



# **Mykolaivcement Dry Line Plant, Ukraine**

## **Stakeholder Engagement Plan**

**September 2011**

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# Abbreviations

| Abbreviation | Meaning   |
|--------------|---|
| CSI          | Cement Sustainability Initiative  |
| EBRD         | European Bank for Reconstruction and Development  |
| EIA          | Environmental Impact Assessment   |
| ESAP         | Environmental and Social Action Plan  |
| ESIA         | Environmental and Social Impact Assessment  |
| IFC          | International Finance Corporation   |
| NGO          | Non-Governmental Organisation   |
| OVNS         | Ukrainian process of Environmental Impact Assessment                                      |
| PR           | Performance Requirement (as set out within the EBRD Environmental and Social Policy 2008) |
| Q&As         | Questions and Answers   |
| SEE          | State Environmental Expertise   |
| SEP          | Stakeholder Engagement Plan   |
| UAH          | Ukrainian currency  |
| UNECE        | United Nations Economic Commission for Europe   |
| WBCSD        | World Business Council for Sustainable Development  |

## 1. Introduction

- 1.1 This document refers to a proposed project to construct, and operate of a new cement dry process line in south east Ukraine (about 25km south-east of Lviv), If the project is approved, the proposed facility would replace the current wet-process lines for OJSC Mykolaivcement ('Mykolaivcement' or 'the Company'). The proposed facility would have an annual production capacity of 2.1 Mt of cement.
- 1.2 **This document has been produced in order to enhance the information available to the public** and improve stakeholder engagement processes relating to this proposed project. It is an essential part of the Project planning process that persons or groups who are directly or indirectly affected by a project, as well as those who may have interests in a project and/or the ability to influence its outcome (together referred to in this document as "stakeholders") are kept informed about the project and have the opportunity to give input to the process. Stakeholder engagement aims to improve project decision-making.
- 1.3 **The document includes:**
- Who are the stakeholders (local and regional) how have they been identified;
  - Major stakeholders interests and concerns
  - How will the stakeholder be notified and consulted with about the project
  - What are the main actions and accountable persons to carry them;
  - What is the process to incorporate stake-holders feedback.
- 1.4 This Stakeholder Engagement Plan (SEP) represents **Mykolaivcement's commitment to a formal process of stakeholder engagement that will run throughout the life of the Project.**
- 1.5 These documents are presented for consultation as part of the project management process for securing the investment necessary for this proposed facility.

- 1.6 This SEP is intended to be a **live document and will be revised and updated as the Project progresses**. It will provide an initial framework for Mykolaivcement to implement and will develop further as input and information is **obtained from the stakeholders relating to both this document and the Project planning process**.

## 2. Who are the major stakeholders and how they were identified

### Factors considered in stakeholders mapping

- 2.1 Initial step is to identify the main potential impacts – real or perceived - from new project. Main impacts that could influence the perception were:
- Financial
  - Visual and light
  - Noise.
  - Air quality
  - Employment
  - Labour Conditions
  - Occupational health and safety
  - Traffic

### Stakeholder Identification

- 2.2 The following stakeholder mapping is based on the methodology reflected in the AA1000 Stakeholder Engagement Standard, the international standard on stakeholder engagement and uses information collected during the site visit, specifically discussions with the company's personnel, technical consultants involved in the project and receipt of the company's current list of stakeholders. A full list of identified stakeholders is presented in Table A – Stakeholders identification.
- 2.3 The following criteria **are suggested for stakeholder identification**:
- **liability**: project implementation may result in legal, financial or other liabilities of the proponent to a given social group;
  - **influence**: the social group is able to substantially influence the project implementation process;
  - **partnership**: there are opportunities for building partnership relations between the Company and a given social group;
  - **impact**: project implementation may significantly affect a given social group, in particular, it may affect vital interests of its representatives;
  - **representativeness**: the right of certain groups to represent their interests with regard to the project, set forth by the legislation, or based on traditions and/or cultural specifics;

- **expressed interest:** interest to the project expressed by a group or individuals, not necessarily directly affected by the project.

