



European Bank
for Reconstruction and Development

**Armenia: ENA-Modernisation of
Distribution Network**
Stakeholder Engagement Plan:
Draft Final Report



Prepared by



TETRA TECH

June 2017



EBRD

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Distribution Network
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Abbreviations and Acronyms

EBRD	European Bank for Reconstruction and Development
EIA	Environmental Impact Assessment
ENA	Electricity Network of Armenia
ESAP	Environmental and Social Action Plan
NTS	Non-technical Summary
PR 10	Performance Requirement 10
PR	Public Relations
SEP	Stakeholder Engagement Plan
SPNA	Specially Protected Natural Area
UNECE	United Nations Economic Commission for Europe

1. Stakeholder Engagement Plan

1.1. Objectives

According to EBRD's PR 10, a stakeholder engagement plan (SEP) is required for projects receiving European Bank for Reconstruction and Development (EBRD) funding in order to inform stakeholders and the public about project activities that may impact them and to provide a recourse mechanism for stakeholders and the public to voice their concerns over environmental and social impacts. The SEP outlines:

- Planned project activities;
- Legal requirements for disclosure at both the national and international level;
- The affected stakeholders;
- The documents that will be disclosed and when disclosure must happen;
- Responsibilities for the implementation of the SEP; and
- A grievance mechanism that allows stakeholders and the public to bring any project concerns to the attention of ENA.

1.2. Project Description

The Electricity Network of Armenia (ENA) has requested US\$160 million from the European Bank for Reconstruction and Development (EBRD) and the Asian Development Bank (ADB) to update their existing electricity network for: (i) reconstruction and modernization of existing substations and lines and replacement of outdated equipment; (ii) expansion of the automated electricity metering system (reading and billing); (iii) expansion of the network and new connections; (iv) installation of a new automatic control system and other auxiliary investments. A complete list of the works can be found in Annex A.

The investment plan involves the refurbishment of substations, updating of equipment – including the vehicle fleet and meters, building renovations, and the reconstruction of several transmission lines, including a 110 kV line. The reconstruction of the transmission line generally involves the replacement of utility poles. The investment plan is not expected to cause any serious negative environmental and social impacts that cannot be mitigated through straightforward mitigation measures, and it does not require any resettlement or compensation as all the works are either small scale or on public lands not located in protected areas.

To date only about 20% of the projects that will be carried out under the investment have been identified and their locations are known. However, these projects are mostly located in urban areas or are reconstruction/refurbishment of equipment in the existing electrical grid. These works will improve access to higher quality electricity. Of the works that have been defined, the location of 66 out of 67 was obtained by Tetra Tech and verified to not be located in a protected area and to not involve the construction of any high voltage lines. There is one project that the location was unable to be determined and should be noted for follow up to ensure that it is not in a protected area. This work involves construction of a low voltage line. There are several areas that have ENA facilities that are located in specially protected natural areas (SPNAs), but these projects had EIAs carried out per

Armenian regulation at the time of construction. The same goes for high voltage lines. No new project works are expected to require an EIA per Armenian regulation.

2. Legal Requirements for Disclosure

2.1. Armenian Requirements

The Law on Environmental Assessment and Expertise of 2014 sets out the public disclosure requirements for all projects that are required to carry out a full environmental impact assessment (EIA). The Ministry of Nature Protection and the public are notified of the project through the disclosure of a non-technical summary, and the first round of public hearings is held. After the EIA report is submitted to the Ministry of Nature Protection and the Ministry undertakes its review. For a Category A project, the Ministry has 60 days to review, and for a Category B project they have 40 days. Two public consultation meetings are required at this stage. The Ministry may extend the review deadline for up to 30 days after which it issues a positive or a negative conclusion of the expert review.

