-Technical Summary
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TABLE OF CONTENTS		PAGE
1	INTRODUCTION	4
1.1	Description and Context of the Project	4
1.2	Objective and Scope of the Stakeholder Engagement Plan	6
2	REGULATORY REQUIREMENTS FOR STAKEHOLDER ENGAGEMENT	7
2.1	Local Legislation Requirements	7
2.2	EBRD Policies	7
3	STAKEHOLDER ENGAGEMENT PROGRAM	8
3.1	Previous Stakeholder Engagement	8
3.2	Purpose and Responsibility for SEP Implementation	8
3.3	Available Communication Tools	9
3.4	Planned Information and Communication Arrangements	9
4	GRIEVANCE MECHANISM	14
5	FORMAL REQUEST FOR INFORMATION IN LINE WITH LOCAL LEGISLATION	15
6	MONITORING AND REPORTING	16
7	APPENDICES	17
	Appendix 1: Project Grievance Form	17
	Appendix 2: Formal Access to Information Request Form	18
	Appendix 3: Flowchart for Processing Grievances	19

1 INTRODUCTION

1.1 Description and Context of the Project

The public utility company “Vodovod i Kanalizacija d.o.o. Sarajevo” (the “Company”), established in 1889 and in 100% ownership of Canton Sarajevo, approached the European Bank for Reconstruction and Development (the “EBRD”) with a request to assess the possibility of financing reconstruction of the water supply system in Sarajevo. The water supply system operated by the Company supplies drinking water to a population of around 400,000 in six municipalities of Sarajevo Canton.

This Sarajevo Water Project (the “Project”) is a revival of the similar project signed in 2010, which was never declared effective and was cancelled in 2014. The Project includes the following components:

- Reconstruction of transport and distribution water supply network – separate sections and in the Bjelave area;
- Reconstruction of distribution network in the Skenderija area
- Rehabilitation of pumping stations (pumps, electrical equipment, chlorination and other)
- Metering – control equipment (individual, network, telemetry).

The implementation of the Project is expected to provide environmental and health benefits compared to the existing situation by improving the quality and reliability of the drinking water supply and reducing water losses.

The total expected duration of the Project is approximately 36 months from the date the credit becomes effective, while the duration of individual project components will depend on on-site conditions.

The maps indicating the Project components are included in Figure 1 and Figure 2 below.