2.4 Company's mapping includes following identified stakeholders list:

**Table Error! No text of specified style in document.-1 - Stakeholder Identification**

| Stakeholder Group  | Liability | Influence | Partnership | Impact | Representativeness | Expressed interest |
|--|-----------|-----------|-------------|--------|--------------------|--------------------|
| Local stakeholders (Mykolaiv city, district and village authorities and communities)                       |           |           |             |        |                    |                    |
| Head of Mykolaiv state administration  | +         | +         | +           | +      | +                  | +                  |
| Head of Mykolaiv district council  | +         | +         | +           | +      | +                  | +                  |
| Head of State Committee of Land Resources in Mykolaiv  | +         | +         | +           | +      | +                  | +                  |
| Mayor of Mykolaiv  | +         | +         | +           | +      | +                  | +                  |
| Chief sanitary inspector (doctor) of Mykolaiv district   | +         | +         | +           | +      | +                  | +                  |
| Chief doctor of Mykolaiv district (Head of Mykolaiv district hospital)                                     | +         | +         | +           | +      | +                  | +                  |
| Head of community in Ternopillya village   | +         | +         | +           | +      | +                  | +                  |
| Head of community in Brodsky village   | +         | +         | +           | +      | +                  | +                  |
| Head of community in Pisky village   | +         | +         | +           | +      | +                  | +                  |
| Head of community Gonyatychi village   | +         | +         | +           | +      | +                  | +                  |
| Head of community in Drohovyzh village   | +         | +         | +           | +      | +                  | +                  |
| Head of community in Rozvadiiv village   | +         | +         | +           | +      | +                  | +                  |
| Head of Pustomyty district council   | +         | +         | +           | +      | +                  | +                  |
| Head of Pustomyty state administration   | +         | +         | +           | +      | +                  | +                  |
| Head of community in Dmytre village  | +         | +         | +           | +      | +                  | +                  |
| Head of Zhovkva state administration   | +         | +         | +           | +      | +                  | +                  |
| Head of community in Potelychi village   | +         | +         | +           | +      | +                  | +                  |
| Chief of ecological inspection in Lviv region  | +         | +         | +           | +      | +                  | +                  |
| Deputy chief of regulatory policy of land exploitation (of State Administration of Ecology in Lviv region) | +         | +         | +           | +      | +                  | +                  |
| Head of Mykolaiv District Department of Emergency Situations in Lviv region                                | +         | +         | +           | +      | +                  | +                  |

