



PROJECT “BLUE 1”
Stakeholder Engagement Plan (SEP)
ABM-002-PB1-PLN-001

Tirana, Albania

REPORT SUMMARY

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FINAL PURPOSE OF ISSUE

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ABBREVIATIONS

CLO	Community Liaison Officer
DCM	Decision of the Council of Ministers
EBRD	European Bank for Reconstruction and Development
EIA	Environmental Impact Assessment
ESIA	Environmental and Social Impact Assessment
ESM	Environmental and Social Management
FGD	Focus Group Discussion
GWh	Giga Watt hours
HSE	Health, Safety and Environment
IAP	Interested and Affected People
KI	Key Informant
KII	Key Informant Interview
MoM	Minutes of Meeting
MW	Mega Watt
NGO	Non-Governmental Organisation
PA	Project Area
PAC	Project Affected Community

PAP	Project Affected People
PR	Performance Requirement
SEP	Stakeholder Engagement Plan
SIA	Social Impact Assessment

1. Introduction

This document is a Stakeholder Engagement Plan (SEP) that has been prepared to accompany the Environmental Impact Assessment (EIA) for the Photovoltaic Park Project Blue in Sheq Marinas, Albania.

This project is one of the most important investments in renewable energy in Albania and will be realized by the temporary merger of Blessed Investment Ltd. and Matrix Konstruksion Ltd, from here on the Company.

The "Blue 1 and Blue 2" project is extended to the southwestern lowlands of Albania, in the area of Sheq Marinas, Fier, one of the areas with the highest level of solar radiation in the country.

This project envisages the construction of the photovoltaic park "Blue 1". The total land area of this project is planned to be of 92 hectares. The project is expected to have an installed capacity of 50 MW (AC), with about 50 MW (AC) planned for each of them. The construction time of the full project is expected to be 50 months. We emphasize that this investment will be located in a territory where almost no agricultural activity takes place due to very low solvency and very high salt concentration.

The Company has entered into a contract with Abkons Ltd. (hereafter called "the Consultant") to manage and deliver the entire process of Environmental and Social Impact Assessment (ESIA), in compliance with the International Finance Corporation (IFC) Performance Standards (PS) and based on international best practices. The project has already completed an EIA in compliance with the Albanian Legislation and has obtained the DCM for the project development.

The Consultant will identify and assess the potential environmental and social impacts associated with the proposed activity by conducting an objective and independent ESIA process, in which all the relevant information and opinions of Interested and Affected Parties (IAPs) will be collected to enable an informed decision-making process to take place.

An EIA is a process that follows the national legal framework requirements and involves the identification of any significant environmental and social impacts. The Company has decided to also follow and implement international standards and policies for the preparation of the ESIA, in compliance with IFC PS and international best practices. In addition to environmental assessment, IFC PSs and international best practices emphasize the need to identify socio-economic effects (impacts, risks and opportunities) that are likely to arise from a project development and implementation of a project, and demonstrate appropriate stakeholder engagement has been undertaken with potential IAPs.

The objective of the ESIA is to assess the potential impacts of the project and project-related activities on the environment (both biophysical and socio-economic resources) and, where applicable, to identify and implement mitigation or enhancement measures to avoid, remove or reduce negative impacts on the environment due to the development of the proposed Project. The Company emphasizes the significance of the close involvement of the stakeholders via a two-way process of informed consultation, participation and good faith negotiation throughout the Project life cycle.

This will be an on-going process, during which stakeholders will be consulted to contribute to the identification of key issues that need to be investigated as part of the ESIA itself.

This SEP outlines the engagement process that will be conducted for the Project Environmental and Social Impact Assessment, as well as future engagement activities also for the subsequent development phases of the project, namely site clearance and construction, operation, and end-of-life/decommissioning.

1.1. Purpose of the Stakeholder Engagement Plan

The Overall objective of the SEP is to define stakeholder engagement and public information disclosure activities for the project and thus present the specific stakeholder engagement activities that the Company will undertake before and during the project's construction and operations. It highlights the way in which

the Company plans to communicate with local residents and other stakeholder groups who may benefit from, be affected by, and/or be interested in project activities. It also explains the grievance mechanism, through which stakeholders can raise concerns and comments.

Company is committed to full compliance with all Albanian EIA Regulations, as well as aligning to the international standards of the IFC PS and any other directly relevant international best practice policies.

This process encompasses a range of activities and approaches and spans the entire life of the project (Planning/preconstruction, construction, operation, decommissioning).

