

SURKHANDARYA AND NAMANGAN REGIONAL WATER PROJECTS – FEASIBILITY STUDY

SURKHANDARYA OBLAST
STAKEHOLDER ENGAGEMENT PLAN
European Bank for Reconstruction and Development

December 2019



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Document history

Revision	Purpose description	Originated	Checked	Reviewed	Authorised	Date
1	DRAFT ISSUE	AKAD (CECT)	AEK, EVLA (CECT)	Katie Prebble (Atkins)	Pamela Paul (ATKINS)	September 2019
2	FINAL ISSUE	AKAD (CECT)	AEK, EVLA (CECT)	Katie Prebble (Atkins)	Pamela Paul (ATKINS)	December 2019

ABBREVIATIONS

Company, Client, Enterprise	State Unitary Enterprise “Surkhandarya Suvoqova” (Surkhandarya Oblast Water & Wastewater Company)
CWR	Clean water reservoir
EBRD, Bank	European Bank for Reconstruction and Development
E&S	Environmental and Social
EHS	Environment, Health and Safety
ESAP	Environmental and Social Action Plan
GIS	Geographic Information System
LTIP	Long-Term Investment Program
NTS	Non-Technical Summary
O&M	Operation and Maintenance
OHS	Occupational Health and Safety
PIP	Priority Investment Program
PR	EBRD Performance Requirements
SCADA	Supervisory Control and Data Acquisition
SEP	Stakeholder Engagement Plan
SPZ	Sanitary-Protection Zone
WDU	Water Distribution Units
WIU	Water Intake Unit
WS	Water Supply
WTP	Water Treatment Plant
WW	Wastewater
WWPS	Wastewater Pumping Station
WWTP	Wastewater Treatment Plant

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1 Introduction – Summary of the Project

The State Unitary Enterprise “Surkhandarya Suvoqava” starting from 18 April 2017 was included into the system of the Ministry of Housing and Utility Services of the Republic of Uzbekistan and provides water and wastewater services in Surkhandarya Oblast of the Republic of Uzbekistan. The Government of Uzbekistan, on behalf of the State Unitary Enterprise “Surkhandarya Suvoqava” has approached the European Bank for Reconstruction and Development (the “EBRD” or the “Bank”) with the request to finance a priority investment program (“PIP”) for rehabilitation of water infrastructure (the “Project”) operated by the Company.

The Project is expected to improve the Company’s operational efficiency; reduce operational costs; improve services’ quality (reliability and quality of water); and, last but not least, minimise negative and social environmental impacts.

This Stakeholder Engagement Plan (SEP) highlights the methods of communication between the Project Implementation Unit (PIU), the Project Implementation Agency for the PIP which will be the Ministry of Housing and Communal Services, the Company and stakeholders who may have an interest in the Project, including the general public, Administration and state authorities. This Plan also includes a grievance mechanism for the public to raise any concerns.

2 Project Background and Description

2.1 Project location and background

The Company provides municipal services including water and wastewater services to residential customers, industries and organisations. The Company's responsibilities cover provision of services to consumers in Termez and the territory of almost the entire Surkhandarya Oblast, including 9 cities, 116 urban settlements and about 540 rural settlements.

The major operations of the Company is as a provider of water supply and wastewater services.

Water is supplied to the network mainly from ground water sources.

The population having access to water supply services according to the Company's accounting data is 1.4 mln. at the beginning of 2019, which is only 54% of the total population of the region. The area of the Surkhandarya region is 20,800 km², the service area is about 16,000 km², part of the mountainous territory in the west and north of the region does not have centralized water supply systems.

About 109 thousand people or 4.3% of the total population of the region are connected to the centralized sewage system. The rest of the population uses individual sewer systems (street toilets, cesspools, septic tanks, storage tanks, etc.). A low percentage of connections is associated with the lack of development of a wastewater system, which is mainly only in Termez and in three regional centres: Kumkurgan, Denau and Shargun. The population of other settlements use freestanding cesspools, pit toilets and septic tanks.

2.2 Long-Term and Priority Investment Programmes

To improve the operational performance and ensure compliance with national and the EBRD Environmental and Social Policy (ESP) 2014, Performance Requirements (PRs) and EU standards a Long-Term Investment Program (LTIP) was developed. This program includes the projects planned by the Company as well as projects identified by the Consultant.

A ranking of the sub-projects included into the LTIP was undertaken to develop the PIP. The strategic objectives of the PIP in relation to the development of the water supply in Surkhandarya Oblast are: (i) improvement of Company's operational efficiency; (ii) reduction of operational costs; (iii) reduction of water losses; (iv) improvement of services' quality and connection of new customers to water systems; and, last but not least, (v) minimisation of negative environmental and social impacts.

Based on the priority assessment as well as on evaluation of possibilities to attract financial resources, it is proposed to implement activities on integrated reconstruction and modernisation of water facilities of Surkhandarya Oblast, including the following components:

1. Drinking water supply in the Muzrabad district, including:
 - › The new construction of an underground water intake in the Pashkhurt settlement;
 - › Modernization of Oktosh water intake;
 - › Construction of water ducts from Pashkurt water intake to Oktosh Water Distribution Units (WDUs);
 - › Construction of a water duct from Oktosh WDU to Central WDU in the Halkabod city;
 - › Connecting rural settlements;
 - › Reconstruction of street networks of Muzrabad district.
2. Reconstruction and modernization of damaged WDUs;
3. Reconstruction of street networks in the zone of new WDUs;

4. Installation of flow meters at all supply water ducts and inlets to local systems (in villages and urban-type settlements), including SCADA;
5. Procurement and installation of control valves on the main and street water networks;
6. Delivery of maintenance and repair equipment and special vehicles;
7. Development of hydraulic models and GIS.

3 Identification of Stakeholders and Communication

3.1 Requirements for Stakeholder Engagement and Public Consultation

The EIA procedure is regulated by Law on Environmental Expertise and the Regulation on State Environmental Expertise (SEE), approved by Decree No.491 of the Cabinet of Ministers on 31 December 2001 and amended in 2005 and 2009.

Pursuant to Section 10 of the Regulation on SEE, the developer must conduct the EIA assessment process in a staged approach, providing the SEE with the required EIA documents for review at three distinct stages of the Project. Section 11 of the Regulations on SEE outlines the information that should be within the documentation at each of these stages.

There are two non-mandatory mechanisms for public participation in the EIA assessment procedure: the public environmental review and public hearings. While the Law stipulates that public environmental review might be organised by independent expert groups, its outcomes are non-mandatory.

