

# **Kharkiv Metro Expansion Project**

## **Environmental and Social Due Diligence**

### **Stakeholder Engagement Plan**

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## **1 INTRODUCTION**

### **1.1 Summary of Project**

The European Bank for Reconstruction and Development (EBRD) is considering financing the expanding of the current Kharkiv metro system to improve urban transport in the city. The Project will include extension of the existing 8-station Metro Line III ('Oleksiyivska') by 3.5 km and construction of two new stations 'Derzhavynska' and 'Odeska'; construction of a metro wagon depot 'Oleksiyivske' and connection to Metro Line 3, and acquisition of 90 units of rolling stock. The City of Kharkiv, with the support of the Government of Ukraine has expressed interest in obtaining joint co-financing from the EBRD and EIB. The proposed project cost of EUR 320 million (net of VAT) is to be confirmed by the Feasibility Study.

The objective of the Project is to improve the provision of mass transit in Kharkiv as part of an overall strategy to achieve sustainable urban transport in the city.

In line with the EBRD general policy, an Environmental and Social Due Diligence Assessment has been carried out, of which this Stakeholder Engagement Plan social is an integral component.

### **1.2 Purpose of the Plan**

Successful stakeholder engagement requires a commitment of the City, Kharkiv Metro Company (KMC) and Metro Construction Company (MCC) to build long-term and mutually beneficial relationships with its stakeholders. This Stakeholder Engagement Plan (SEP) has been developed with the aim of describing how the KMC will build these relationships and communicate with people and institutions who may be affected by, or interested in the Project, at various stages of project preparation and implementation. The SEP also includes a public grievance mechanism for stakeholders to raise any concerns related to the project, and receive appropriate response and action of MCC to address the issue.

This SEP should be updated regularly throughout the construction, operation, and decommissioning phases of the Project, to document consultation, disclosure and outputs, as well as outline additional consultation programs as required.

## **2 REGULATORY REQUIREMENTS**

The main legal acts that regulate the applications from individuals groups to governmental authorities and administration, enterprises and organizations regardless of their ownership status are the Constitution of Ukraine and Law of Ukraine 'On the Applications of the Citizens'. Additionally, similar rights are provided to the officials, deputies and employees of private organisations in a number of other regulatory acts.

Public consultation regarding the environmental and social impacts of the projects is covered by the Law of Ukraine 'On the Environmental Assessment' that stipulates participation of the public in the environmental assessment of projects.

Ukraine also is a signatory of the Aarhus Convention on Access to Information and Public Participation. The Convention is designed to improve the way in which ordinary people engage with government and other decision-makers on environmental matters. Consequently, people are entitled to be informed about environment related issues pertaining to the Project.

## **3 OTHER REQUIREMENTS**

### **3.1 Company's requirements**

According to KMC internal regulations, 'Books of Complaints and Suggestions' for the collection of passengers' feedback are available to passengers at each subway station upon a passenger's first request to station duty personnel. The Passenger's Transportation Department of KMC is responsible for addressing all the suggestions or complaints in accordance with the law. There is a Deputy Director for Engagement with Executive Bodies and Local Authorities in the governance structure of KMC. In addition, the directors of KMC are available for meetings with representatives of government, business, KMC employees and individuals.

### 3.2 Requirements of IFIs.

As per the EBRD's Environmental and Social Policy of 2014, a project funded by the Bank must meet the best international practices and requirements for stakeholder engagement and public consultations. The principles, requirements, methodological and procedural aspects of stakeholder engagement for EBRD projects are described in detail in PR10 'Information Disclosure and Stakeholder Engagement'<sup>1</sup> and include the following positions:

- Stakeholder identification and analysis: As a first step in stakeholder engagement the relevant stakeholders need to be identified.
- Stakeholder engagement plan: Defines how stakeholder engagement will take place and the grievance procedures to be implemented. Separate grievance processes should be developed for workers and stakeholders.
- Information disclosure: The information that should be disclosed includes purpose, nature, scale and duration of the Project activities; risks and potential social and environmental impacts; description of the consultation process (ways of public participation, time of public meetings). The information should be provided in a manner that is accessible and culturally appropriate.
- Meaningful consultation: Where the stakeholders are subjected to significant risks a process of meaningful consultation should be undertaken. The stakeholders should be provided with an opportunity to express their views.
- On-going consultation: Public consultation is an on-going process and should continue throughout construction and operational phases.
- Grievance mechanism: The grievance mechanism or procedure should address concerns promptly and effectively. Grievance mechanisms for workers should be developed separately from grievance mechanisms for public.
- Reporting: At least annually public reports on social and environmental performance should be produced.