|   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|
| Head of Mykolaiv district Labour Registry office  | + | + | + | + | + | + |
| Head of Pension fund  | + | + | + | + | + | + |
| The Head of Mykolaiv District Tax Inspection in Lviv region   | + | + | + | + | + | + |
| Military registration and enlistment office   | + | + | + | + | + | + |
| Mykolaiv Inter-district Public Prosecutor's Office of Lviv Region   | + | + | + | + | + | + |
| Mykolaiv District Court of Lviv Region  | + | + | + | + | + | + |
| Mykolaiv District Department of the Ministry of Internal Affairs in Lviv Region   | + | + | + | + | + | + |
| Head of Mykolaiv district department of education   | + | + | + | + | + | + |
| 'Gromada' (Community) Mykolaiv district newspaper   | + | + | + | + | + | + |
| Regional stakeholders (Lviv Authorities and inspections)  |   |   |   |   |   |   |
| Head of Lviv Regional State Administration  | + | + | + | + | + | + |
| Lviv Regional State Administration of City Planning and Investment Policy   | + | + | + | + | + | + |
| Lviv Regional Labor registry office   | + | + | + | + | + | + |
| Labour inspection in Lviv region  | + | + | + | + | + | + |
| Lviv unemployment registry office- Head of committee of work permits getting.   | + | + | + | + | + | + |
| State Committee of Land Resources in Lviv   | + | + | + | + | + | + |
| Lviv Interdistrict Environmental Prosecutor's Office  | + | + | + | + | + | + |
| Lviv Customs  | + | + | + | + | + | + |
| State Financial Inspectorate in Lviv region   | + | + | + | + | + | + |
| Lviv Regional Department of the Fund of Social Protection of Disabled People  | + | + | + | + | + | + |
| Commercial Court of Lviv Region   | + | + | + | + | + | + |
| Head of Lviv Regional Department of the State Commission for Securities and Stock Market of Ukraine                                     | + | + | + | + | + | + |
| Lviv Regional Territorial Office of the Anti-Monopoly Committee of Ukraine  | + | + | + | + | + | + |
| State department of Environment in Lviv reg   | + | + | + | + | + | + |
| Lviv Railway, transportation department   | + | + | + | + | + | + |
| State Institution "Western Territorial Inspectorate of State Geological Survey over Geological Survey and Disposal of Mineral Deposits" | + | + | + | + | + | + |
| Western State Inspectorate of Nuclear and Radiation Protection  | + | + | + | + | + | + |
| Sanitary inspector of Lviv Region   | + | + | + | + | + | + |
| Department of State Inspectorate of Civil Protection and Technological Safety in Lviv region  | + | + | + | + | + | + |
| State Service of Mining Supervision and Industrial Safety in Lviv region  | + | + | + | + | + | + |
| Security Service of Ukraine in Lviv region  | + | + | + | + | + | + |

|  |   |   |   |   |   |   |
|--|---|---|---|---|---|---|
| Lviv State mining technical inspection   | + | + | + | + | + | + |
| Lviv State Safety inspection for construction, energy, boiler control and lifting machinery              | + | + | + | + | + | + |
| State mining inspectorate responsible for land conservation in mining industry                           | + | + | + | + | + | + |
| State Safety inspection for gas and chemical industry  | + | + | + | + | + | + |
| Territory Department of State inspectorate for energy saving in Lviv region                              | + | + | + | + | + | + |
| Lviv State Inspection for energy control   | + | + | + | + | + | + |
| Regional department of the Fund for social insurance against accidents at work and occupational disease. | + | + | + | + | + | + |
| Lviv regional dept of the Ukrainian Ministry for emergency control (EMERCOM)                             | + | + | + | + | + | + |
| Department of Supervisory-Preventive Activity  | + | + | + | + | + | + |
| Territorial department of the State Committee of Health and Safety at Work in Lviv region                | + | + | + | + | + | + |
| 'Western expert technical center ' of Safety inspection  | + | + | + | + | + | + |
| Lviv subsidiary "Ukrdergbudexpertise" (Construction expertise)   | + | + | + | + | + | + |
| Regional Trade Union (construction)  | + | + | + | + | + | + |
| Green NGO 'Environment-People-Law'   | + | + | + | + | + | + |
| Green NGO 'Bureau of Environmental Investigations'   | + | + | + | + | + | + |
| <b>State authorities (National)</b>  |   |   |   |   |   |   |
| State Agency of Ukraine for Land Resources   | + | + | + | + | + | + |
| Cabinet of Ministers of Ukraine  | + | + | + | + | + | + |
| Ministry of Health of Ukraine  | + | + | + | + | + | + |
| State Ecological Inspectorate of Ukraine   | + | + | + | + | + | + |
| State construction inspectorate  | + | + | + | + | + | + |
| Ministry for Environment and Natural Resources of Ukraine  | + | + | + | + | + | + |
| Ministry of Ukraine of Emergencies   | + | + | + | + | + | + |
| Ministry of Regional Development, Construction, housing and communal service of Ukraine                  | + | + | + | + | + | + |
| Ministry of Social Policy of Ukraine   | + | + | + | + | + | + |
| State Inspectorate of Ukraine on Labour Issues   | + | + | + | + | + | + |
| State Service for Industrial Security and Mining Supervision   | + | + | + | + | + | + |
| Antimonopoly Committee of Ukraine  | + | + | + | + | + | + |
| State Agency for Energy Supervision  | + | + | + | + | + | + |
| State Agency on Energy Efficiency and Energy Conservation of Ukraine                                     | + | + | + | + | + | + |
| State Service of Technical Regulation of Ukraine   | + | + | + | + | + | + |
| Ministry of Power Engineering and Coal Industry of Ukraine   | + | + | + | + | + | + |