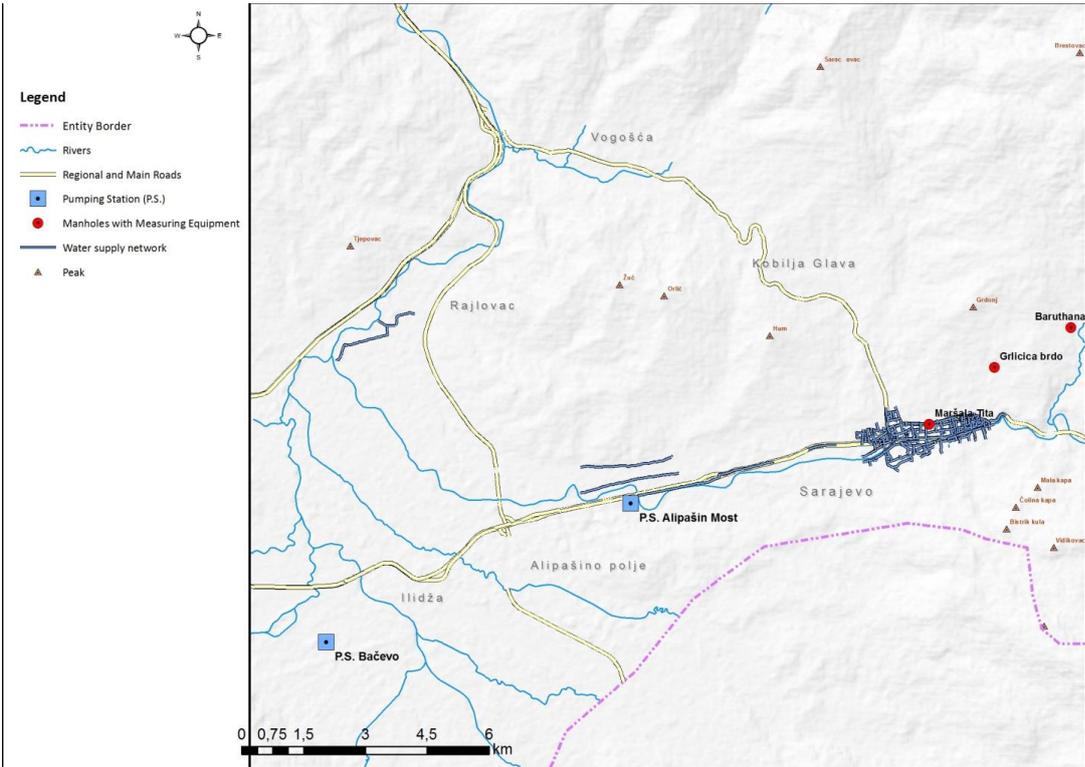


Figure 1.1: Spatial Organization of the Project Components

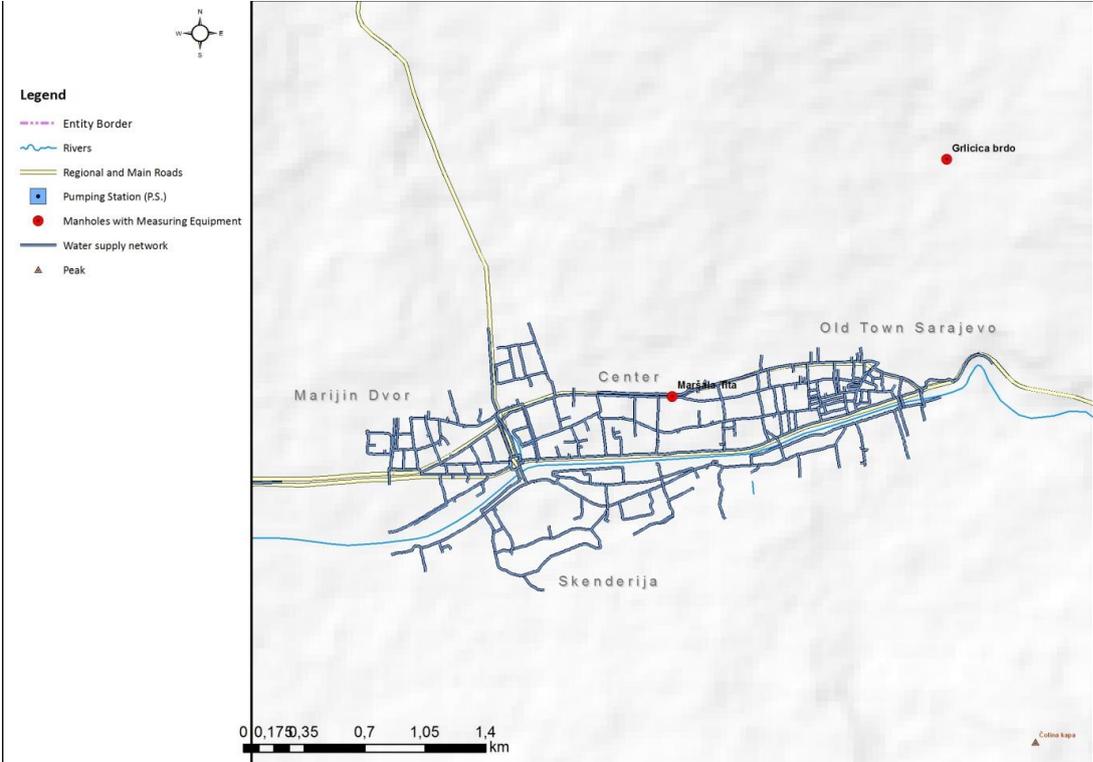


Figure 1.2: Reconstruction of Water Supply Network (in area of Centre of Sarajevo, Skenderija and Marijin Dvor) and Position of Two Manholes (Mršala Tita and Grljića Brdo)

1.2 Objective and Scope of the Stakeholder Engagement Plan

This Stakeholder Engagement Plan (SEP) was developed by the Company in order to clearly communicate to all interested parties the stakeholder engagement activities which are to be implemented throughout the entire Project cycle. In addition to providing clear and understandable information to all stakeholders, Project activities and their potential impacts, the objective of this SEP is to improve and facilitate Project-related decision-making and create opportunities for active involvement of all stakeholders in a timely manner, and to provide possibilities for all stakeholders to express their opinions and concerns that may influence Project decisions, in line with local regulations and the requirements of the EBRD.