There are no legal provisions for public hearings, though the EIA assessment procedure Manual provides some procedural guidance. It recommends the organisation of public hearings in the course of draft EIA preparation and suggests some forms of organising them and potential participants. Even the existing limited opportunities for public involvement in the EIA process are not used because of the absence of strict legal provisions for public participation in EIA. The practice of public consultations in Uzbekistan does not involve broad citizen engagement and is often restricted to the local authorities, rather than the general public.

Provision # 6 of Law on Environmental Expertise (2000) states, that —The promoter of a project who undertakes an EIA assessment procedure could publish an announcement informing of this fact. In this case, after finishing the EIA, the conclusions or results should be published shall be published within a month. The list of the projects which should publish an announcement as a mandatory requirement is meant to be defined in the legislation but there is no specific legislation that sets out this requirement or procedure.

In accordance with the requirements of Uzbekistan (Decree of the Cabinet of Ministers of Uzbekistan on Approval of the Regulations on the State Environmental Expertise in the Republic of Uzbekistan No.491 of 31.12.2001 as amended on 05.06.2009) results of public hearings and disclosure of information should be included in the set of documents, presenting for review and getting clearance from SEE). The “Statement on Environmental Consequences” should detail, among other items, the comments received through the public hearings if undertaken.

The EBRD is committed to promoting environmentally sound and sustainable development in accordance with its Environmental and Social Policy (May 2014). The EBRD’s stakeholder engagement requirements are set out in the following documents:

- › Environment and Social Policy (2014)
- › Public Information Policy (2008)
- › PR 10 Information Disclosure and Stakeholder Engagement (2014)

EBRD considers public consultation and stakeholder engagement as an on-going, meaningful and inclusive process, to be started at the earliest stage of the environmental and social assessment process and to be continued throughout the entire life of the EBRD financed project.

The relevant project documents will be publicly disclosed for comments and regular updates will be provided for all relevant stakeholders at least once a year.

3.2 Stakeholder Identification

The stakeholders are the organisations, institutions and individuals who are responsible for, interested in, or affected by, the proposed Project. The employees of the Company are the internal stakeholders of the Project. Other parties are the external stakeholders.

Project ongoing engagement with stakeholders will be done mainly through:

- › Information disclosure on the Ministry of Housing and Public Utilities of the Republic of Uzbekistan website;
- › Ongoing engagement during routine operations, directly and in coordination with the Governmental organisation responsible;
- › External feedback and grievance mechanism;
- › Regular reports to EBRD;
- › Development and disclosure of a Stakeholder Engagement Plan.

The Company will identify the most culturally adapted communication channels to target messages effectively so as to be fully transparent and informative. Possible methods to reach the target audience include, but are not limited to, the following:

- › Meetings (individual or group, opened to all or focused to specific stakeholders);
- › Brochures, posters and informative leaflets;
- › Special events;
- › The media (newspaper, radio, TV);
- › Website and social media: in particular, to keep ongoing communication with NGOs and other interested stakeholders.

All interactions with stakeholders will be documented and logged, and follow up activities recorded.

The Consultant together with the Company has identified both internal stakeholders, such as temporary workers, and external stakeholders, such as local residents, regulatory authorities and several organisations that may be interested in or impacted by the Project activities. For each stakeholder, the proposed communication is identified, including contact details (or addresses), as well as specific media that will be provided to stakeholders, e.g. information on opportunities for public consultation or significant changes to constructing schedules.

The Company structure will include a Specialist who will manage engagement and organize the publication in the media of official communications related to the Company's activities and manage grievances of individuals and legal entities; and conducts reception of complaints from consumers and prepares answers to them.

Table 1 Project Stakeholders

Stakeholders	Number	Preferred Communication Method	Notes and contacts
<i>Internal Stakeholders</i>			
Employees of SUE “Suvoqava”	1,346	Internal meetings. Grievance procedure. Training. Work safety instructions. Noticeboards. Contracts.	Office, facilities, units and sites of SUE “Suvoqava”
Temporary construction workers / subcontractors	To be determined (TBD) after Contractors selection	Information in tender documents and contract (special requirements), weekly and monthly reports and feedback, PIU meetings, training. Contractor’s grievance procedure. Special information on speed limits,	Contractors (not yet identified).

Stakeholders	Number	Preferred Communication Method	Notes and contacts
		timing of construction activities, safe driving etc.	
Persons responsible for project implementation at the PIU and the Company (SUE “Suvoqava”)	PIU and Project Engineer functions	Complex site inspections, analysis of Contractors’ reports, communication with the supervisory authorities (presumably in liaison with the Administration (Khokimiyat) of Surkhandarya region and Contractors, meetings, informational requests processing, reporting to the Bank.	Office, facilities, units and sites of SUE “Suvoqava”
Community Liaison Officer	PIU	Responsibility for handling the consultation and information disclosure process, including organisation of the consultation process, communications with identified stakeholder groups, collecting and processing comments/complaints and responding to any such comments and complaints.	Office, facilities, units and sites of SUE “Suvoqava”
Management of SUE “Suvoqava”	Director, Chief Engineer	Periodic meetings with the other stakeholders on wide range of issues, Meetings with PIU.	Uzbekistan, Termez city, Humo Street, 5 Tel.: (+998 76) 2240690, 2240690 Email: uy-joykom@umail.uz
External Stakeholders			
Administration (Khokimiyat) of Surkhandrya oblast	The executive office of the Oblast Hokim (Governor)	Processing of complaints and informational requests from the public, announces and provision of general information on the project to public through mass media, communication with the stakeholders at meetings; participation during project implementation; enterprise performance monitoring; monitors tenders.	Address: Termez city, At-Termizi str., 1A Tel.: +998 (76) 224-00-15 Fax: (8-376) 221-70-75 Email: gov@sdv.uz Helpline of the regional hokimiyat: 1088 Web: https://surxondaryo.uz Working hours: Monday-Saturday 09:00 - 18:00 Lunch: 13:00 - 14:00 Governor - Bobolov Tura Abdievich Termez city, At-Termizi str., 1A Tel.: +998 (76) 223-00-15 Email: info@surxondaryo.uz Virtual reception: http://murojaat.sdv.uz