|   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|
| General Public Prosecutor's Office of Ukraine   | + | + | + | + | + | + |
| Security Service of Ukraine   | + | + | + | + | + | + |
| State Tax Service of Ukraine  | + | + | + | + | + | + |
| Social Insurance Fund for Temporary Disability  | + | + | + | + | + | + |
| Social Insurance Fund against accidents at work and occupational diseases of Ukraine  | + | + | + | + | + | + |
| Fund of Social Protection of Disabled People  | + | + | + | + | + | + |
| National Service of Mediation and Reconciliation of Ukraine                           | + | + | + | + | + | + |
| State Inspectorate of Technological Safety  | + | + | + | + | + | + |
| State Nuclear Regulatory Inspectorate of Ukraine                                      | + | + | + | + | + | + |
| State Financial Inspectorate of Ukraine   | + | + | + | + | + | + |
| State Customs Service of Ukraine  | + | + | + | + | + | + |
| State Service of Geology and Bosoms   | + | + | + | + | + | + |
| State Architectural-Construction Inspectorate   | + | + | + | + | + | + |
| Ukrainian Association of enterprises and organizations if cement industry "UkrCement" | + | + | + | + | + | + |
| Technical Research and Consulting Organisations                                       |   |   |   |   |   |   |
| Tebodin   | + | + | + | + | + | + |
| Evroekoskop   | + | + | + | + | + | + |
| Arzinger  | + | + | + | + | + | + |
| Lviv Regional Industrial Department of Water Economy                                  | + | + | + | + | + | + |
| DP "Lvivstandartmetrolohiya"  | + | + | + | + | + | + |
| Internal stakeholders   |   |   |   |   |   |   |
| Management of Mykolaivcement  | + | + | + | + | + | + |
| Personnel of Mykolaivcement   | + | + | + | + | + | + |
| Trade Union representatives   | + | + | + | + | + | + |
| Shareholders and Investment Community   |   |   |   |   |   |   |
| Shareholders  | + | + | + | + | + | + |
| Legend:   |   |   |   |   |   |   |
| (+)- the group meets the criteria;  |   |   |   |   |   |   |
| (-)- the group doesn't meet the criteria;   |   |   |   |   |   |   |
| (?) - no information available  |   |   |   |   |   |   |

2.5 A tentative identification of **stakeholders' interests and concerns** was carried out aligned with company management.

2.6 The **main groups of stakeholders** were considered having in mind the above mentioned impact. The result was a list of stakeholders **that the Company needs to communicate with**. These stakeholders include local communities, employees and unions, government bodies and local authorities, regulatory authorities, education institutions, mass media (e.g. newspapers, news agencies, and online environmental portals), NGOs, local



communities and others. Mykolaivment developed a list of the stakeholders at the local, regional and national levels with whom permanent contact at the start and during the project is critical.