This SEP will be updated as necessary.

2 REGULATORY REQUIREMENTS FOR STAKEHOLDER ENGAGEMENT

2.1 Local Legislation Requirements

The Company is required to apply the provisions of the *Law on Free Access to Information in FBiH*¹ – i.e. to **provide access to information to all stakeholders**, including every natural person or legal entity. In the framework of its capabilities, they are also obliged to undertake all necessary measures to provide assistance to natural persons or legal entities seeking to exercise their rights.

As a public enterprise, the Company is required, in accordance with the *Law on Public Companies in FBiH*², to operate on the basis of the principle of freedom of access to information, and make publicly available on its website all information regarding its work, organization and financial management.

The Company is also required to **ensure transparency and publicity of its work** as set out by the *Law on Utility Activities of Canton Sarajevo*³ and the Regulation on General Conditions for Drinking Water Supply, and Treatment and Disposal of Wastewater and Stormwater⁴.

In addition, the *Law on Environmental Protection of FBiH*⁵ stipulates that every person and every organization must have **adequate access to information regarding the environment** which is at the disposal of public authorities, including information on hazardous materials and activities in their communities, and be **enabled to participate in the decision making process**.

Public consultation requirements are set out by the above mentioned *Law on Environmental Protection of FBiH* (for projects requiring an Environmental Impact Assessment), as well as the *Law on Waters of FBiH*⁶ (in the framework of water permitting procedures).

2.2 EBRD Policies

The provisions of EBRD's Environmental and Social Policy (2014)⁷ (namely, the Performance Requirement on Information Disclosure and Stakeholder Engagement) is to be fulfilled. This Stakeholder Engagement Plan has been formulated in accordance with this.

¹ Official Gazette of FBiH, No. 32/01

² Official Gazette of BiH, No. 81/08

³ Official Gazette of Sarajevo Canton, No. 14/16

⁴ Official Gazette of Canton Sarajevo, No. 22/16

⁵ Official Gazette of FBiH, No. 33/03 and 38/09

⁶ Official Gazette of FBiH, No. 70/06

⁷ Available at: <http://www.ebrd.com/news/publications/policies/environmental-and-social-policy-esp.html>

3 STAKEHOLDER ENGAGEMENT PROGRAM

In order to adequately respond to the needs of different groups, communication and information channels have been designed for all identified stakeholders. The Company recognizes that meaningful and timely engagement with local communities and other stakeholders can ensure the easier implementation of the Project. The engagement process will be used to obtain comments and suggestions for the implementation of the Project, which will lead to extended local benefits.

Project stakeholders have been identified in order to address the consultation requirements. These stakeholders need to be informed about the Project activities and consulted throughout the entire Project cycle. They include persons or groups that are:

- directly and/or indirectly affected by the Project;
- have certain interests in the Project and its activities;
- have the ability to affect the Project itself and its final outcome.

3.1 Previous Stakeholder Engagement

The public has been informed about the Project through media in daily newspapers (such as *Dnevni Avaz* and *Oslobođenje*) and online media (including the Company's Facebook page which provides daily information to citizens on the water supply situation in the city).

The most recent news articles (November 2016) inform the public that the BiH Council of Ministers has endorsed the Project (by supporting the initiative of the BiH Ministry of Finance and Treasury for negotiations for signing the loan agreement with EBRD), and that the loan agreement has been signed. In addition, a public discussion organized by two local NGOs was held in November 2016 to discuss the general problems with the water supply system in Sarajevo, and the recommendations for improving the system.