Stakeholders	Number	Preferred Communication Method	Notes and contacts
			<p>Citizens Admission Days: Every Tuesday from 10-00 to 13-00</p> <p>Deputy Director for Communications and Utilities Amirov Alisher Khurramovich Tel.: +998 (76) 22 4-24- 76</p>
<p>General public (Customers), including vulnerable groups</p>	<p>Approx. 1, 799 mln. customers</p>	<p>Public notifications through controllers, households' associations, educational programmes, opinion polls, articles in mass media, quizzes.</p> <p>Possibility to submit complaints or information requests to the Administration of the municipalities, the Company, road authorities, police etc.</p>	<p>Portal of municipal services and housing fund ek.uz</p> <p>24/7 DISPATCH SERVICE # 1055 for all questions in the field of housing and communal services</p> <p>Email: info@e-kommunal.uz</p> <p>Web: www.facebook.com/ekommunal</p>
<p>Supervisory authorities</p>		<p>Design documents (including Environmental, Health and Safety (EHS) volumes and documentation) are to be approved by supervisory authorities, state expertise procedure if needed (see relevant legislation) at feasibility study and implementation stages.</p> <p>Access to the construction sites, inspections, orders to the Company and to Contractors.</p> <p>Issue of reports, orders.</p>	<p>Housing and Communal Services Department of Surkhandarya region Head of Department: Tangriev Panji Kobilovich Address: Surkhandarya region, Termez city, Humo str., 5 Tel.: (+998 76) 2240690 Email: home-joykom@umail.uz Helpline: (+998 76) 2240690 Reception days: Tuesday, Friday: 15:00 to 17:00 Web: http://www.mjko.uz</p> <p>Surkhandarya Regional Health Department Leader: Norobilov Abdusamad Zhumaevich Address: Termez, st. Tarakkiet, house number 15 Tel.: +998 76 223 19 28 Fax: +998 76 223 17 53 Email: srx.vssb@minzdrav.uz Web: http://www.minzdrav.uz</p> <p>DEPARTMENT FOR EMERGENCY SITUATIONS (EMERGENCY) OF SURKHANDARYA AREA The head of the department is Sadirov Khurshid Ergashevich; Address: Termez city K. Omonova street - 3, Postal code: 190104;</p>

Stakeholders	Number	Preferred Communication Method	Notes and contacts
			<p>Tel.: (+99878) 150-82-10, (+99876) 221-48-32 Fax: (+99876) 221-47-01; Reception days: daily from 08.00 to 11.00; Email: termiz@fvv.uz E-XAT: termizfvb@exat.uz</p> <p>Department of Employment of Surkhandarya Region Head of Department: Khursanov Bakhtiyor Nurobilovich Tel.: +998 (76) 223-28-51 Reception days: Tuesday, Thursday, from 09:00 to 16:00 Address: 190114, Surkhandarya region, Termez, st. Sultan Saodat, 48 Web: mehnat.uz</p> <p>Surkhandarya Regional Department of Ecology and Environmental Protection Head of Department: Orinov Bahodir Ibratovich. Address: Termez city, Amir Temur st., 69. Reception: +998 76 222 - 34 - 79, 222 - 42 - 07 Fax: +998 76 222 - 42 - 07 Opening hours: 9:00 - 18:00 Lunch: 13:00 - 14:00 Weekend: Saturday, Sunday Email: info@uznature.uz Web: eco.gov.uz, www.uznature.uz</p>
Mass media		Interviews, press conferences, information requests, transmittance of public concerns	<p>Surxon Tongi Web: http://surxontongi.uz https://t.me/surxontongi Address: 30, Barkamol Avlod Street, Termez city Tel: +998 76 223 14 71 Email: surxontongi@yandex.ru</p> <p>https://www.mtrk.uz/uz/regional/surxondaryo/</p>
NGO		National Association of Non-Governmental Non-Profit Organizations of Uzbekistan promotes the development of constructive and mutually beneficial cooperation of NGOs with government,	<p>National Association of Non-Governmental Non-Profit Organizations of Uzbekistan 100047, Republic of Uzbekistan, Tashkent, Amir Temur Avenue, 14 Tel: (+998 71) 233-46-81, 233-35-26, fax: (+998 71) 233-24-92</p>

Stakeholders	Number	Preferred Communication Method	Notes and contacts
		gatherings of citizens, commercial and other public organizations of the country, foreign and international institutions	Web: www.ngo.uz Email: uz.nntma@umail.uz
NGO		National Movement "Yuksalish" - voluntary association of citizens, compatriots living abroad, non-governmental non-profit organizations, representatives of the business community, academic circles in order to facilitate the implementation of reforms.	National Movement "Yuksalish" Surkhandarya region Address: Termez city, Barkamol avlod street, 30 Tel.: +998 (91) 235-66-55 Email: surxondaryo@yumh.uz https://yumh.uz @yuksalishuzb_bot
NGO	9,521,307 The number of electronic members	The Youth Union of Uzbekistan is a non-profit non-governmental organization uniting the youth of Uzbekistan in order to form a physically healthy, spiritually mature and intellectually developed, free-thinking young generation; protecting youth from external threats and the negative impact of "mass culture", providing comprehensive support in protecting the legal and legal interests of youth and creating favorable conditions for them.	acting Chairman of the Surkhandarya Regional Council Olimov Sherzod Murodillaevich Tel.: (367) 225-47-30 Helpline: 1095 Email: surxondaryo@yi.uz Web: https://yoshlarittifoqi.uz
NGO		Independent Institute for Monitoring the Formation of Civil Society - created on the initiative of public organizations, research and educational institutions of Uzbekistan. The structure includes the central office, as well as 14 regional branches in the Republic of Karakalpakstan, regions and the city of Tashkent. Purpose: to further expand direct dialogue with the people, increase the activity of civic institutions, strengthen their role and importance in ongoing reforms for the democratic renewal and modernization of the country, as well as	Independent Institute for Monitoring the Formation of Civil Society Mirzo-Ulugbek district, Mustakillik Avenue, 71, Tashkent Email: nimfogo.sas@mail.ru Tel: 8 71 230 62 40 Web: http://www.nimfogo.uz

Stakeholders	Number	Preferred Communication Method	Notes and contacts
		develop proposals on these issues.	
NGO		Women's Committee of Uzbekistan - was established at the Termez Conference of Women of Uzbekistan, and the public association is a voluntary, self-governing, non-governmental organization for women of Uzbekistan.	Surkhandarya Branch of Women's Committee of Uzbekistan Kabulova Mavluda Umarjonovna Termez, At-Termizi Street, 1 Helpline: 1146 Tel.: (0376) 222-82-26 Email: surxon_wcu@exat.uz Web: https://wcu.uz https://t.me/wcuuz
NGO		Association of Business Women of Uzbekistan "Tadbirkor ayol" Expansion and protection of economic, social rights and opportunities of women, support of their entrepreneurial and public initiatives, assistance in providing access to financial, educational and information resources.	Tashkent, 100200, Usman Yusupov str., 119. Tel.: (998-71) 241-88-61, 241-34-53, 244-35-22, 241-73-52 Fax: (998-71) 244-35-22, 241-34-53 E-mail: bwa@ars.uz bwa_uz@mail.ru Web: www.bwa.uzorg.net
NGO		The 'SOS Children's Villages of Uzbekistan' National Association 'SOS Children's Villages of Uzbekistan' is a non-governmental, non-profit charitable organisation that works in the field of the social protection of orphans and children deprived of parental care, or those at risk of losing their parents. The centre partners with UNICEF in the field of child protection, focusing on the capacity building of child protection professionals and other frontline workers in the sector.	http://www.sos-childrensvillages.org
NGO	Association unites more than 550 NGOs.	Council of farmers of the Republic of Uzbekistan - assistance in the development of multi-sector farms, the introduction of effective water-saving technologies in their activities, primarily drip irrigation, modern information and communication technologies	100170, Tashkent, Ravnak, 1A Tel.: +99871 268-1845 Web: www.uzfk.uz Email info@uzfk.uz