The International Finance Corporate (IFC) also sets requirements, which are summarised in the IFC handbook 'Stakeholder Engagement' (2007). These are broadly comparable with the EBRD's requirements.

## 4 SUMMARY OF PREVIOUS STAKEHOLDER ENGAGEMENT ACTIVITIES

Kharkiv Metro Company (KMC) is a subsidiary of a Transport Department of Kharkiv City Council; strategic decisions (such as metro development programs, tariffs) are taken by the City Council Executive Committee that represents KMC's key stakeholder – the population of Kharkiv. A dedicated PR department of the City Council is responsible for information disclosure and stakeholder engagement. KMC uses several channels for engagement with its stakeholders, such as its official website [www.metro.kharkov.ua](http://www.metro.kharkov.ua) and official profile in the social network ([vk.com/kh\\_metro](https://vk.com/kh_metro)).

For this Project the following stakeholder engagement activities have been carried out to date:

- Public consultations on environmental and social impacts (an element of EIA) of the Project were conducted in 2008. The MCC presented the minutes of two meetings with Tchervonozavodskiy and Kominternivskiy districts:
  - On 27.11.2008 30 persons participated. The list of participants is attached to the Minutes. MCC's director informed the audience about the plans for extension of the Green line; the questions on resettlement options, property valuation and post-construction landscaping were addressed.
  - On 28.11.2008 107 persons participated. The list of participants is attached to the Minutes. MCC's director informed the audience about the plans for extension of the Green line; the questions on positioning of station, project budget and property valuation methods were addressed.

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<sup>1</sup> EBRD Environmental and Social Policy 2014 (<http://www.ebrd.com/what-we-do/strategies-and-policies/approval-of-new-governance-policies.html>)

- The Statement of Intent for the Green Line Extension was published in regional newspaper “Slobidskyi Krai” on 23.10.2008
- The Statement of Environmental Consequences was published in newspaper “Vecherniy Kharkov” on 27.11.2008
- The Statement of Intent for the Oleksiivske Depot construction was published in the newspaper ‘Kharkovskiy Curier’ on 18.01.2016. The contacts for further details and suggestions are provided.
- The Statement of Environmental Consequences was published in the newspaper ‘Kharkovskiy Curier’ on 25.01.2016.
- A number of meetings of the Kharkiv City Mayor and Deputy Mayor with representatives of EBRD and European Investment Bank were covered by the local and regional media (02.12.2015, 07.04.2016, 13.05.2016).
- A number of articles were written in newspapers and on news websites, such as www.korrespondent.net, www.city.kharkov.ua, www.unian.net etc.
- Local TV news highlights the process of the Project preparation.

In addition, there is evidence of informal public consultations conducted by the heads of Street Committees with the residents and owners of the houses and land plots subject to acquisition for the needs of the Project.

## 5 IDENTIFICATION OF STAKEHOLDERS AND COMMUNICATION METHODS

The key stakeholder groups that may be interested in, and/or affected by the Project, have been identified by the Company with assistance from the Consultant, and provisional methods of communication were established. They are presented in Table 1 below.

Stakeholder Group	Population	Communication Activity	Proposed Media	Timeframe
Employees of KMC and MCC	2 300	<ul style="list-style-type: none"> <li>• Inform about specific EHS requirements of EBRD</li> </ul>	<ul style="list-style-type: none"> <li>• Local media publications</li> <li>• Publications on web sites</li> <li>• Presentation by the heads of departments</li> <li>• Hard copy distribution</li> </ul>	Throughout the whole project cycle
Construction workers and subcontractors	1 790	<ul style="list-style-type: none"> <li>• Inform about specific EHS requirements of EBRD and</li> <li>• Agree construction related grievance management procedure and code of conduct for temporary workers</li> </ul>	<ul style="list-style-type: none"> <li>• Instructions</li> <li>• Internal meetings/ induction</li> </ul>	Before start of construction
Residents of the Project area subject to resettlement	246	<ul style="list-style-type: none"> <li>• Collect the information for socio-economic survey</li> <li>• Informing on the Project details; legal rights, eligibility for compensation, principles of defining and providing the compensation; grievance procedure; Define the preferable way of compensation</li> <li>• Present the RAP</li> </ul>	<ul style="list-style-type: none"> <li>• Personal dialog with the Heads of the Street Committees</li> <li>• Newspapers</li> <li>• KMC Website</li> <li>• Announcements at the houses</li> <li>• Direct contact with residents</li> <li>• Kharkiv City Council website</li> <li>• Phone ‘hot line’</li> </ul>	After the City Council adopts the Decision on acquisition
Owners of the land plots and properties subject to	154	<ul style="list-style-type: none"> <li>• Informing on the Project details; legal rights, eligibility for compensation, principles of defining and providing the</li> </ul>	<ul style="list-style-type: none"> <li>• Personal dialog with the Heads of the Street Committees</li> <li>• Phone ‘hot line’</li> </ul>	After the City Council adopts the Decision on