No public hearings have been organized, as the reconstruction of existing water supply networks, pump stations and reservoirs, as well as the installation of manholes and measuring equipment are neither subject to the Environmental Impact Assessment procedure nor to the issuance of an Environmental Permit. Hence, public hearings were not required by local legislation.

No NGOs or any other non-governmental group expressed any particular interest in this project.

3.2 Purpose and Responsibility for SEP Implementation

A Project Implementation Unit (PIU) has been established for the Project, consisting of representatives of the Company which will be responsible for the implementation of the SEP during the entire Project cycle, and will be in charge of communicating with local communities and representatives of Local Community Offices (LCO).

3.3 Available Communication Tools

The Company utilizes the following channels of stakeholder engagement, communication and information disclosure:

- Publishing information on the **official website of the Company** (www.viksa.ba), which is well organized and contain relevant contact information, news releases, daily service information on water supply and sewage system in the Canton (water supply, network repair, spring cleaning etc.) and contact forms for submitting questions or grievances;
- **Anonymous phone line** for citizens. Citizens may obtain various information through this line or report any illegal activities (such as theft of water via illegal connections) in relation to water and sewage;
- **Consumers' Centre** where citizens can get various information about repairs and implementation of works, pay bills and submit grievances;
- Responding to **telephone, mail, fax or e-mail inquiries**;
- **Public announcements communicated to the media** (local radio/TV station, daily newspapers, etc.) on a needs basis;
- **Regular contacts** with Local Community Offices by technical staff, often on a monthly basis. These meetings are for the Company to collect information about possible local problems regarding water distribution/sewage or any other problem in relation to the Company;
- Occasional **public information to customers** to save water, especially during the summer season;
- Providing information in line with the Law on Free Access to Information in FBiH (citizens may submit an Information Request Form).

Prior to any works, Contractors have an obligation to directly inform local community/affected people about the planned works (duration of works, time schedule etc.).

In addition, the Company has a system for processing and responding to grievances raised by consumers. Consumers are able to lodge their grievances in person (at the Consumers' Centre), by telephone, by mail, by e-mail and through the website of the Company. All grievances are then entered into the electronic registry of grievances (by the Consumers' Centre), and forwarded to the relevant departments depending on the type of grievance. After being processed, grievances are returned to the Consumers' Centre which responds to consumers. The timeframe for processing grievances is 8-10 days.

3.4 Planned Information and Communication Arrangements

The Company will promptly inform all stakeholders about Project activities and contacts for further information inquiries, as well as the availability of publicly available documents.

Documents to be disclosed

The Company intends to disclose the following documentation and information regarding the Project:

- This **Stakeholder Engagement Plan** (SEP);
- **Non-technical Summary** (NTS) of the Project;
- Information **on community health and safety risks and impacts** (including any expected water supply shortages, construction works, road access restrictions, unsatisfactory water quality results) and **updates regarding the implementation progress of the Project, including environmental and social performance issues**;
- Summaries **of Monitoring Reports** and **summaries of Annual Environmental and Social Reports**;
- **Grievance form** (see *Appendix 1: Project Grievance Form*) and **Information Request Form** (see *Appendix 2: Formal Access to Information Request Form*).

The above documents will be available in local languages (and in English where available) immediately upon the commencement of the Project and at least 30 days prior to the start of construction works (a period during which remarks, suggestions and propositions of the public are to be collected). The documents can be obtained from the website of the Company and as printed copies from the Company premises at the following addresses:

Headquarters of Vodovod i Kanalizacija d.o.o. Sarajevo

Address: Jaroslava Černija no.8, 71000 Sarajevo

These documents and information will remain in the public domain for the entire duration of the Project.

Informing the public on planned construction works

The extent, timing and duration of planned construction works, and any expected disruptions and inconveniences (such as changes in the water supply regime, and access, noise and dust due to construction works), will be publicly disclosed two weeks prior to the commencement of construction works through:

- The website of the Company;
- Public bulletin boards at the premises of the Company;
- Public bulletin boards at the Local Community Offices;
- Local media (newspapers, TV stations, online news portals).

During the construction works, the contractors will submit monthly information to the Company regarding the progress of works, which will be disclosed on the website of the Company.

