

KAZAKHSTAN
**GRCF2 W2 E2 – EAST KZ MUNICIPAL STREET
LIGHTING MODERNISATION - PHASE 2**
PROJECT PREPARATION

Project ID: 53777

**STAKEHOLDER
ENGAGEMENT PLAN &
GREIVANCE MECHNISM**

Submitted by:



Prepared for:



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1. INTRODUCTION

1.1 BACKGROUND

This document is a Stakeholder Engagement Plan (SEP) prepared for the East KZ Municipal Street Lighting Modernisation - Phase 2. The SEP provides an overview of national legislation, the European Bank for Reconstruction and Development (EBRD) requirements related to information disclosure and outlines the general approach to stakeholder engagement and public consultation.

The SEP is a living document so it should be reviewed and updated periodically and in line with new activities, changes in Project design and newly identified stakeholders.

1.2 OBJECTIVES OF THE PLAN

The SEP aims at summarizing the methods, procedures, policies and activities that will be implemented by the Company to inform stakeholders in an inclusive and timely manner about the potential impacts of the Project.

The SEP contains a stakeholder identification table where all relevant stakeholders are identified with the most appropriate communication channels and strategies, information disclosure requirements and grievance processes that will be adopted. If there are stakeholders who are not included in the SEP they can get in contact with the Company to receive information about the Project and be added to the stakeholder engagement program in this SEP.

1.2 SCOPE OF THE PLAN

This document covers the following:

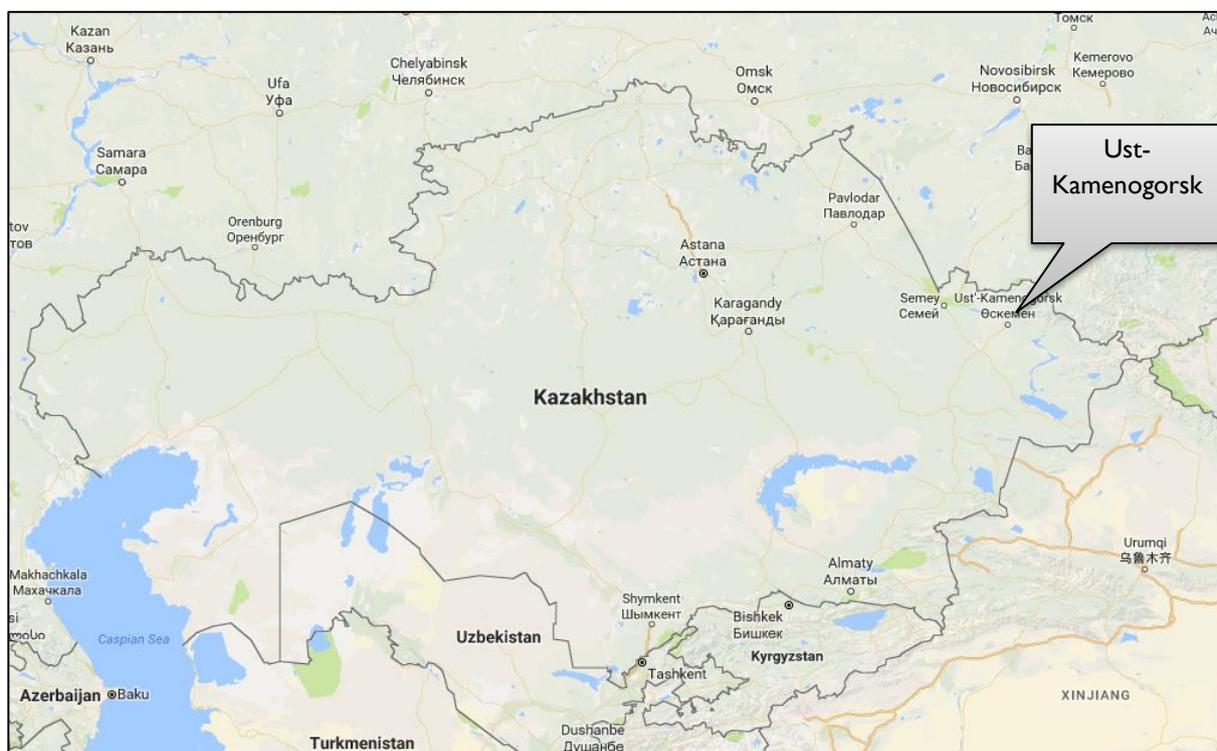
- Section 2 – Project description, location of the project and key environmental and social issues
- Section 3 – Regulatory Requirements
- Section 4 – Stakeholder Identification and Disclosure of Information
- Section 5 – Grievance mechanism
- Section 6 – Contact details