Stakeholders	Number	Preferred Communication Method	Notes and contacts
NGO		<p>Ecoforum of non-governmental non-profit organizations of Uzbekistan</p> <ul style="list-style-type: none"> -ecology and environmental protection; -Ecological education, eco-journalism, involving the population in environmental activities, the dissemination of environmental information; -Sustainable development, climate change, the development of mountain areas; -Preservation of biodiversity, the use of water resources 	<p>Ecoforum of non-governmental non-profit organizations of Uzbekistan Chairman of the Council: Sanginov Saidrasul Tel.: 2304256 Mobile: +998931722669 Email: ecoforum.uz@gmail.com Web: http://ecoforum.uz</p>
NGO		<p>Central Ecological Movement of Uzbekistan: Eco-movement is created upon to unite citizens of the country who support ideas and want to actively participate in protecting the environment and human health, convinced that an environmentally oriented approach in the course of socio-political, economic and social reforms is the most effective way of sustainable development of Uzbekistan.</p>	<p>Central Ecological Movement of Uzbekistan Surkhandarya territorial branch of the Eco-movement Head: Ziyaev Ishbori Gopporovich Tel.: +998 76 0 590 249 30 52 Email: info@eco.uz Web: http://eco.uz</p>

4 Summary of Current Stakeholder Engagement Activities

4.1 State authorities

Different state authorities and regulatory bodies are involved in the operation of the Company and Project implementation.

According to the Constitution of 8 December 1992, Uzbekistan is a sovereign, democratic republic. The country is headed by President. The government (Cabinet of Ministers) is subordinate to the Oliy Majlis (Parliament) and the President, who appoints the Prime Minister, deputy Prime Ministers and ministers subject to the approval of the legislature.

The highest legislative body is the two-chamber Oliy Majlis, which is elected for a five-year term. The Legislative chamber (lower) consists of 150 members elected by Uzbek citizens based on ballot voting. Members of the higher chamber – the Senate – are elected from each region of Uzbekistan, the Republic of Karakalpakstan and Tashkent city, by six members from each territory. Sixteen members of the Senate are appointed by the President of the Republic of Uzbekistan.

The Oliy Majlis of the Republic of Uzbekistan is responsible for the regulation of water relations:

- › adoption of legislative acts on water and water use, introduction of changes and additions to them;
- › determination of the main directions of state policy in the field of use and protection of water resources and adoption of strategic state water management programs;
- › solution of other issues related to the jurisdiction of the Oliy Majlis of the Republic of Uzbekistan.

The responsibility of the Cabinet of Ministers of the Republic of Uzbekistan in the field of regulation of water relations is subject to:

- › implementation of a unified state policy in the field of integrated and rational use, management and protection of water resources;
- › coordination of activities of ministries, state committees, departments, other legal entities in the field of integrated and rational use, management and protection of water resources, as well as preventing and eliminating the harmful effects of water;
- › establishment of the procedure for the formation and use of a water fund, the procedure for approving water use standards, water consumption and water withdrawal limits from a water body (hereinafter - water withdrawal limits);
- › ensuring the maintenance of state water accounting and control over the use and protection of water, maintenance of the state water cadastre and water monitoring;
- › development of measures to prevent and eliminate major accidents, disasters, ecological crises and harmful effects of water;
- › setting the procedure for payment for the use of water resources, reimbursement for pollution and depletion of water bodies;
- › development of interstate relations;
- › implementation of other measures provided for by law.

The jurisdiction of the state authorities in the field in the field of regulation of water relations is subject to:

- › determination of the main directions of use and protection of water resources on its territory;
- › ensuring law and order in the regulation of the use and protection of water resources;

- › accounting and assessment of the state of water bodies, control over the use and protection of water, compliance with the established water withdrawal limits, management of water use by water users;
- › carrying out measures to preserve and improve the state of water bodies, prevent and eliminate harmful impacts, as well as water pollution, restoration of objects damaged as a result of accidents, floods, mudflows and natural disasters;
- › regulation of other issues provided for by law.

The Company interacts with following main local Supervisory authorities:

Ministry of Housing and Utility Services of the Republic of Uzbekistan

This authority is the state governance body in the sphere of housing and utility services. The Ministry is accountable to the Cabinet of Ministers of the Republic of Uzbekistan.

The main tasks of the Ministry in the water supply and wastewater sector include the following:

- › to form and implement a unified policy with respect to the development of water supply and wastewater systems in the country, including tariff policy in liaison with the Ministry of Finance;
- › to develop territorial planning schemes of water supply and wastewater systems, taking into account the town planning documentation of settlements;
- › to ensure general management of water supply and wastewater systems;
- › to implement comprehensive measures to improve public access to clean drinking water;
- › to implement a phased metering programme for all categories of consumers connected to drinking water supply systems.

The Company is a structural part of the Ministry's system, where the rights of the Company's founder and state owner are exercised by the Housing and Utility Services Department of the Surkhondaryo Oblast, a regional authority representing the Republic of Uzbekistan Ministry of Housing and Utility Services.

Hokimiyat (Administration) of the Surkhondaryo Oblast

This is a regional executive authority which is responsible inter alia for the management of the regional water sector and the housing and utility services sector. In particular, the Hokimiyat's competence includes the following:

- › provision of public amenities, development of municipal infrastructure;
- › implementation of measures aimed to improve the quality of water supply and wastewater services;
- › approval of consumption standards for water supply and wastewater services;
- › participation in the tariff setting procedures for water supply and wastewater services;
- › approval of investment programmes of water companies;
- › coordination of the provision of social assistance to vulnerable groups of the population;
- › ensuring efficient use of water resources, introduction of market principles and mechanisms for water use and water consumption, coordination of water management activities;
- › implementation of measures for the efficient use and preservation of natural resources, increasing the effectiveness of environmental protection activities;
- › interaction with district and city hokimiyats, coordination of and control over their activities.