In addition, Contractors are legally required to inform the public about the construction works by installing a panel on a visible part of the construction site with information on the works (specifically, the names of the investor, contractor and designer; name and type of construction; exact duration of works).

Planned meetings

The Company will schedule and hold meetings in relevant Local Communities. At least 2-3 meetings will be organized during Project preparation (but prior to initiation of construction works).

The meetings will be aimed at providing information and engaging individuals, households and businesses affected by the construction activities into the consultation process. Participants will be able to present their opinions and remarks with regard to the Project, as well as suggest possible solutions of the issues raised.

All issues raised during the meetings (whether resolved or not) will be recorded. In addition, the public will have two weeks after the date of the meetings to provide written comments to the planned activities.

The PIU will have one month after the deadline for public proposals and comments to assess and clarify the relevance issues raised from the consultation process. All justified comments and proposals will be considered and appropriately addressed.

The PIU will publish a summary report of all relevant issues raised, including explanations for inclusion or exclusion of proposals.

The timetable and the venue designated for consultative meetings will be precisely defined by the PIU after the Project's start date is determined. All stakeholders will be informed about the exact date, time and venue where consultative meetings will be held, at least 7 days in advance, through disclosure through the websites and bulletin boards of the Company, as well as local media (newspapers, Company's Facebook page, online news portals) as necessary.

Table 3.1: Stakeholder Groups, Specific Issues, Objectives and Communication Requirements

Identified stakeholder	Specific issues	Communication and engagement objective	Communication and engagement requirements
<p>Local residents and businesses in the vicinity of the Project area</p> <p>Local communities, residents and businesses located in the proximity of the planned construction/reconstruction works (access restrictions and/or disturbances)</p>	<p>During reconstruction works, residents and businesses located in the vicinity of the planned works may experience restricted access and disturbances related to increased noise due to machinery operation, increased dust, waste disposal, potential disruptions to water and electricity supply, etc., in particular in highly urbanised areas (mostly relevant for the planned pipeline reconstruction in the area of <i>Skenderija</i>). The works in the city centre are not expected to last longer than one day in fragments, in order to enable continuous access to public facilities in particular.</p>	<p>Providing timely information on reconstruction activities and potential water supply disruptions as well as traffic disruptions</p>	<ul style="list-style-type: none"> • The extent, timing and duration of planned reconstruction works, and any expected disruptions and inconveniences (such as access and road diversions) will be publicly disclosed through the website of the Company and local media • Local Community meetings • Information regarding works and the availability of a Project grievance mechanism will be posted on the Company's official Facebook page, as well as on local community boards and in streets where works will be implemented
<p>Authorities for protection of cultural/religious heritage and communities at Project sites</p>	<p>Even though there are no expected impacts on cultural/religious heritage in the Project area, there are 2 religious monuments in the city centre where reconstruction works are planned (mosque <i>Magribija</i> and <i>St. Josip's</i> church), located at approx. 30-40 meters from the planned works sites</p>	<p>Providing timely information on planned works</p> <p>Ensuring adequate access to religious monuments</p>	<p>Individual meetings if so requested by the authorities for protection of cultural/religious heritage, to discuss any issues and provide information to affected communities on the duration of the Project and planned activities</p>
<p>Municipalities and Local Community Offices (LCOs)</p> <ul style="list-style-type: none"> • Municipality Centar • Municipality Stari Grad • Municipality Novo Sarajevo 	<p>None</p>	<p>Providing timely information on planned works</p>	<ul style="list-style-type: none"> • Official correspondence between the Company and LCOs • Delivering relevant documentation to LCOs • Consultative meetings as necessary