2. PROJECT DESCRIPTION

2.1 INTRODUCTION

The European Bank for Reconstruction and Development (the “EBRD” or the “Bank”) is considering a senior loan of up to Kazakh Tenge (KZT) 4.1 billion (the “Loan”) to Joint-Stock Company Regional Public-Private Partnerships Center of the Eastern Kazakhstan (the “Company” or the “Borrower”), which is wholly owned by the Akimat of the Eastern Kazakhstan Region (the “Region Akimat”) to construct modern urban street lighting (SL) system (“SLS”) comprising around 5,960 lighting points in the City of Ust-Kamenogorsk (“Ust-Kamenogorsk”), in the Republic of Kazakhstan (see **Figure 1**).

Figure 1: Ust-Kamenogorsk, Kazakhstan



The Akimat of Eastern Kazakhstan Oblast (the “Oblast Akimat”) has approached the EBRD with request to assess the possibility of financing an SL construction project in the City. Growth of the City’s administrative borders has forced the City to explore long-term, sustainable options to introduce efficient lighting systems in the project location. Given the lack of investment in the sector in the past decade, and a lack of transparency in the contractual arrangements between the City Akimats and the existing operators, the Bank has been asked to assist with the project implementation and with ensuring the new systems are built according to the best available technology in a sustainable way, that it’s energy efficient, that its maintenance operations will be efficient (with remote monitoring enabled for all lighting points) and that the contract relations with the contractor are balanced and cost-effective.

Small-scale private companies to date have not been able to provide proper services, while public procurement of such construction, supply, and maintenance services features a focus on lowest-cost bids and is mandatorily separating the functions of supply and maintenance, while qualification of design contractors cannot take into account past experience of design in jurisdictions of best-practice street lighting standard such as EN13201-5 (2015). In addition to that, contractual arrangements between the City and private operators are of poor quality, operations lack transparency, and the City is not able to control operations in terms of costs management, while private operators are not incentivized to invest into operations and improving the physical infrastructure.

2.2 PROJECT COMPONENTS

The components of Project are expected to include, inter alia:

- 1) Preparation of a Detailed Conceptual Design for the Construction of the SLS
- 2) Procurement and installation of SL columns and cabling/wiring for the new SLS
- 3) Procurement of highly energy efficient luminaires to install on the columns,
- 4) Installation of control panels for connection of the system to transformation substations, and
- 5) Integration of the SLS into the existing (built under Phase I) centralized control center in the City.

In parallel with the hardware investments, the Project will contribute to the development and institutional strengthening of the Company in respect of procurement and corporatization and to a sustainable solution for the street lighting service in the City to prevent environmental hazards arising from a potential baseline use of traditional mercury-technology-based luminaire systems in case of a non-EBRD-financed project as the case might be.

The Company itself will not be directly responsible for development works associated with the Project, such as erection of new poles, disposal of lamps, etc. Rather the Company will out-source these activities to as yet to be identified street lighting construction sub-contractors. Accordingly, this assessment is based more on identification of potential impacts and mitigation measures, rather than corrective actions.

The Project is expected to aim at better service quality and improved environmental standards due to significantly reduced energy consumption, and avoided CO₂ emissions of SL in the City as well as to improved traffic safety for both drivers and pedestrians alike.

2.3 SUMMARY OF POTENTIAL IMPACTS

The Project is expected to result in multiple social and environmental benefits including significantly reduced energy consumption, avoided CO₂ emissions and lower (relative to the baseline greenfield construction scenario) operational and maintenance costs of SL in the City going forward.

Notwithstanding the above, the Project will still result in relatively minor environmental, health and safety impacts during the construction phase. All of these impacts can be mitigated by ensuring the Company and sub-contractors implement the mitigation measures outlined in the environmental and social management plan provided in this report. This includes measures requiring the Company and sub-contractors to prepare and implement an ESMS and other plans and standard operational procedures, such as Human Resources Policy, OHS plan and a SOP for traffic management.