2.7 The identified major stakeholders' interests and concerns are presented in Table B

Table B - Major Stakeholders' Interests and Concerns

| Number | Stakeholder group   | Key expectations  | Key concerns  | Recommendations possible main actions   |
|--------|---|---|---|---|
| 1      | <b>Local communities</b>  |   | All factors   | <i>Details of the proposed disclosure and consultation activities for these stakeholders are included within the OVNS and ESAR which can be found in Table C.</i>   |
| 1.1    | <b>Households adjacent to 1km zone around the new plant (Gaji settlement)</b> | Residents are likely to expect that potential adverse impacts associated with the plant's construction and operation (e.g. dust emissions, noise) are carefully management and mitigated.   | All factors   | Carry out consultations (in a 'low key' manner, e.g. 'focus-group' meetings and key stakeholder meetings) to better inform households of project status and plans, identify and manage issues and expectations of the residents. Suggest initially meeting with community leaders and well publicised community meeting. Company must commit and follow up on commitment to ongoing engagement and disclosure of project info and updates to ensure all households and community leaders are aware of status of the project and where they can seek further information. Engage as soon as decision to invest in the new plant is finalised internally. |
| 1.2    | <b>Residents in nearby villages to new plant</b>                              | Residents are likely to expect that potential adverse impacts associated with the plant's construction and operations (e.g. dust emissions, noise) are carefully management and mitigated.  | All factors   | Carry out consultations. Engage as soon as decision on the new plant is finalised internally.   |
| 1.3    | <b>Residents adjacent to the existing plant</b>                               | Residents are likely to expect that potential adverse impacts associated with the plant's deconstruction (e.g. dust emissions, noise). Improved environmental conditions following closure and decommissioning of existing plant. | Current air emissions and noise problems                | Carry out consultation and communication activities. Engage as soon as decision on the new plant and future plans for existing plan are finalised.  |
| 1.4    | <b>All citizens of Mykolaiv</b>   | Improvements in the environmental situation in the town, in particular in air quality.  | Job losses are likely to be of concern                  | Carry out consultations, disclose the relevant information on the project, communicate the redundancy policy early in the process and establish compensatory measures.  |
| 2.     | <b>District and Village Authorities</b>                                       | Improvements in the environmental situation in the town, in particular in air quality. Also interested in stable tax payments, labour issues and social investment.   | Environmental deterioration, reduction of tax payments. | Engage in consultation and dialogue as soon as the decision on the new plant is finalised internally.   |
| 3.     | <b>Environmental and</b>  | Improvements in the   | Environmental   | Engage in consultation and dialogue as  |

| Number | Stakeholder group                     | Key expectations   | Key concerns   | Recommendations possible main actions  |
|--------|---------------------------------------|--|--|--|
|        | <b>Safety Regulators</b>              | environmental situation in the town, in particular in air quality.   | deterioration, law violation, reduction of tax payments.   | soon as the decision on the new plant is finalised internally.   |
| 4.     | <b>Regional and state authorities</b> | Interested in the modernisation of the plant and retention of the industrial facility in the region. Also interested in improvements of the environmental performance and labour issues. | Environmental deterioration, law violation, losing the industrial facility, reduction of tax payments. | Engage in consultation and dialogue as soon as the decision on the new plant is finalised internally.  |
| 5.     | <b>Internal stakeholders</b>          | Retention of employment, improved working conditions through the use of new technology.  | Job losses   | Communicate the redundancy policy early in the process and establish compensatory measures   |
| 6.     | <b>NGOs</b>                           | Improvements in the environmental quality in the town and district.  | Use of alternative fuels. Transparency of the decision-making and communication process.               | Be ready to provide credible information on the use of alternative fuels. Maintain an open door approach with those who have concerns on the plant's operations. |

## 3. Stakeholder Engagement Programme

### Public Consultation Methods

- 3.1 In this section the relevant methods that will be used in the process of public consultation on the new plant are discussed. These methods have been selected based on Ukrainian legislation requirements and international best practice. Additional forms and methods of engagement can be introduced later based on stakeholders' recommendations and preferences.

#### Public meetings and public hearings

- 3.2 Public meetings are considered as the milestones of the stakeholder consultation and disclosure process; all key stakeholders groups are typically invited to participate. The meetings are necessary for broad dissemination of information and getting feedback from stakeholders. Views and comments voiced during the meetings will be carefully recorded; brief summaries of the meetings will be prepared and disseminated widely for those who cannot attend.
- 3.3 It is recommended to hold public hearings regarding the new plant at least once a year during the construction activities, so the public can raise their concerns and a response can be provided.