SEP objectives can be summarized as follows:

- Understand the stakeholder engagement requirements of national legislation and provide guidance to structure stakeholder engagement to meet IFC standards;
- Compile Stakeholder Mapping - Identification of Project stakeholders and their categorization considering influence of the project and its activities;
- Identify the most effective methods of providing relevant, timely and accessible information to stakeholders in a culturally appropriate and understandable format;
- Consult stakeholders on their opinions, concerns, preferences and perceived gains and risks with respect to Project design, planning and implementation;
- Describe methods for future engagement;
- Incorporate stakeholder feedback into the impact assessment process and the development of management and mitigation measures to reduce potential negative effects and to enhance possible benefits;
- Define reporting and monitoring measures to ensure the effectiveness of the SEP and periodical reviews of the SEP based on findings
- Establish formal grievance/resolution mechanisms; and On-going reporting to the Affected Communities
- Build a two-way communication link to address the identified project's environmental and social impacts and issues and other performance requirements.

The SEP is considered a “live document” and will be updated periodically to reflect the engagement, and its outcomes, that have been undertaken through the various stages of the EIA process and Project development.

1.2. Objectives of Stakeholder Engagement

This SEP seeks to define a technically and culturally appropriate approach to consultation and disclosure. The main goals are to ensure and build a two-way communication process between the Company and its key stakeholders, to help ensure that impacts are identified, assessed and taken into consideration, and to enable appropriate mitigation and enhancement measures to be identified with due consideration of feedback and active input from relevant stakeholders. The key objectives of this SEP can be summarized as follows:

- **Ensuring understanding.** An open, inclusive and transparent process of culturally appropriate engagement and communication will be undertaken to ensure that stakeholders are well informed about the Project. Information will be disclosed as early and as comprehensively as possible to ensure that stakeholders understand the potentially significant E&S impacts of the Project.
- **Involving stakeholders.** Identification, mapping and categorisation of stakeholders taking due consideration of the level of impact of the project and influence of those stakeholders on the project and its activities;
- **Building relationships.** Through supporting open dialogue, engagement can help to establish and maintain a social licence to operate.
- **Managing expectations.** It is important to ensure that the Project does not create or allow unrealistic expectations of Project benefits amongst local communities. The engagement process

will serve as a mechanism for understanding and managing stakeholder and community expectations, by disseminating accurate information in an accessible way.

2. Project Description and Location

2.1. Project Location and Surrounding Area

The proposed Project is located in the area of Sheq Marinas village and is bordered by the villages of Topojë, Sheq Marinas and Grykë in the north-east, the villages of Fushë in the south-east and Darëzezë e Re in the south-west.

The nearest settlements are Grykë, Topojë and Sheq Marinas which are respectively located 1,850 meters, 2,500 meters and 3,200 meters away from the project area, while the villages of Fushë in the south-east and Darëzezë e Re are located 4.7 km and 5.1 km away from the area, respectively of the project.

The main morphological elements developed in the region of Sheq Marinas and Topojë of the Topojë Administrative Unit (AU) in Fier, are a large plain area, the small hills of Divjaka, and the coastal lagoon of Karavasta, (6 km north-west of the project area) the Seman and Shkumbin delta, (south-west and north-west respectively), sand dunes and sandy beaches. Generally, we are dealing with a plain region with an altitude of 0-100 m above sea level and with very fertile lands. Even the hilly reliefs are generally soft and suitable for agricultural use. Currently in the area where the project is planned to take place we are dealing with degraded lands, with high salt level and which cannot be cultivated with agricultural crops.