ENA has carried out public consultations for the following projects in the past three years:

Completed EIAs and consultations:

- EIA for “Armet” 35 / 0.4 kV substation’s feeder overhead line. Conclusion BP107, December 12, 2016 (**Forestry area**)
- EIA for Martuni – Nerqin Getashen 10 kV overhead line (**“Sevan” National Park**)
- EIA for 35/10 kV substation (**“Dilijan” National Park**)

EIAs and consultations in progress:

- EIA (development is in process) for construction of Sotk 110/35/6 kV substation **and 110 kV** overhead line
- EIA (development is in process) for Vaghashen 6 kV overhead line (**Forestry area**)
- Agarak 110 kV overhead line (initial environmental examination phase)

2.2. International Requirements

The project is required to comply with all lenders’ requirements. EBRD Performance Requirement 10 (PR 10) – Information Disclosure and Stakeholder Engagement applies to all projects that are likely to have adverse environmental and social impacts or on workers or the local communities directly affected by the project. The following components are all covered under PR 10:

- stakeholder identification and analysis
- stakeholder engagement planning
- disclosure of information
- consultation and participation
- grievance mechanism
- ongoing reporting to relevant stakeholders

The Asian Development Bank (ADB’s) Public Communications Policy sets out similar guidelines on disclosing information to the public, providing Project Data Sheets to the public, and making documents available to vulnerable groups through various communications channels and in local languages to ensure that equal access to information is given to all stakeholders.

2.3. Aarhus Convention

The Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (the Aarhus Convention) was adopted by the United Nations Economic Commission for Europe (UNECE) in 1998. The Aarhus Convention is comprised of three pillars:

1. Access to information – public authorities must release environmental information to the public if it is requested and do so in a timely manner (within one month unless an extension for another month is granted). Other stipulations include regular reporting on the state of the environment and maintaining electronic databases where environmental information is accessible by the public.
2. Public participation – minimum requirements for public participation and participation of relevant public authorities are specified for a variety of project categories. Requirements are similar to those of EIAs that follow EU legislation.
3. Access to justice – the public has the right to review procedures before a court of law if they have not been granted satisfactory access to information requested. Appealing a decision on a project is also allowed under the Convention.

3. Stakeholders

In order to effectively implement this Stakeholder Engagement Plan, the stakeholders have been identified in the table below. Stakeholders include local and national government, project affected communities, ENA employees, and subcontractors working for ENA on project activities. As the project spans most of Armenia, a full list of project affected communities is unavailable at this time, however, as the project progresses each community identified to be affected by the project should be notified of the project's plans and activities per the guidelines outlined in this Stakeholder Engagement Plan in the event that a full EIA is required according to the stipulations set out in the Armenian Law on Environmental Impact Assessments (2014) and in accordance with international best practice. As none of the works planned by ENA under this investment plan are anticipated to require an EIA, it is not expected that stakeholder engagement will take place. However, should an issue arise where works take place in a protected area, will disturb private property, or will involve 110 kv voltage lines and higher, full stakeholder engagement will be required according to this plan and in accordance with the Armenian law.