## Open Day Event

- 3.4 Plant open days are events where employees can explain their work to visitors, or they can be focused on a specific topic related to plant operations, such as a safety day, or dedication picnic for an onsite ecology area. This kind of event makes the facility more understandable to the community and gives employees an opportunity to show their family and neighbours where and how they work.
- 3.5 Mykolaivcement is familiar with organising these types of event and the organisation of the open day event in respect of the new project would facilitate engagement with the wider public in a less formal way than public hearings, for example.

## Target group meetings

- 3.6 Meetings with specific stakeholder groups are useful when it is necessary to bring different positions together and elaborate a mutually acceptable decision or engagement mechanisms. Such meetings will be carried out on a regular basis.
- 3.7 Residents living in the vicinity of the new plant, especially the households in settlement Hai, require special attention. Meetings with this group should be carried out on a regular and on-going basis over the course of the project implementation. It is recommended to define the format for such meetings at an early stage, taking into account residents' suggestions.

## Media publications

- 3.8 Mass media provide the most effective way to reach a wider audience. In this case it is advisable to rely on the company's existing communication routes via the local newspaper 'Gromada' as well as its internal newsletters.

## Focus groups

- 3.9 Focus groups involve groups of specially selected individuals and are used to identify public views on pre-determined topics. Focus groups help reveal views of stakeholder groups that may remain silent at large public meetings (for example pensioners, youth or disabled people). They also constitute a useful manner to get people with common concerns to discuss these concerns between themselves (for instance, residents of a certain area or small businesses).

## Internet

- 3.10 The Internet may ensure the wide dissemination of information throughout the Lviv region and even wider audience in the country and abroad. At the same time, many main stakeholder groups have only limited, if any, Internet access. Therefore this communication channel should be used in combination with other disclosure methods described in this section.
- 3.11 The documentation related to this project will be available on [www.mykolaiv.info/budivnitstvo/](http://www.mykolaiv.info/budivnitstvo/)
- 3.12 The company is in the process of setting up a dedicated website which would disclose future documents related to this project

## Booklets and awareness leaflets

- 3.13 Dissemination of brief awareness leaflets and booklets is an efficient method of reaching the affected public and interested groups.

- 3.14 Documents will be available at MYK office: OJSC “Mykolaivcement”, Stryiske shoes St.1, Mykolaiv, Lviv region, 81600.

### Visitors’ centres

- 3.15 Visitor’s centres are an effective means of working with community members. Such centres are often attended by citizens as an alternative to voicing their comments or inquiries at a large public meeting. It is recommended that the company investigates a possibility of using local authority offices or some public facility for this purpose. A coordinator from the plant could attend this office on a regular basis to collect inquiries of interested citizens and communicate responses back to them. The working schedule of the coordinator would need to be widely announced in the local media.
- 3.16 Address of the office: OJSC “Mykolaivcement”, Stryiske shoes St.1, Mykolaiv, Lviv region, 81600.

### Personal letters

- 3.17 Personal letters can be used to better inform the stakeholders. They may contain key information about upcoming meetings and other events, important environmental and social performance indicators, and other information the Company considers relevant. Such letters are usually sent to all individuals and organizations that have expressed significant interest to the public consultation process. In this case it is recommended to use this method for informing residents living in the vicinity of the new plant, interested NGOs, and other stakeholders that have expressed significant interest at an early stage of the consultation process.

### Newsletters

- 3.18 Newsletters can be used to provide comprehensive information about a project, including associated images to provide a practical idea of what is being proposed. Such newsletters can be distributed to local communities or made available to stakeholders who highlight an interest in wanting a regular update on the project.

A proposed Public Consultation Programme that utilises the consultation methods identified above is presented in Table C.