Stakeholder Group	Population	Communication Activity	Proposed Media	Timeframe
acquisition		<p>compensation; grievance procedure; Define the preferable way of compensation</p> <ul style="list-style-type: none"> <li>Submit the official notice on the Decision of the City Council "On purchase of the land and properties"</li> <li>Negotiations on the form and amount of compensation</li> </ul>	<ul style="list-style-type: none"> <li>Official letter by Executive committee of the City Council</li> <li>Personal dialog with the City Council Executive Committee task force on acquisition</li> </ul>	<p>acquisition</p> <p>In 5 days after the decision is adopted.</p> <p>Within 3 months after the decision</p>
Owners of formal and informal businesses that occupy land plots subject to acquisition	To be determined	<ul style="list-style-type: none"> <li>Consultation with the owners. Discussion on alternative sites for business.</li> <li>Written notice on termination of the lease agreement (for the leased land plots)</li> </ul>	<ul style="list-style-type: none"> <li>Personal meeting of the City Council Executive Committee, Osnovyanskyi District Administration, Slobidskyi District Administration, and MCC representatives with the business owners</li> <li>Official letter from MCC</li> </ul>	After the City Council adopts the Decision on acquisition
Unofficial gardeners that can occupy the Depot connector line site.	To be determined	<ul style="list-style-type: none"> <li>Advance informing on commencement of construction works and borders of the land plot required for the construction</li> </ul>	<ul style="list-style-type: none"> <li>Info board with all the necessary information on the Project and contacts for the inquiry or grievance</li> </ul>	After the City Council adopts the Decision on acquisition
Community-based organisations (Street Committees) operating in the Project area	3	<ul style="list-style-type: none"> <li>To provide all the information needed for holding preliminary consultations with owners and residents of the houses and land plots subject to resettlement</li> </ul>	<ul style="list-style-type: none"> <li>The RAP roll-out presentation by specialists of the City Council Executive Committee legal department and MCC</li> <li>A copy of the RAP</li> <li>A hardcopy of NTS</li> </ul>	After the City Council adopts the Decision on acquisition
Kharkiv city residents	1 413 000	<ul style="list-style-type: none"> <li>Present the Project including its Environmental and social aspects to the public</li> <li>Provide information on safety measures and traffic management procedures during construction</li> <li>Provide information on employment opportunities and opportunities for service provision</li> <li>Provide information on construction related grievance procedure</li> </ul>	<ul style="list-style-type: none"> <li>Announce via local media and conduct a second round of public consultation (meetings).</li> <li>Publish NTS on the website of KMC, City Council and EBRD</li> <li>Large information boards at the construction sites</li> <li>Safety signs posted on roads at dangerous sites</li> </ul>	After the City Council adopts the Decision on acquisition
Municipal Company 'Pidzemne Misto'	-	<ul style="list-style-type: none"> <li>Joint actions/mitigation measures with regard to safety measures and illegal trade</li> </ul>	<ul style="list-style-type: none"> <li>Meetings</li> <li>Official correspondence</li> </ul>	Throughout the whole project cycle
Local and regional media: TV channels S-tet, 7 <sup>th</sup> channel, ATN etc.; newspapers 'Vecherniy Kharkov', 'Slobidskiy Krai',	-	<ul style="list-style-type: none"> <li>Prepare and provide information (articles/feeds) to local media about project milestones, updates and achievements</li> <li>Monitor the information in the media regarding coverage of the Company activities to measure the level of satisfaction (or lack of) and ensure timely</li> </ul>	<ul style="list-style-type: none"> <li>Press-releases</li> <li>Invitation to the public consultation meetings</li> </ul>	Throughout the whole project cycle