In addition, consideration should also be given to the measures to prevent glare and exposure to blue-rich light. This includes using LED lights with a low blue light content and dimming lights during off-peak periods if confirmed economically feasible.

3. REGULATORY REQUIREMENTS

3.1 NATIONAL LEGISLATION REQUIREMENTS

The Republic of Kazakhstan ratified the Aarhus convention in 2000 (Kazakhstan Law on ratification No 92-II dated 23rd October 2000) that governs requirements for public consultation and the access to environmental information and public participation in environmental decision-making. The Aarhus convention stipulates that public's right to be informed about the environmental conditions, the right to public consultations with regards to projects impacting on the environment and the right to file complaints when the public perceives that considerations of environmental issues are insufficient.

According to Article 57 of the Kazakhstan Environmental Code (2007), a range of stakeholder engagement activities are required during the EIA process. However the Project does not require an EIA and therefore these stakeholder engagement activities are not required.

3.2 EBRD REQUIREMENTS

EBRD is committed to promoting environmentally sound and sustainable development in accordance with its Environmental and Social Policy (2019) and the Performance Requirement (PR) 10: Information Disclosure and Stakeholder Engagement. EBRD sets out their stakeholder engagement requirements in the following documents:

- Environment and Social Policy (2019)
- Public Information Policy (2019)
- PR 10 Information Disclosure and Stakeholder Engagement (2019) EBRD considers public consultation and stakeholder engagement 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 document herewith has been developed to ensure compliance with these policies and performance requirements.

4. STAKEHOLDER IDENTIFICATION AND DISCLOSURE OF INFORMATION

4.1 GENERAL

This section will identify all relevant stakeholders and provides the communication methods to all stakeholders and the information to be disclosed.

Stakeholders can be individuals and organizations that may be directly or indirectly affected by the Project either in a positive or negative way, who wish to express their views.

For the purpose of this Project stakeholders can be grouped into the following categories:

- Company employees;
- Sub-contractor employees;
- Residential Communities, Vulnerable Groups, and NGOs;
- National, regional and local level authorities and regulators
- Local Businesses; and
- Road Users and Traffic Police

If stakeholders are not on the list above and would like to be kept informed about the Project, contact should be made with the Company HR Department (see **Section 6** for contact details).

4.2 STAKEHOLDERS IDENTIFIED

Table 1 indicates the Stakeholders identified and the proposed communication method for each group.

Table 1: Project Stakeholders

Stakeholders	Information to be disclosed	Communication Method	Timing
Company Employees	1. NTS / ESAP / ESMS 2. E&S and HR Policies 3. Grievance Mechanism	1&2. Availability from Company HR Department. 3. Included in employees Contracts.	1&2. On-going. 3. Contract initiation.
Sub-contractors	1. NTS / ESAP 2. Grievance Mechanism	1. Availability from Company HR Department. 2. Included in	1. On-going. 2. Contract initiation.

	3. OHS Plan 4. Traffic Management SOP	employees Contracts. 3&4. Availability from Senior Management / Information boards / Toolbox training.	3&4. On-going.
Residential communities, NGOs, vulnerable groups, and local businesses	1. Schedule of maintenance / rehabilitation work 2. Grievance Mechanism 3. NTS / SEP	1. Leaflets and local media (local newspapers / radio). 2. Signboards provided at worksites indicating Grievance procedure. 3. Availability from Company Community Liaison and Health& Safety Manager. 4. Company's web-site.	1. At least one day prior to the start of works. 2. During maintenance / refurbishment works. 3. On-going 4. On-going
National, regional and local level authorities and regulators, local traffic police	1. Schedule of maintenance / rehabilitation work	1. Availability from Company Community Liaison and Health& Safety Manager. 2. Company's web-site update.	1. Throughout maintenance / refurbishment works. 2. On-going
Road users	1. Schedule of maintenance / rehabilitation work 2. Grievance Mechanism	1. Local media (local newspapers / radio). 2. Availability from Company Community Liaison and Health& Safety Manager.	1. Throughout maintenance / refurbishment works. 2. On-going

4.3 VULNERABLE GROUPS

People with sight and physical disabilities are vulnerable groups affected by the project. These will require different channels of communication (such as radio, NGOs, municipal educational department and regional health outpatient clinics).