Table C – Action plan on stakeholder engagement

| Consultation method, objective and stakeholder group   | Materials to be used   | Action  | Location                                | Responsible organisation, person                             | Date  |
|--|--|---|---|--|---|
| <b>Consultation as part of OVNS and EBRD disclosure process</b>  |  |   |   |  |   |
| All stakeholders   | Internet / EIA package   | Internet – update the Internet site with detailed information from EBRD study   | Internet                                | Communication  | October 2011  |
| All stakeholders   | Non Technical Summary, SEP and Atkins Project information Report (Environmental and Social Appraisal Report) | Invite to meeting to present the project and the NTS to the public and outline the planned SEP process in line with EBRD requirements.  | Local media/Internet and meeting in MYK | Local paper, internet<br>Communications /Project Team/Atkins | October issue invite 2 weeks before planned meeting in MYK<br>November meeting in MYK |
| Local permitting requirements - OVOS<br>Notifying the public on proposed project and detailed stakeholder identification | Disclosure of a “Statement of Intention of Project Implementation”   | Publication on the local newspaper ‘Gromada’  | Local media                             | Tebodin / Project Team /Communications                       | December 2011   |
| Local permitting requirements - OVNS<br>Public consultation  | Presentations.   | Organisation of 1 <sup>st</sup> public hearings   | .                                       | Project Team/SH Mngt/Communications                          | January 2012  |
| Local permitting requirements - OVNS<br>Public consultation  | ESIA Non-Technical Summary.  | A round of target and focus group meetings with key stakeholders upon publication of the ESIA non technical summary to provide information, solicit feedback and identify stakeholders. All key stakeholders will need to be engaged once at this stage | Company’s venue or public facility.     | Project Team/Stakeholder Management Team/Atkins              | End January 2012  |
| Providing the public with information on the Project Grievance mechanism   | All materials  | Incorporate details of project contact point and grievance mechanism in all materials   | All dissemination options               | Communications /Stakeholder management team                  | February 2012   |
| Key stakeholders   | Key message on the project   | Personal letters and/or meetings, as appropriate  | Letters/Meetings                        | Communication Department                                     | February 2012   |
|  |  |   |   |  |   |

| On-going consultation / information   |                                      |   |   |   |  |
|---|--------------------------------------|---|---|---|--|
| Provide the public with the update on the project implementation and allow them to raise their concerns | Presentations.. Updated ESAP.        | Annual public hearings  | Library or other public facility providing necessary space.   | Project Team/Stakeholder Management Team / Communications | During the plant construction  |
| Communication with residents in the plant's vicinity  | Relevant project documentation.      | Target group meetings - regular meetings as necessary. The contact information of the relevant company's representative needs to be made publicly available – published in the local newspaper. | Company's representative visiting nearby villages on request. | Stakeholder Management Team/Communications                | Yearly/Ad-hoc meetings   |
| All stakeholders  | Distribution materials               | Organize Visitors' centres in the construction site open for public in specific intervals – at least once per year  | Construction site   | Project team  | Annually from 2012   |
| All stakeholders; suppliers and customers, employees  | Distribution materials               | Booklets and awareness leaflets build up and sharing with communities and nearby localities   | Mykolaiev new site /  | Project team and communication                            | Annually from 2012   |
| Environmental and Safety Regulators   | Presentations/reports                | Share the ESAR from EBRD; Share of annual reports and ask for feedback  | New site / Lviv   | Project team and communication                            | Annually from 2012   |
| Regional and state authorities  | Presentations/reports                | Share the ESAR from EBRD; Share of annual reports and ask for feedback<br>Organize open doors and annual meetings   | New site / Lviv   | Project team and communication                            | Annually from 2012   |
| Internal stakeholders   | Leaflets, Presentations, Newsletters | Communication on company strategy and implications on people for the new plant; Quarterly updates on the project development in the internal magazine and full visibility on implications       | Current plant   | Project team and communication                            | Quarterly from 2012  |
| All stakeholders  | Internet site                        | Establishing a grievance mechanism, which is advertised in the local media.   | a hot line/Company's reception, dedicated web site            | Communication Manager                                     | January 2012 and ongoing during the construction phase, start up of the new facility and closure of the old one. |