Stakeholder Group	Population	Communication Activity	Proposed Media	Timeframe
'Kharkovskiye izvestiya'; web media <a href="http://www.mediaport.ua">http://www.mediaport.ua</a>		response when required		
International Financial Institutions – EBRD – EIB	-	<ul style="list-style-type: none"> <li>Communicate with respective project contacts</li> <li>Timely provision of reports</li> </ul>	<ul style="list-style-type: none"> <li>Meetings</li> <li>Reports</li> </ul>	Throughout the whole project cycle
Non-governmental organizations (NGOs)	-	<ul style="list-style-type: none"> <li>Publish NTS and inform all stakeholders through local media</li> <li>Carry out new public consultations as part of these EIAs disclosure and consultation requirements</li> </ul>	<ul style="list-style-type: none"> <li>Websites</li> <li>Local media</li> <li>Open public consultation meetings</li> </ul>	After the City Council adopts the Decision on acquisition
Statutory stakeholders: Transport Department of Kharkiv City Council, respective committees and authorities	-	<ul style="list-style-type: none"> <li>Obtain all necessary permits for project construction</li> </ul>	<ul style="list-style-type: none"> <li>Official correspondence</li> <li>Formal meetings</li> </ul>	Before start of construction

**Table 1: Identification of stakeholders and communication methods**

## 6 DISCLOSURE OF INFORMATION

To meet the environmental and social requirements and performance standards of EBRD the Non-Technical Summary of Environmental and Social Aspects (NTS) should be disclosed to the public on a Company's website (<http://www.metro.kharkov.ua>), other relevant sites such as Kharkiv City Council (<http://www.city.kharkov.ua>), Dergachevskiy District Council (<http://dergachirda.gov.ua>) and on the EBRD's website. Printed copies of the NTS will also be made available to the public and other stakeholders at selected locations (e.g. Kharkiv City Council, Osnovyanskiy District Administration, Slobidskiy District Administration, Dergachevskiy District Administration, KMC and MCC offices etc.)

The Stakeholders must receive timely information about planned construction activities, safety measures in the vicinity of the construction site, traffic management, employment and business opportunities and other relevant information through the local media and information boards on project sites. Publicly shared information should also include summaries of annual project progress reports, incorporating environmental and social impacts, health and safety performance and implementation of the external grievance mechanism.

Any public comments or complaints should be reported following the grievance procedure described in Chapter 8 below.

## 7 STAKEHOLDER ENGAGEMENT PROGRAMME

The Stakeholder Engagement Programme provides opportunities for public comments and consultation. Its key elements are public consultations conducted in the course of EIA for both or for the extension and the depot.

According to the State Construction Standard DBN A.2.2-1-2003 "Structure and content of Environmental Impact Assessment during design and construction of plants, buildings and structures" the Project Developer (or the developer of EIA):

- Informs the public about the planned activities through the local authorities;
- determines the location and order of public consultations (meetings);
- collects the comments suggestions and applications submitted by public;
- reviews and considers the inputs from the public.

Other important processes where the opportunities for comments and consultations should be secured are land acquisition and resettlement. From the earliest stages and through all activities the MCC must involve affected persons in decision-making related to these processes. Affected persons must be given the opportunity to participate in the eligibility requirements, negotiation of compensation packages, receive resettlement assistance, and assess the suitability of proposed resettlement sites and agree on proposed timing. For further details on resettlement-related stakeholder engagement please refer to Resettlement Action Plan.

MCC must ensure that the implemented engagement and information disclosure processes will be regularly assessed for their effectiveness and efficiency. The effectiveness of the consultation strategies should be periodically evaluated through feedback from communities and periodic external reviews. The evaluation should be performed through assessment and discussion of the submitted complaints in annual reports.

Stakeholder engagement and disclosure documentation should be collected throughout the life of the Project, and must be available for public review upon request. MCC should also issue public reports on social and environmental performance throughout the life of the Project on an annual basis.

## **8 PUBLIC GRIEVANCE MECHANISM**

The objective of a grievance procedure is to ensure that all comments and complaints from any project stakeholder, including residents of nearby communities, KMC employees, contractors' staff, NGOs and other interested parties, are considered and addressed in an appropriate, consistent and timely manner. All grievances will be acknowledged and responded to within a reasonable timeframe.