Table 1. Stakeholder Communication Plan

	Stakeholder	Communication Channel	Responsible Party	Schedule
Internal Stakeholders	ENA Employees	<ol style="list-style-type: none"> Internal newsletters Grievance procedure Information boards Staff meetings Company's web-site 	HR Department	<ol style="list-style-type: none"> Periodically With contract Ongoing Periodically Ongoing
	ENA Subcontractors	<ol style="list-style-type: none"> Contract Disclosure of asbestos status Information board, training Grievance procedure 	Contracts Department	<ol style="list-style-type: none"> At contract award At contract signing Ongoing At contract signing
Local Stakeholders	Project Affected Communities	<ol style="list-style-type: none"> Announcements in local and national newspaper Non-technical summary (NTS) ENA's website Community meetings & consultations Announcements posted in public places like town halls, churches, town squares, parks, etc. Announcements made by local authorities Circulars sent by mail 	PR Department	<ol style="list-style-type: none"> 30 days before consultation 30 days before consultation 30 days before consultation During 30 days before public consultation 30 days before consultation 30 days before consultation 30 days before consultation
	Local Authorities	<ol style="list-style-type: none"> Formal meetings with officials and communities NTS Formal notices sent to authorities Community meetings & consultations Company's web-site 	PR Department	<ol style="list-style-type: none"> 60 days before consultation 60 days before consultation 30 days before consultation During 30 days before public consultation 30 days before consultation
	State Authorities	<ol style="list-style-type: none"> Formal meetings with officials and communities NTS Formal notices sent to authorities Community meetings & consultations Company's web-site 	PR Department	<ol style="list-style-type: none"> 60 days before consultation 60 days before consultation 30 days before consultation During 30 days before public consultation 30 days before consultation
	Ministry of Energy	<ol style="list-style-type: none"> Formal meetings with officials 	PR	<ol style="list-style-type: none"> 60 days before consultation

Infrastructures and Natural Resources	<ol style="list-style-type: none"> 2. NTS 3. ESAP disclosure 4. Formal notices sent to authorities 5. Company's web-site 	Department	<ol style="list-style-type: none"> 2. 60 days before consultation 3. 30 days before consultation 4. During 30 days before public consultation 5. 30 days before consultation
Ministry of Territorial Administration and Development and Marzes (Provinces) Governments	<ol style="list-style-type: none"> 1. Formal meetings with officials 2. NTS 3. ESAP disclosure 4. Formal notices sent to authorities 5. Company's web-site 	PR Department	<ol style="list-style-type: none"> 1. 60 days before consultation 2. 60 days before consultation 3. 30 days before consultation 4. During 30 days before public consultation 5. 30 days before consultation
Ministry of Nature Protection	<ol style="list-style-type: none"> 1. Formal meetings with officials 2. NTS 3. ESAP disclosure 4. Submission of EIA 5. Formal notices sent to authorities 6. Company's web-site 	PR Department	<ol style="list-style-type: none"> 1. 60 days before consultation 2. 60 days before consultation 3. 30 days before consultation 4. 30 days before consultation 5. 30 days before consultation 6. 30 days before consultation

NGOs and any other organizations not listed above will have access to all project related information through ENA's website. As the project is not expected to impact protected areas and as a Category B an EIA is not required for any project activities, disclosure of activities to the public outside of the key stakeholders identified in Table 1 will be the responsibility of the organization seeking information. The NTS and the ESAP will be made available on ENA's website as well as any other environmental and social documentation that is prepared for and pertains to this project.

4. Project Consultation and Disclosure Program

According to Armenian legislation, stakeholders and the public are required to be notified of public consultations 10 days before the consultation takes place (through all the channels identified above in Figure G-1). In order to give ample notice to all affected stakeholders, this time will be increased to 30 days. After the consultation takes place, stakeholders and the public have two days to submit any additional comments or concerns to ENA through the established communication channels that are detailed in the public announcement. All documents will be disclosed on ENA's website (www.ena.am) and the Ministry of Nature Protection's website (www.mnp.am) and accessible by the general public at the time the consultation is announced. Documents will be produced in both English and the local language (Armenian).

All Public consultations will be coordinated through ENA's Public Relations (PR) Department with local authorities in any communities affected by project activities. In the event that an EIA were to be required, affected populations will include end-users of electricity provided by ENA, people living on or near land that has transmission lines, distribution lines, substations, or branch offices. Announcements of the consultations will be published in the national newspaper "Republic of Armenia" and in local papers in affected communities. Vulnerable groups will be identified through consultations with local authorities in affected communities carried out by the PR department when they are submitting the NTS to the local authority representing the affected community. If any vulnerable populations are identified that may not have regular access to newspapers, circulars will be mailed to the local population and/or delivered to homes/settlements that do not receive regular mail service, and announcements will be posted in public places such as town halls, schools, and parks. Local authorities will be briefed on the consultation process so that they may communicate the details of the consultations directly to the affected communities. The announcements will include the date, location, project scope, location to access relevant documents, and contact information of ENA. State and national authorities will also be notified of the consultations.