Regional Hokimiyat consists of the Hokimiyat executive office, including a secretariat for development of industry, capital construction, communications and utilities and a secretariat for agriculture and water resources, as well as regional departments of sectoral ministries. A territorial commission established under the regional Hokimiyat on a permanent basis coordinates the implementation of water supply and wastewater programmes.

State Drinking Water Inspectorate

This authority was established under the Cabinet of Ministers of the Republic of Uzbekistan and is part of the national water management system.

Territorial offices of the State Drinking Water Inspectorate perform the following functions:

- › supervise over the production, transportation and sale of drinking water;
- › supervise over the state and operating conditions of water intake wells;
- › supervise over the processes of design and construction of water wells;
- › supervise over the compliance with safety requirements in water supply systems;
- › supervise over the quality of drinking water and outfit of water and wastewater facilities with water treatment and disinfection installations;
- › supervise over the compliance with the Rules for Use of Water Supply and Wastewater Systems, including the Rules for Connection to Water Supply and Wastewater Networks;
- › organize activities to identify unauthorized consumers (illegal connections);
- › conduct technical audits of water supply and wastewater facilities;
- › promote efficient consumption of drinking water and introduction of advanced technologies in the field of water supply and wastewater services.

In order to fulfil the assigned functions, the State Drinking Water Inspectorate may inspect any water and wastewater facilities and any premises of legal entities and individuals, including residential properties, for compliance with the rules for connection to and use of water and wastewater systems; test workers' knowledge of safety rules and standards as well as water and wastewater technical regulations; instruct to remedy and impose fines for violations of water supply and wastewater regulations; order to reduce water abstraction limits or terminate groundwater abstraction in the prescribed manner, where inefficient and inappropriate use of groundwater has been revealed, to prevent the depletion of groundwater deposits; appoint organizations to conduct compliance testing of equipment and materials, analyses of the working and natural environments, and expert reviews of design solutions.

State Committee of Republic of Uzbekistan for Assistance to Privatized Enterprises and Promotion of Competition

This is a state governmental body regulating *inter alia* the spheres of monopoly activities and consumer rights protection.

In particular, the State Committee for Competition performs the following functions as related to antimonopoly regulation and supervision over the activities of water companies:

- › develops proposals for further improvement of the antimonopoly legislation;
- › forms and maintains state registers of natural monopolies;
- › analyses tariffs of water companies, protects consumer rights against unreasonable overpricing and degraded quality of water supply and wastewater services, supervises over the tariff compliance;
- › in due course carries out inspections of water companies to verify justifications of tariff calculations;
- › in the established manner supervises over the observance of the competition law during tender processes;
- › monitors the compliance with the procedures established for provision of services by water companies, and makes proposals on a list of consumers entitled to mandatory service;
- › develops proposals to reduce the costs of services provided by water companies.

In the field of consumer rights protection, the State Committee for Competition carries out, in accordance with the established procedure, monitoring of the compliance with the applicable consumer

legislation, and together with public organisations exercises the state protection of consumer rights and interests, and performs educational work to enhance the consumer culture of the population.

State Committee of the Republic of Uzbekistan for Environmental Protection

This is a state governmental body responsible to ensure environmental protection and efficient use and reproduction of natural resources. The Committee is accountable to the Cabinet of Ministers of the Republic of Uzbekistan.

As related to water supply and wastewater sector, the State Committee for Environmental protection carries out *inter alia* the following functions:

- › issues in accordance with the established procedure permits in the sphere of nature management, subsoil use and environmental protection;
- › approves standards for maximum permissible emissions and discharges of pollutants into the environment;
- › carries out the state environmental control over the compliance by legal entities and individuals with the applicable environmental regulations, including:
- › established environmental standards for emissions and discharges of pollutants into the environment;
- › environmental safety requirements for the positioning, design, construction and commissioning of new and reconstructed facilities;
- › requirements for the use of water resources, compliance with established norms, rules and regime of use, protection of surface and groundwater against pollution, littering and depletion, as well as implementation of water protection measures within coastal strips (zones) of water bodies;
- › charges compensations for environmental pollution;
- › conducts state environmental expertise of projects.

Ministry of Health Protection of the Republic of Uzbekistan

This is the main public health authority subordinated to the Cabinet of Ministers of the Republic of Uzbekistan.

The Ministry, in particular, develops and approves sanitary norms and rules, hygienic standards, including in the field of drinking water supply and wastewater management, and also exercises the state sanitary supervision over their observance. Regional and local branches of the **State Sanitary and Epidemiological Supervision Service** carry out their activities under control from the Ministry of Health Protection. They exercise the sanitary and epidemiological monitoring and expertise in districts and cities.

Ministry of Labour and Social Protection of the Republic of Uzbekistan

This is the main labour protection authority subordinated to the Cabinet of Ministers of the Republic of Uzbekistan.

The Ministry carries out state supervision and control over compliance with legal acts and other regulations on occupational health, labour and social protection. To ensure the implementation of these functions, the Ministry cooperates with the **State Inspectorate of the Occupational Health and Safety (OHS) in Industry, Mining and Utilities**. The regional branches of this Inspectorate exercise the OHS control and expertise in districts and cities. They also provide specialised trainings, e.g. the emergency response drills for chlorination units, H&S trainings for personnel working in the hazardous facilities or conditions, etc.

Ministry of Internal Affairs of the Republic of Uzbekistan

This is a republican governmental body which exercises general management and coordination of police activities and reports directly to the President of the Republic of Uzbekistan and to the Cabinet of Ministers of the Republic of Uzbekistan, if applicable. The Ministry's territorial departments shall, in particular, ensure the safeguarding of water supply facilities by establishing access control regimes at protected sites aiming to prevent and impede any security incidents. In addition, the **Head Firefighting Department** implements its activities under the supervision of the Ministry of Internal Affairs.

Enforcement Bureau of the General Prosecution Office of the Republic of Uzbekistan

This authority is part of the country's law enforcement system and carries out the following functions in the field of water supply and wastewater:

- › takes measures to reveal, terminate and prevent theft, unauthorized connections to water and wastewater networks and water mains;
- › participates in the establishment and maintenance of consumer accounts, water consumption metering, accounting of payments made and arrears, including monitoring of the amounts of distributed, sold and consumed water *inter alia* by means of automated control and metering systems, timely taking of readings from consumer meters, entering of data into their personal accounts and identification of the monthly water consumption, monitoring of the complete and timely billing;
- › organizes the full and timely receipt of payments for water supply and wastewater services, including the indisputable collection of debts of legal entities, implements claim-related work in the interests of water companies to collect debts, and enforces debts for water supply and wastewater services on the basis of enforcement documents;
- › monitors the compliance with deadlines, completeness and quality of implementation of projects aimed to introduce modern automated water metering and control systems;
- › implements comprehensive measures to improve consumers' payment discipline and willingness to abide by decisions of the court and other authorities.