## 4. Grievance Mechanism

- 4.1 There is always a possibility for the project to be contrary to interests of certain groups and/or individuals. The EBRD PR 10 also requires the establishment of a grievance mechanism, process, or procedure to receive and facilitate resolution of stakeholders' concerns and grievances about the client's environmental and social performance.
- 4.2 In order to ensure a smooth procedure of conflict prevention and resolution, the following measures will be implemented:

- the company's Communication Manager takes on a responsibility of communicating with stakeholders on environmental and related social issues;
- creation, in the Local Authorities reception office (or in another way acceptable to the Company, to local authorities, and to the interested population), of a focal point (visitors' centre) for disseminating project-related information, collecting comments and suggestions, and filing complaints and grievances. Stakeholders will be informed of the establishment of this focal point;
- establishing a grievance mechanism through three alternative channels: the Company's reception (the existing mechanism), a dedicated web site and a visitors' centre. All grievances should be acknowledged receipt of in writing within 7 days, and responded to in writing within 30 days;
- forwarding of all received inquiries and comments to the companies involved in the project implementation: every inquiry or comment should be reviewed by a responsible person and answered in writing and a decision on each grievance will be made within 30 days and communicated to all the parties concerned;
- if necessary, a conciliatory commission will be created for the purpose of achieving a consensus. The commission includes representatives of all the parties concerned, and is usually headed by a representative of the Local Authority or Regional Administration as an independent third party;
- if the parties are unable to achieve a consensus through a negotiation process, they have the right to resolve the dispute via administrative or judicial procedures;
- the information on the results of the public consultation process, including the data on the results of complaints and grievance review, as well as on any unresolved issues will be publicised on a regular basis.
- Maintain a record of all grievances and responses to them, and make this record available to interested parties upon request;

## 5. Monitoring and Reporting

### Monitoring

- 5.1 The company monitor programme. However, Mykolaivcement may choose to involve project stakeholders (including affected communities) or third party observers to monitor project impacts and mitigation programmes as the project develops.
- 5.2 This is one approach which helps to satisfy stakeholder concerns and promote transparency. This kind of participation and the information that emerges from the process can also encourage stakeholders to deepen their understanding of the project and increase their level of involvement in addressing the issues that affect their lives.

### Reporting to Stakeholders

- 5.3 The results and outcomes of stakeholder engagement activities must be reported back to affected stakeholders and to broader stakeholder groups on a regular basis. Knowledge of how Mykolaivcement have considered stakeholder feedback is fundamental if individuals and groups are to build trust in Mykolaivcement and the project's engagement

and consultation processes. In the near term this will be especially important during the OVNS process.

5.4 Additional Information can be obtained from:

Contact 1: Zoriana Butkovska

Contact 2: Kateryna Kozhan

Phone/Fax: 032 254 61 87

Cell 1: 097 999 56 32

Cell 2: 093 0322 407

E-mail: [zoriana.butkovska@gmail.com](mailto:zoriana.butkovska@gmail.com)

Address: Soborna Square, 12/4, Lviv.

5.5 Hard Copies of documents will be made available:

- MYK office: OJSC “Mykolaivcement”, Stryiske shoes St.1, Mykolaiv, Lviv region, 81600, tel. 03241 41105, e-mail: info.ua@lafarge.com
- Local Library: Mykolaiv district central library, reading hall, Hrushevskyyi avenue, 6, Mykolaiv, Lviv region, 81600; tel.: 0324151134. 4

5.6 Communication of feedback must be in a form which is timely, accessible and culturally appropriate. This may include leaflets, social and environmental reports, a company newsletter, annual report or corporate social responsibility report.

5.7 A summary of reporting mechanisms and tools to be used by Mykolaivcement are given in the proposed Public Consultation Programme in Table C.



Figure A.1 - Typical Grievance Management Flow Chart