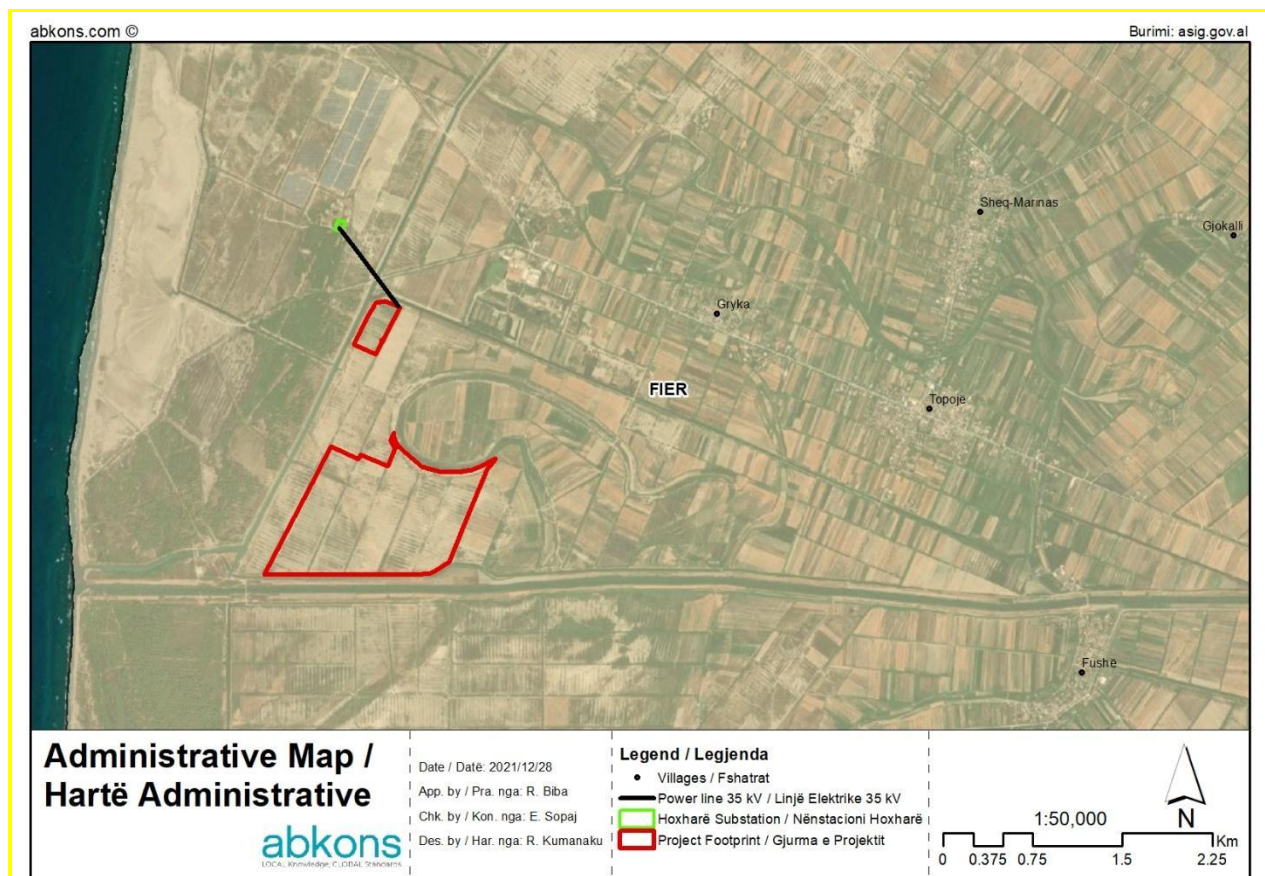


Figure 1 Administrative Map and Villages in the PA

2.2. Technical Overview

The Project is designed as a 50 MWp (DC) horizontal single-axis tracking photovoltaic (PV) park and will deliver 50 MW (AC) to the grid.

Figure 3 gives an overview of a utility scale grid-connected solar PV power plant for the main components. Other technical details will be given in the future updates of this SEP, since the detailed technology to be used is still under Company's decision.