District and city departments of the Bureau are equipped with payment terminals that allow to enter meter readings and immediately make payments for the services rendered.

Special Republican Commission for Coordination of Implementation of Water Supply and Wastewater Programs

In order to increase the efficiency of state investments in projects aiming to provide the population with high-quality drinking water and wastewater services, this Commission was established, with the following main tasks assigned to it:

- › issue of conclusions, provided that drinking water sources are available, allowing to open financing for water and wastewater projects to be implemented at the expense of state capital investments and International Finance Institution (IFI) loans;
- › making decisions whether proposed water and wastewater projects are feasible;
- › approval of final lists of water supply and wastewater facilities to be constructed or reconstructed;
- › monitoring of the progress of water and wastewater projects, aiming to achieve the required project parameters and effects.

There are permanent territorial commissions under regional hokimiyats which are responsible for preparing information for the development of designs, cost estimates and preliminary target lists of water supply and wastewater facilities to be constructed or reconstructed. The Ministry of Housing and Utility Services annually provides a comprehensive review of the preliminary target lists approved by territorial commissions and introduces the final target lists for approval by the Special Republican Commission.

4.2 Mass media

The relationships of the project Company with mass-media are very weak due to the level of communication to mass media. The Company has no website, and company's activity not represented in social networks. There is a local newspaper "Surxon Tongi (Zarya Surkhana)", which could be useful to inform consumers on the Company activities and to reach consumers and educate them in proper handling of water and wastewater systems including water saving methods.

Mass media in Uzbekistan and Surkhandarya oblast:

«Gazeta.uz»

www.gazeta.uz

Internet Edition 1news.uz

<http://1news.uz>

Mass media in Uzbekistan about business, start-ups and economy

<http://kommersant.uz>

Newspaper "New time of Uzbekistan"

<http://www.uzinform.com>

“Surxon Tongi”

<http://surxontongi.uz>

<https://t.me/surxontongi>

Address: 30, Barkamol Avlod Street, Termez city

Tel: +998 76 223 14 71

e-mail: surxontongi@yandex.ru

The Company does not have a formal developed and approved Plan for mass media communication, and does not initiate interacting with the newspaper to provide any information.

The relation with mass media can be improved to reach higher levels in customers' education on the wastewater removal and wastewater treatment operation and rules.

4.3 Customers

Consumers of Company services are divided into two basic groups: households and other consumers (legal entities, such as institutions, industries and organizations).

The Customers and Billing Department of the Company is responsible for communication with consumers. This department deals with various issues related to consumers.

People can also contact the Company via contact phones of the management or visit the Company facilities during the working hours. Anyone can come and ask their questions to the high management of the company. In general, communication with customers is not properly organized.

There are possibilities to complain about services of the Company through The Ministry of Housing and Utilities of the Republic of Uzbekistan's helpline:

Helplines: (+99871) 234-11-03

Phone: (998 71) 234-11-03

Fax (998 71) 234-07-44

E-mail info@mjko.uz

Web: <http://mjko.uz>

Partially the company receives requests and messages from local residents from the Hokimyat of the Surkhandarya region, which comes from the regional helpline's – 1088 or from virtual reception of Hokimyat: <http://murojaat.sdv.uz>.

Also, citizens and legal entities can request information through The Unified Portal of Interactive Public Services (Unified Portal) which is a single access point to electronic public services provided by government bodies with Unified Identification System (OneID) token on <https://my.gov.uz> website.

The Company does not conduct monitoring of the customers' satisfaction level.

There is lack of understanding of main rules for water facilities use by the general public. Dumping of hazardous substances and bulky garbage into surface water bodies, aryks and unauthorised water use, especially for gardens watering are still a problem. The responsibilities of the Company are not always clear to customers (e.g. whether the pipes should be repaired by customers or by the Company).

Some disturbance may be also caused to the local communities during the emergency repairs works implementation. These works are performed with due guarding of the area and in the shortest timeframe to minimize negative impact to the people.

The contact details for public are:

SUE "Suvoqava" Surkhandarya oblast

Uzbekistan, Termez city, Humo Street, 5

Phone: (+998 76)2240690, (+998 76)2240690

email: uy-joykom@umail.uz

5 Stakeholder Engagement during Project Implementation

5.1 Potential PIP Impacts

The Environmental and Social review has not revealed any specific negative impacts of the PIP on vulnerable groups (such as non-working population over the age of retirement, children aged up to 15 years, the disabled, big families, low income families, multiple children families, elderly people, veterans of combat operations, etc.). Persons from vulnerable groups can apply for the state subsidies to ensure affordability of the tariffs. Information of these subsidies is available at the respective regulatory bodies. This issue is under control of the Oblast administration. In addition to the information available through local mahallas (local administration), the Company uses other means of dissemination of information on obtaining subsidies, such as informing customers in Company's offices, posting leaflets and advertisement, personal communications etc.

The Company has no established procedures for land acquisition and assessment of resettlement or economic displacement needs which can be used during the Project implementation. The procedure of determining compensation for potential displacement has not been specified either. In Uzbekistan, these issues are subject of the regional authorities' regulation, not the Company's. At present, to resolve the issues of land use and establishing temporary easement, the Company follows the requirements of the national legislation that regulates these issues in sufficient details.

Whilst it is assumed that sites required for Project implementation will avoid physical and economic displacement, for example, by site selection on unoccupied sites, and preferred route corridor selection, temporary or permanent displacement could occur as a result of pipeline laying and permanent land requirements for new infrastructure.

Economic displacement on other project components is unlikely but possible. In case of economic displacement, the Project shall prepare a Livelihoods Restoration Plan with agreements finalised and initial compensation payments completed prior to construction on site.

No cultural heritage findings are anticipated in the work implementation area. Chance find procedures will be executed in accordance with national law.

Safeguard service of the Company prevents access of unauthorized persons to the Company's facilities. There were no claims or conflicts connected with the work of that service. However, there is no separate instruction for interaction with public for security personnel.

The city authorities take active part in development and implementation of investment programs related to upgrade of facilities which have an environmental impact.

Internal interaction, including interaction with the Company's employees, is not regulated. The Company does not have an adequate system of bonuses for the excellent performance of professional duties in relation to issues of the EHS and the adoption of appropriate initiatives.

5.2 Engagement during Project Implementation

The majority of the population of Surkhandarya Oblast are Uzbeks. There are no indigenous peoples distinct from dominant groups. Therefore, the requirements concerning Indigenous peoples may be considered as not applicable.