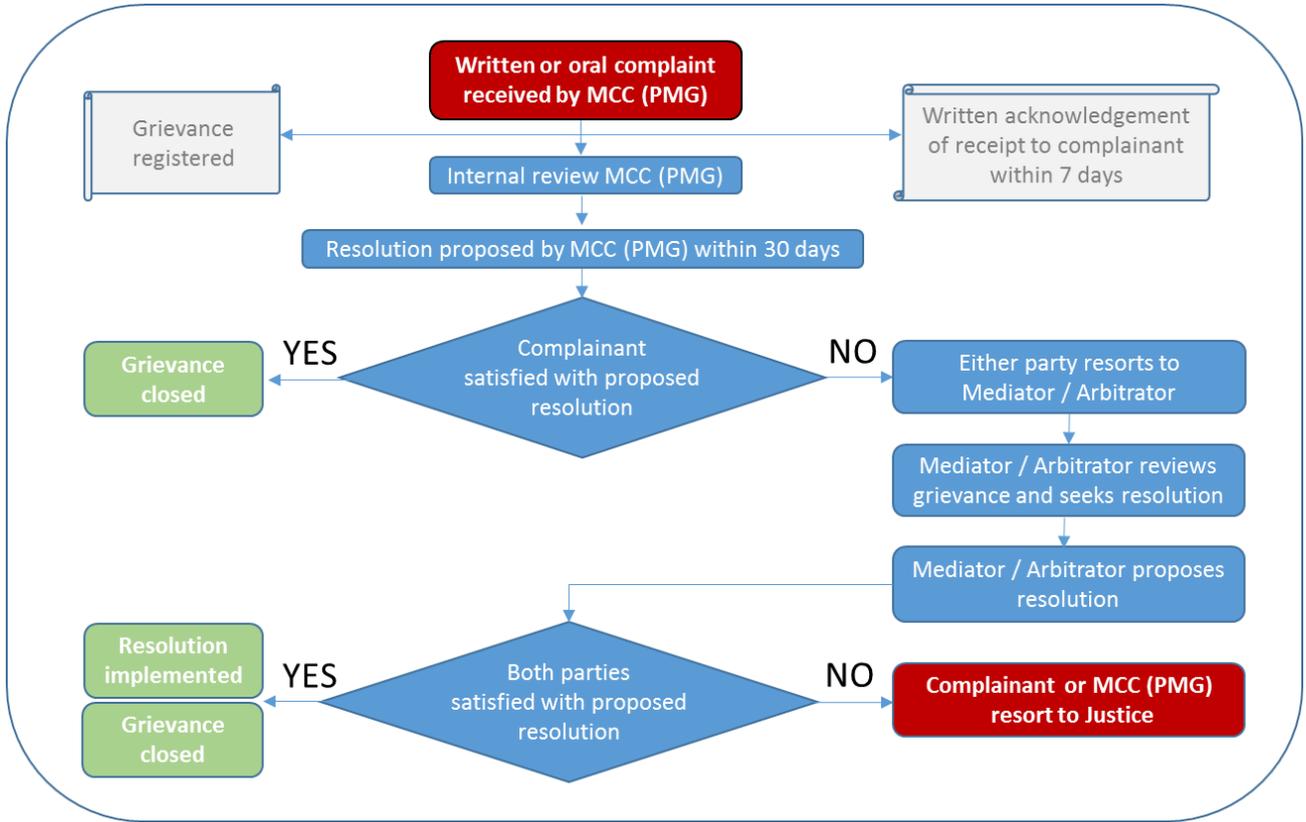
MCC should accept all comments and complaints associated with the Project. A proposed template for a Comments and Complaints Form is shown in Annex 1. The comments and complaints should be summarized and listed in a Complaints and Comments Log Book, containing the name/group of commenter/complainant, 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. Any person or organization may send comments and/or complaints in person or by post, email, or facsimile using the contact information specified in the Form.

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

Individuals who submit their comments or grievances have the right to request that their name is kept confidential.

All grievances will be registered and acknowledged within 7 days and responded to within 30 days. MCC will keep a grievance log and report on grievance management, as part of annual project progress reports.

The grievance management flowchart is provided below.



**Figure 1: The Grievance Management flowchart**

## **9 COMPANY CONTACT INFORMATION**

Attention: Linnik Nataliya Volodymyrivna

**Municipal Company 'Kharkiv subway construction management'**

Postal Address 61052, Kharkiv, 29, Engelsa str.

Telephone: (057) 731-50-73, 731-62-64

E-mail address: kdbm.pr@i.ua

## ANNEX 1 - PUBLIC GRIEVANCE FORM

(to submit public comments and complaints)

<b>Public Grievance Form</b>	
<b>Reference No:</b>	
<b>Full Name</b>	
<b>Contact Information</b>	<input type="checkbox"/> <b>By Post: Please provide mailing address:</b> _____ _____ _____
<b>Please mark how you wish to be contacted (mail, telephone, e-mail).</b>	<input type="checkbox"/> <b>By Telephone:</b> _____ <input type="checkbox"/> <b>By E-mail</b> _____
<b>Preferred Language for communication</b>	<input type="checkbox"/> Language 1 (specify) <input type="checkbox"/> Language 2 (specify)
<b>Description of Incident or Grievance:</b>	What happened? Where did it happen? Who did it happen to? What is the result of the problem?
<b>Date of Incident/Grievance</b>	
	<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)
<b>What would you like to see happen to resolve the problem?</b>	