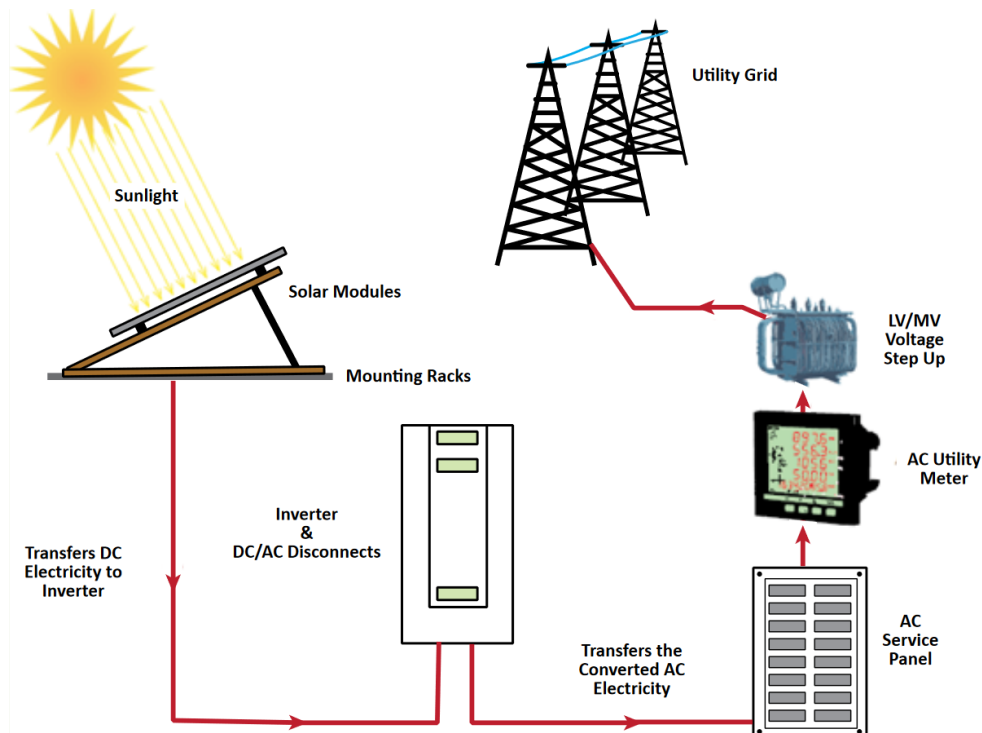


Figure 2 Overview of Utility Scale Solar PV Plant (IFC, 2015)

The Project will also require a building to accommodate the SCADA (Supervisory Control and Data Acquisition) equipment for the command, control and protection of the Project. This will be manned by the technicians employed for the control, operation and maintenance of the Project.

2.3. Social context

The Project Area extends into the Fier county which is located in south-western Albania. The Fier County borders the Tirana County in the north, Elbasan County in the northeast, Berat County in the east, Gjirokastrë County in the southeast, Vlorë County in the south and the Adriatic Sea in the west. Fier County is large 1,890 km².

Since the 2015 local government reform, the county consists of the following 6 municipalities: Divjakë, Fier, Lushnjë, Mallakastër, Patos and Roskovec. Fier is one the most important industrial cities of Albania and is built by the Gjanica tributary of the Seman river, and is surrounded by marshland. The nearby Patos town is the centre of the oil, bitumen and chemical industries in Albania.

The project extends in its entirety in the territories of the Fier municipality, in the AU Topojë. The municipality of Fier is bordered on the north by the municipality of Divjakë, on the east by the municipalities of Patos and Roskovec, and on the south by the municipality of Vlora. It lies in the Western

Lowlands, between the rivers Seman and Vjosë. The centre of the Municipality is the city of Fier. This municipality consists of ten administrative units and has under its administration 85 villages.

Fier County has a resident population of 310,331, being the second highest in Albania, after Tirana County. The county is experiencing a rapid population growth in urban centres, despite an overall decline in population, especially in the rural areas, due to emigration abroad and internal migration to other Albanian cities (especially Durres and Tirana) over the past 15 years. The population in rural areas has significantly changed after the fall of the communist regime in the year 1990. Due to lack of investment and possibilities for employment, large numbers of people left rural areas for better employment opportunities.

The municipality of Fier includes some of the most important agricultural areas of the country, as well as a significant part of the industry related to oil refining. More than half of the population of the municipality lives in rural areas, which indicates the importance of the agricultural sector in the economic life of the municipality.

The PV Project and the associated Overhead Line (OHL) will be developed in the territories of Topojë AU. The direct project study area for the social baseline assessment includes the settlements near and within the PV plant and OHL affected area. This is considered to be the highest impacted area and will therefore be studied in greater detail.

The population of the AU of Topojë, according to the National Census, is reported to be 4246 inhabitants.

Municipality	Administrative Unit	Residents	Male	Percentage	Female	Percentage
Fier	Topoje	4246	2144	50.49%	2102	49.51%

3. Regulatory Framework

3.1. Introduction

This section provides an overview of the legal and regulatory framework in Albania and the requirements of the international lenders, namely EBRD, for the Project. This Section presents the relevant standards and legislation identifying the key national and international requirements for engagement. The focus of this Section is only on legislation that relates directly to public participation requirements.

3.2. Albanian EIA legal framework

According to the Albanian legislation, the social impact assessment, jointly with the scoping phase, is not actually considered mandatory. The law only considers the Environmental Impact Assessment (EIA), as mandatory for the Public Information and Consultation.

The list of adopted legal acts that transpose EU horizontal legislation includes:

- DCM No. 247, dated 30.04.2014, "On the determination of rules, requirements and procedures for public information and involvement at the environmental decision-making process";
- DCM No. 16 dated 14.01.2012 "On Public Access to Environmental Information";
- Law No. 119/2014 of 18.09.2014 "On the Right of Information";
- Law No. 146/2014 of 30.10.2014 "On Public Informing and Consultation";
- DCM No. 994, dated 02.07.2008 "On public involvement in environmental decision making"; Ministerial Guideline No.1, dated 03.03.2009", On responsibilities of the environmental bodies to ensure the participation of the public and environmental NGO to the EIA process".