There is the potential for disadvantaged and vulnerable groups (disabled or old age women, low-income families, war veterans and veteran workers, physically challenged people, etc.) to be excluded from Project communications and stakeholder management measures. To prevent this, it is recommended to perform additional announcements via local social services centre, newspapers and through payment

collectors. It is also recommended to provide additional information for the population and vulnerable groups on the subsidies allocation mechanism.

Engagement in relation to potential physical and/or economic displacement will include informing potentially displaced persons of the process for addressing displacement impacts, management of grievances and monitoring of the effectiveness in meeting the objectives established for livelihood restoration of affected persons. Engagement should start with potentially displaced persons during the detailed design stage as part of the national EIA (OVOS) process. This shall be done by the Designer with the potential involvement of the PIU consultant.

It is expected that the Designer will conduct the survey of exact routing of pipelines and meet with potentially displaced persons. Where possible, options for timing of temporary activities can be such to avoid displacement e.g. loss of agricultural crops. If economic displacement is unavoidable then the Company and PIU consultant shall implement engagement and the provision of compensation in accordance with the requirements of EBRD PR 5.

Engagement during pre-construction phase

Data on environmental and social impacts of the planned activities are considered “environmental information” which shall be available to public. All legislative requirements considering the environmental and social impact assessment, state expertise (if applicable) and information disclosure will be fulfilled by the Company at the project implementation stage with the assistance of the respectively chosen consultant.

It is recommended to introduce stable communication with the local newspaper to provide all necessary information on the Project Activities.

The Project related information (Non-Technical Summary, EIA (OVOS) and this SEP) will be available for public in the offices of the PIU and of the Company, at the local administration, and at the web-site of EBRD. The information about the Project will be presented in Uzbek, English and Russian languages with involvement of the Ministry of housing and communal services, local Hokimyats and Company.

Engagement during construction works

All affected people and vulnerable groups within the Project Area (i.e. project under construction) will be consulted regularly throughout the project lifetime. The Construction contractor, with support from the PIU, will update local populations on a monthly basis; or at frequency agreed as appropriate, of the works to be undertaken in the following month.

Local communities will also be fully informed of the grievance mechanism and how they can use it.

Stakeholder engagement activities and grievances will be reported on a monthly basis and key issues fed back to relevant stakeholders.

Engagement during operation and maintenance

All reconstructed facilities should be duly fenced and marked to prevent unauthorised access. An information campaign shall cover the exact dimensions of the areas under the responsibility of the company, and areas under the municipal or private responsibilities.

Information on maintenance and planned works shall be distributed through mass media. It is recommended to establish a call centre to duly receive and respond to complaints and suggestions from individual consumers.

Disclosure of general information

In the near future it is strongly recommended to establish a web-site for the Company and representation in social – medias and messengers.

It is also recommended to enhance the work with mass-media to provide basic educational information on the rules of using the water and wastewater systems. An information campaign should be conducted

to increase consumer awareness of the social, environmental and economic effects expected from the implementation of the upcoming Investment Project and reduce the risk of negative public opinion, user dissatisfaction and an increase in non-payment levels. It can be done via the mass media, via the leaflets distributed by the payment collectors or via additional meeting with population.

Engagement with internal stakeholders

An internal Communications Plan should be developed to cover guidance on internal communications. The Plan should enable the effective communication between employees, the PIU, the Company, EBRD and Construction contractors on general Project related issues and ensure these partners are regularly updated on the status and activities of the Project.

5.3 Monitoring and reporting

All feedback from stakeholder engagement activities will be documented and reported on. Records of engagement activities will include:

- › place and time of carried out public consultative meetings (including other types of engagement activities);
- › attendance registers (respecting where people may not wish to give their name);
- › attendance gender breakdown and, if applicable, vulnerability of attendees;
- › issues and concerns raised during the consultative meetings;
- › list of number and types of grievances raised in the reporting period and the number of resolved and/or outstanding grievances;
- › grievance monitoring results;
- › information on how the issues raised during the meetings were taken into consideration by the organization in charge of the Project implementation.

The Company together with PIU will compile a report summarising stakeholder engagement and grievance management results on an annual basis during construction. This report will provide a summary of all public consultation and engagement, grievances, resolution and outcomes.

The Construction contractors will prepare weekly and monthly reports to be submitted to the PIU, which include the key monitoring measures outlined above, including:

- › Engagement activities conducted during each week/month;
- › Grievances addressed by the contractor; and
- › Plans for the next month and longer-term plans.

The Reports will also include a summary of implemented corrective measures meant to address the grievances.

5.4 Roles and Responsibilities

The broad role of each party involved in the Project and stakeholder engagement is identified below.

- › EBRD: Financing but not directly developing the Project. Responsibility is therefore passed to the Company, although reports will be required to be submitted to the EBRD on the status of the ESAP, resolution of grievances and EHSS performance of the project.
- › Company: State Unitary Enterprise “Surkhandarya Suvoqova” (Surkhandarya Oblast Water & Wastewater Company), will be responsible for physical project implementation and operation; they are the main beneficiary of the loan. The Company will monitor all stakeholder engagement activities, including those of all Contractors and sub-contractors, and ensure the consistency of

information provided to stakeholders with support from the Project Implementation Unit (PIU) during Project implementation.

- › Ministry: Ministry of Housing and Utilities of the Republic of Uzbekistan, created for improving the management of housing and utility (communal) services system in Republic of Uzbekistan. Holds overall responsibility for planning, implementation, monitoring and enforcement of activities associated with the construction phase include the Environmental and Social Management Plan (ESMP) and environmental, social, health and safety performance. The PIU will be created within Ministry structure for supporting the Company.
- › The PIU. The role of the PIU will be Project implementation, financial management and overall delivery of the investment project. The PIU is meant to be an operation unit supplementing and enhancing the existing skill mix of the Company, rather than a monitoring body. The focus of the PIU is to enhance the pace and quality of implementation of the project activities. The PIU will support the Company in stakeholder engagement activities during project implementation.
- › Designer: responsible for implementing the design control process, to ensure mitigation measures identified through the E&S process are implemented during the development of the detailed design.
- › Construction Contractor: Responsible for the implementation of appropriate mitigation measures identified in the ESMP and Construction Environmental Management Plan (CEMP) during the construction phase to minimise the environmental and social impacts that may occur during construction. They will also be responsible for following the Project Construction SEP and for undertaking engagement activities in liaison with the Company; and recording all public complaints related to their works via a well-defined complaint logging procedure and take the necessary action to manage the issues in liaison with the Company.

The Company will appoint a suitably qualified person who will have the overall responsibility for handling consultation and information disclosure, including overall organisation of the consultation process, communication with identified stakeholder groups, collecting and processing comments/complaints, and responding to any such comments and complaints.