Identified stakeholder	Specific issues	Communication and engagement objective	Communication and engagement requirements
<ul style="list-style-type: none"> • Municipality Novi Grad • Municipality Ilidža • Municipality Vogošća 			
<p>Government authorities, relevant cantonal and federal ministries and public institutions, including:</p> <ul style="list-style-type: none"> • Federal and cantonal level ministries responsible for water management, environmental protection, physical planning • Cantonal inspection bodies • Government of Canton Sarajevo • Sava River Watershed Agency 	Issuing of permits	Consultations with relevant government authorities concerning the Project activities (environmental permitting, water and urban planning permits, etc.)	<ul style="list-style-type: none"> • Regular contacts through internal communication channels
<p>Interested NGOs in various field of activities and other civil society organizations demonstrating an interest in the Project and/or being able to influence the Project</p>	No NGOs have expressed a particular interest in the Project to date.	Providing timely information, communication and consultations	<ul style="list-style-type: none"> • Disclosure through the website of the Company, the Company's official Facebook page and local media • Consultative meetings as necessary
<p>Employees of the Company, and the Employees' Trade Union</p> <p>Stakeholders of high significance for the Project's success who are directly or indirectly engaged in Project planning and implementation</p>	None	Providing timely information about the planned Project activities, and the availability of a grievance mechanism for workers	<ul style="list-style-type: none"> • Company's internal bulletin board and internal communication • Training as necessary
<p>Contractors or subcontractors for construction, monitoring and supervision of works, and their</p>	None	Timely information on the progress of works	<ul style="list-style-type: none"> • Information through tender procedure and contracts • Communication via supervising

Identified stakeholder	Specific issues	Communication and engagement objective	Communication and engagement requirements
employees			<p>engineers</p> <ul style="list-style-type: none"> • Toolbox talks at construction sites on relevant occupational health and safety topics • Monthly reports on progress of works to be submitted by contractors during construction works • Informing the public about the construction works by installing a panel on a visible part of the construction site with information on the works • Training as necessary

4 GRIEVANCE MECHANISM

The PIU will maintain a Grievance Registry, and will ensure that all stakeholders are fully informed of the grievance mechanism by communicating the availability of this registry, its function, the contact persons and the procedures to submit a complaint in the affected areas.

Any comments or concerns can be brought to the attention of the PIU verbally (personally or by telephone) or in writing by filling in the grievance form (see *Appendix 1: Project Grievance Form*) (by personal delivery, post, fax or e-mail to the address/number given below), without any costs incurred to the complainant. Grievances may also be submitted anonymously.

All grievances will be recorded in the Grievance Registry and assigned a number, and acknowledged within 5 calendar days (the flowchart for processing grievances is enclosed in *Appendix 3: Flowchart for Processing Grievances*). The Registry will have all necessary elements to disaggregate the grievance by gender of the person logging it as well as by type of grievance. Each grievance will be recorded in the registry with the following information:

- description of grievance;
- date of receipt acknowledgement returned to the complainant;
- description of actions taken (investigation, corrective measures); and
- date of resolution and closure / provision of feedback to the complainant.

If the grievance/complaint is vague or not sufficiently clear, the PIU will assist and provide advice in formulating/redrafting the submission, in order for the grievance/complaint to become clear, for purposes of an informed decision by the PIU, in the best interests of persons affected by the Project.

The PIU will make all reasonable efforts to address the complaint upon the acknowledgement of grievance. If the PIU is not able to address the issues raised by immediate corrective action, a long-term corrective action will be identified. The complainant will be informed about the proposed corrective action and follow-up of corrective action within 25 calendar days upon the acknowledgement of grievance.

If the PIU is not able to address the particular issue raised through the grievance mechanism or if action is not required, it will provide a detailed explanation/justification on why the issue was not addressed. The response will also contain an explanation on how the person/organization that raised the complaint can proceed with the grievance in case the outcome is not satisfactory.

At all times, complainants may seek other legal remedies in accordance with the legal framework of FBiH, including formal judicial appeal.

A separate grievance mechanism is available for workers.

Contact information for enquiries and grievances:

Attention: Kenan Đipa, Project Implementation Unit, Visoko Water Supply Project
Address: Jaroslava Černija 8, 71000 Sarajevo
Tel.: +387 33 237 655
E-mail: komunikacije@viksa.ba

5 FORMAL REQUEST FOR INFORMATION IN LINE WITH LOCAL LEGISLATION

In parallel to the above described mechanism for submitting grievances and enquiries, all interested parties may submit a formal request for information in line with the provisions of the *Law on Free Access to Information in FBiH* described in more detail in the previous chapters of this SEP.