5. GREIVANCE MECHANISM

5.1 PUBLIC GRIEVANCES

The Company will consider, through its HR Department, all comments and complaints associated with the Project, both resulting from the Company and Sub-contractors activities. A sample of the Project Public Grievance Form is provided at the end of this document (**Appendix A**). Any person or organization may send comments and/or complaints in person, by phone or via post or email using the contact information provided at the end of the document.

All comments and complaints will be responded to either verbally or in writing by a the Company's Community Liaison officer, in accordance with the preferred method of communication specified by the complainant, if contact details of the complainant are provided.

All grievances will be registered and acknowledged by the Health and Safety Officer, within 5 working days and responded to within 20 working days of receiving the grievance. Individuals who submit their comments or grievances have the right to request that their name be kept confidential.

The Company will monitor the way in which grievances are being handled by the Sub-Contractor(s) and ensure they are properly addressed within deadlines specified above.

The Company's H&S officer will keep a grievance log of all grievances (including those received and addressed by the Sub-contractor(s)), based on which grievance management reports will be produced and included in annual environmental and social reports which will be submitted to interested stakeholders including the EBRD.

In cases when the complainant is not satisfied with the way his / her grievance has been responded to or handled and re-submits it, the Company will invite representatives of the relevant local community to participate in the process so that a mutually agreed solution is identified and implemented. At all times, complainants are also able to seek legal remedies in accordance with the laws and regulations of the Republic of Kazakhstan.

In addition, EBRD's Independent Project Accountability Mechanism¹ (IPAM), as an independent last resort tool, aims to facilitate the resolution of social, environmental and public disclosure issues raised by Project-affected people and civil society organisations about EBRD financed projects among Project stakeholders or to determine whether the Bank has complied with its ESP and the Project-specific provisions of its Access to Information Policy; and where applicable to address any existing non-compliance with these policies, while preventing future non-compliance by the Bank.

¹ Further information about IPAM is available at: <https://www.ebrd.com/what-we-do/independent-project-accountability-mechanism.html>

5.2 COMPANY (AND SUB-CONTRACTOR) GRIEVANCES

A separate, internal grievance mechanism for employees of the Company and Sub-contractors will be applied. The mechanism will involve a post box in the Company headquarters building where Company staff and sub-contractors staff can post grievances in writing. All grievances will be registered and acknowledged by the HR department within 5 working days and responded to within 20 working days of receiving the grievance.

6. CONTACT DETAILS FOR THE PUBLIC

NAME	POSITION	CONTACTS
Yuri Khalitov	IFI Projects Director	PPP.INVEST@MAIL.RU

A dedicated Community Liaison and a Health and Safety Manager will be hired within 90 days of the project start (i.e. 12 months prior to construction).

The Community Liaison will in in charge of publicizing design documents, schedule of works and their siting along with all the grievance forms and manuals. All initial contacts with stakeholders along with any required public consultations will also be managed by the Community Liaison.

The Health & Safety (H&S) Manager will be responsible for preparing, reviewing, and updating H&S manuals, agreeing with the subcontractors on all required safety precautions, finalizing schedule of works, participating in public consultations to tackle H&S issues. The H&S Manager will be responsible for processing all grievance forms, agreeing on corrective actions with the subcontractors and working with the regulators, municipal authorities, and traffic police to align the schedule of works with other activities in the city (such as festivities, school vacations, and the like.)

Appendix A: Grievance Form

Grievant Information	
Grievant Name	Date Form Submitted
Job Title/Role	ID
Tel., Email	Mailing Address

Details of Event Leading To Grievance	
Date, Time, and Location of Event	Witnesses if Applicable
Account of Event	Violations
Provide a detailed account of the occurrence. Include the names any additional persons involved.	Provide a list of any policies, procedures, or guidelines you believe have been violated in the event described.

Proposed Solution

Please retain a copy of this form for your own records. As the grievant, please provide your signature below, as it indicates that the information you've included on this form is truthful.

Signatures	
Grievant's Signature	Date
Received by: Printed Name and Signature	Date