PIU will employ suitable qualified Stakeholder Engagement Manager to assist the Company and oversee implementation of legal and EBRD E&S requirements related to stakeholder engagement during the planning, tendering and construction stage.

The Contractors will be expected to have a nominated community liaison lead who will work with the Company Engagement Lead and the PIU Stakeholder Engagement Manager to deliver key messages related to the construction phase and, as appropriate, to record stakeholder grievances related to the work they are undertaking. The Company Engagement Lead will ensure that Construction contractors are aware and have a copy of the Project SEP and will review any engagement activities undertaken by contractors.

Depending on the nature of a comment/complaint, some of them may be forwarded to the appropriate person e.g. within the Company for a response. However, the Company Stakeholder Lead will maintain the overall database including the log of grievances and undertaken actions.

5.5 Grievance by general public

The Company does not have an established Grievance mechanism. The grievances are received through direct communication, registered manually and discussed at Company meetings. No official procedure exists to organise this process. The Company does not have any corporate regulation on the duration for the claim responding. It is recommended to establish a grievance mechanism for the customers with following characteristics.

The objective of a grievance procedure is to ensure that all comments and complaints from any project stakeholder, including residents of nearby residential areas, employees, contractors', local/regional

authorities and other interested parties, are considered and addressed in an appropriate, consistent and timely manner.

All grievances will be put in a one register and assigned a number, and resolved within the following number of days:

- › 15 days if the answer does not need involvement of other parties or site visits
- › 30 days if involvement of other parties or site visits are required

Depending on the request details, the Company might involve other stakeholders (i.e. City Administration or the Contractor) in response preparation and corrective actions.

In case of legislative non-compliance identification (such as construction works noise at night etc.) residents have the right to direct their complaints to the local police offices.

The grievance mechanism will be accessible to all members of the community. In a situation an affected person is not satisfied with the grievance mechanism decision, the Uzbek legal system can be approached for redress.

Appendix A contains recommended Public Grievance Forms for the Project.

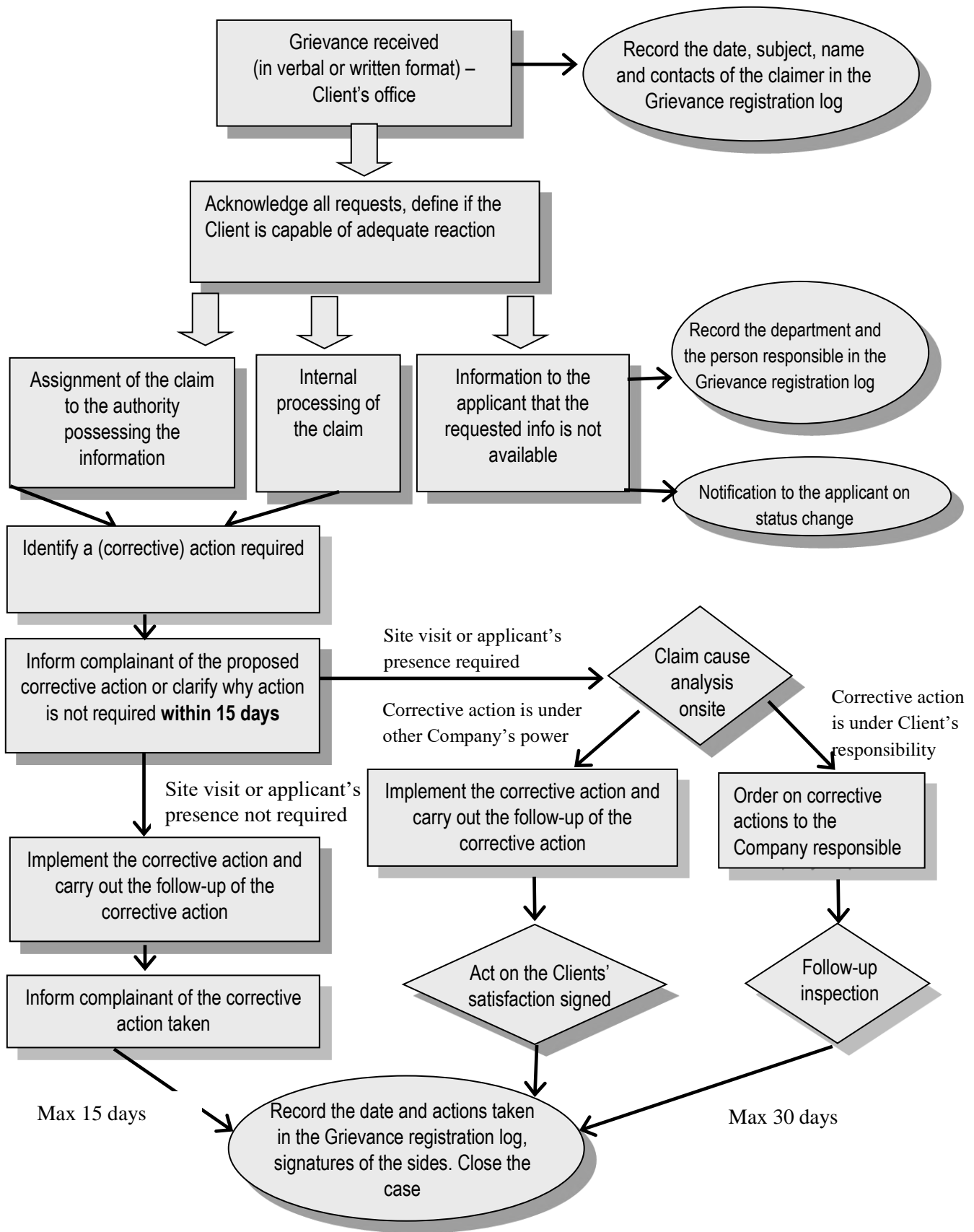
To better understand the recommended process, the grievance process is set out in Figure 1 below.

Claims of persons and companies should be submitted at:

<p>SUE "Suvoqava" Surkhandarya oblast Uzbekistan, Termez city, Humo Street, 5 Phone: (+998 76)2240690, (+998 76)2240690 email: uy-joykom@umail.uz</p>

If the claims are related to the implementation of this Project, they will be further transferred to the PIU during project planning and construction phase.

Figure 1 Flowchart for Processing of public Grievances and Information requests



Appendix A Act on the customer's satisfaction with the claim processing results

АКТ № _____

город _____

_____ 20 ____ г.

Настоящим актом подтверждаем _____

Потребитель удовлетворен ответом и претензий к «Сурхандарья Сувокава» не имеет.

Подписи сторон:

Представители «Сурхандарья Сувокава»**Потребитель:**_____
подпись, ФИО, должность_____
подпись, ФИО, должность_____
подпись, ФИО, должность_____
подпись, ФИО, адрес