In case the PIU receives a formal request for access to information, it will apply the provisions and procedures set out by the mentioned Law. The formal request is submitted in written form in one of the three official languages in FBiH. The request for access to information may be submitted personally (with the receipt seal, date and signature), by regular mail, fax and electronic mail.

In case the PIU does not have the information requested, and in case it does not have access to the information requested, it is required, within 8 calendar days of receipt, to forward the request to the competent institution or legal entity, as well as notify the requester about the undertaken measure. Within 15 calendar days of receiving the request, the PIU is obliged to notify the requester whether he/she has been granted access to the requested information⁸.

In case the PIU grants access to requested information completely or partially, it will notify the requester.

The official form for requesting access to information can be found in *Appendix 2: Formal Access to Information Request Form* to this SEP.

⁸ In case of exceptions and the need to examine the confidential commercial information or information of public interest, the deadline may be prolonged, according to the LFAl. The requester must be notified of all actions and reasons for prolonging the deadline.

6 MONITORING AND REPORTING

The results of the stakeholder engagement process will be included in Monitoring Reports to be prepared by the PIU. The first report will be produced 3 months after the beginning of the Project, and will continue on a quarterly basis. The reports will be made public on the website of the Company, with the following information:

- Place and time of any consultative meetings carried out (including other types of engagement activities) with information on the participants, as well as issues and concerns raised during such meetings and information on how the issues were taken into consideration by the PIU, including the implemented corrective measures meant to address the grievances;
- Number and types of grievances raised in the reporting period, with indication of opened, resolved and closed grievances.

In addition, the PIU will submit Annual Environmental and Social Reports to EBRD summarising environmental and social impacts, health and safety performance, disclosure and consultation performance and implementation of the external grievance mechanism. Summaries of these reports will be published on the website of the Company. The PIU will be responsible for monitoring all Project related stakeholder engagement activities, ensuring the fulfilment and updating of this SEP, and reporting to EBRD.

7 APPENDICES

Appendix 1: Project Grievance Form

Reference Number:		
Full name (optional)		
<input type="checkbox"/> I wish to raise my grievance anonymously. <input type="checkbox"/> I request not to disclose my identity without my consent.		
Contact information Please mark how you wish to be contacted (mail, telephone, e-mail).		<input type="checkbox"/> By Post: Please provide mailing address: _____ _____ _____ <input type="checkbox"/> By Telephone: _____ <input type="checkbox"/> By E-mail
Preferred language of communication		<input type="checkbox"/> Bosnian / Serbian / Croatian <input type="checkbox"/> English (if possible)
Description of Incident for Grievance	What happened? Where did it happen? Who did it happen to? What is the result of the problem?	
Date of Incident / Grievance		
	<input type="checkbox"/> One-time incident/grievance (date _____) <input type="checkbox"/> Happened more than once (how many times? _____) <input type="checkbox"/> On-going (currently experiencing problem)	
What would you like to see happen?		

Signature: _____

Date: _____

Please return this form to:
Sarajevo Water Project
Attention: Project Implementation Unit
 Address: Jaroslava Černija 8, 71000 Sarajevo
 Bosnia and Herzegovina
 Tel: +387 33 237 655
 E-mail: komunikacije@viksa.ba

Appendix 2: Formal Access to Information Request Form

(in accordance with the Law on Free Access to Information of FBiH)

ACCESS TO INFORMATION REQUEST
_____ Name and last name of requester
_____ Address
_____ Telephone/telefax/e-mail
_____ Date
Public Enterprise "Vodovod i Kanalizacija" d.o.o. Sarajevo Address: Jaroslava Černija 8, 71000 Sarajevo Bosnia and Herzegovina Tel: 387 33 237 655; 552 725 Fax: 387
SUBJECT: ACCESS TO INFORMATION REQUEST
On the basis of the Law on Free Access to Information in FBiH, I request access to the following information: _____ _____ _____
(Indicate precisely which information you are requesting and describe as precisely as possible).
Indicate in which manner would you like to access the information: a. direct inspection, b. duplication of the information, c. delivery of information to the home address, d. delivery of information electronically – by e-mail (if possible).
Requester _____

Appendix 3: Flowchart for Processing Grievances