ENA's PR department consists of five employees in the public outreach department, two of whom are responsible for the consultation and grievance processes. The PR Department will be responsible for ensuring that all consultations and disclosure activities follow this Stakeholder Engagement Plan. The PR Department will also be responsible for holding the public consultations and maintaining records of the each meeting including meeting minutes and video recording of the public consultation. Annually the PR Department will compile the information from all consultations and report to EBRD and ADB on all the consultations held during the year. In the case of tariff changes, the Public Services Regulatory Commission is responsible for disclosing all documents related to tariff changes, while ENA is still responsible for the public consultation process.

The steps in the consultation process for an EIA are:

1. PR department meets with local and national authorities to discuss project and identify any vulnerable populations
2. Non-technical summary of the project is submitted to the Ministry of Nature Protection and the head of the local authority in the affected community(ies)
3. Relevant documents are published on ENA's website (www.ena.am) and the Ministry of Nature Protection's website (www.mnp.am)

4. Announcement of public consultation is published on community announcement boards in central places like community plazas, parks, schools, etc.
 - If vulnerable groups were previously identified, extra steps here may include mailing circulars announcing the consultation, radio/TV announcements of the consultation, etc.

The above outlined steps correspond to the four public hearings that are required during the EIA process as stated in the Armenian legislation:

- First Hearing – before submission of preliminary application (Category A, B, C)
- Second Hearing – during preliminary examination (Category A, B, C)
- Third Hearing – After the ESIA has been conducted by the Implementer but before it is submitted to the MNP (Category A, B)
- Fourth Hearing – The last phase of the examination procedure (Category A, B)

5. Grievance Mechanism

A grievance mechanism serves to provide all stakeholders and the public with a tool to share their concerns with ENA and the relevant regulatory authorities.

The form provided in Annex A will be made available on ENA's website in both English and Armenian with instructions on submitting the form to ENA. ENA will not respond to any anonymous concerns as it would be impossible to respond to the petition without relevant contact details. All comments and complaints from public consultations related to project works must be submitted during the ten day period leading up to a public consultation or within two days after the consultation takes place. The PR department will then have 10 days to officially respond to the petition.

ENA will track all comments or complaints received related to customer service as well as to the EIA consultation process. ENA reports quarterly to the Public Services Regulatory Commission on the nature of the grievances received, the Company's response, and the dates of the communications. Comments and complaints may be received at any time through the ENA hotline, mail, or by email using the following contact details:

Helpline: (+374 10) 59-13-12

Email for proposals and complaints: office@ena.am

ENA has 10 days to respond to any petitions submitted through the aforementioned channels.

Employee grievances are handled by the Human Resources Department. Employees may submit grievances either in person, by email, by mail, or through the internal employee hotline. The ENA HR department will implement a formal grievance process for employees. This process will include guidelines on how and where to report a grievance, the employees' rights during the process, and the timeline for ENA to respond. These guidelines will be distributed across the company in order to ensure all employees are aware of their mechanisms to report work place grievances. Once a petition is received from an employee, ENA has 10 days to respond to the employee.

ANNEX A: SAMPLE GRIEVANCE FORM

Reference No: _____

Full Name

Note: you can remain anonymous if you prefer or request not to disclose your identity to the third parties without your consent

First name -----

Last name -----

- I wish to raise my grievance anonymously
 I request not to disclose my identity without my consent

Contact Information

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

By Post: Please provide mailing address:

- By Telephone:
 By E-mail

Preferred Language for communication

- Russian
 Ukrainian

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: [name], Health and Safety Manager, [company name],
Address -----: Tel.: -----or E-mail: @ .com .