A major part of any ESIA process is to solicit views, opinions and concerns, on the proposed activities from various stakeholders, including representatives of local communities, interest groups, non-governmental organizations (NGOs), government agencies and any other stakeholder if relevant to the proposed activities.

Public access to and participation in environmental decision-making is sanctioned in Albanian legal and institutional frameworks, particularly by Law No. 8672/2000 (from 26/10/2000), “On Albania's Adherence to the Aarhus Convention”. The mechanism and importance of public consultation are also established under Chapter III of Law No. 10440/2011, which requires a comprehensive consultation during the EIA for the projects listed in its annexes

Decision No. 247, dated 30.04.2014, “On rules, request and procedures for informing and involving the public in environmental decision making” relates to the disclosure of information during the EIA procedure. This includes access to information and consultation and public hearings in order to raise awareness of the public about the potential impacts of the project on the environment during the drafting stage of the EIA. Interested parties have the right to appeal against acts, actions or omissions during the full EIA process and disclosure.

3.3. IFC Performance Standards on Stakeholder Engagement and Information Disclosure

In terms of social and stakeholder participation in the framework of ESIA study, references and guidelines are taken into consideration from the following standards and requirements:

- IFC Sustainability Framework, Performance Standards and Guidance Notes, 2012.

A key aspect of stakeholder engagement is viewed as “the basis for building strong, constructive, and responsive relationships that are essential for the successful management of a Project's environmental and social impacts” (International Finance Corporation, 2012c)

The IFC Performance Standards form part of their Sustainability Framework, where the “IFC Performance Standard 1” (International Finance Corporation, 2012b) sets out the following recommendations for stakeholder engagement:

- Stakeholder Engagement is an ongoing process that may involve stakeholder analysis and planning, disclosure and dissemination of information, consultation and participation, grievance mechanism, and ongoing reporting to affected communities. (PS1 – paragraph 25).
- A SEP will be developed and implemented that is scaled to the Project risks and impacts and development stage and be tailored to the characteristics and interests of the affected communities. (PS1 – paragraph 27).
- Affected Communities will be provided with access to relevant information on: (i) the purpose, nature, and scale of the Project; (ii) the duration of proposed Project activities; (iii) any risks to and potential impacts on such communities and relevant mitigation measures; (iv) the envisaged stakeholder engagement process; and (v) the grievance mechanism.
- When affected communities are subject to identified risks and adverse impacts from a Project, a process of consultation will be undertaken in a manner that provides the affected communities with opportunities to express their views on Project risks, impacts and mitigation measures, and allows the client to consider and respond to them. (Paragraph 30).
- The extent and degree of engagement should be commensurate with the Project's risks and adverse impacts and concerns raised by affected communities. (Paragraph 30).
- The consultation process will be tailored to language preferences of affected communities, their decision-making process, and the needs of disadvantaged or vulnerable groups. (Paragraph 30).
- A grievance mechanism will be established to receive and facilitate the resolution of concerns and grievances about the client's environmental and social performance from affected communities. (Paragraph 34).

4. Stakeholder Engagement Methodology

4.1. Introduction

This SEP methodology has been developed in order to outline the principles and methods that should govern the Company's engagement with all existing and potential stakeholders during all phases of the project.

The Consultant will undertake the stakeholder engagement as part of the environmental and social impact assessment and activities covered under the ESIA. This will be implemented through the SEP as a method of making the best-informed decision in order to obtain comprehensive information about stakeholders' concerns and suggestions.

The disclosure of project information and stakeholder engagement requirements are detailed in this SEP and will be guiding the process of obtaining comprehensive feedback from the project stakeholders and affected parties. The stakeholder engagement will continue during the entire lifecycle of the project.

It has been determined that all relevant stakeholders would be invited to participate in a set of meetings, in various phases of the process, in order to be informed regarding the findings and recommendations of the study team.

The main principles that will guide throughout stakeholder engagement are as follows

- **Proactive** In order to avoid any potential risks that might arise in our dealings with stakeholders.
- **Transparent** The Company will engage with stakeholders in an open process, with transparent purpose, goals, accountabilities, expectations and constraints.
- **Timely** The Company will engage with stakeholders in the advance of the consultation activities and decision-making, in order to allow sufficient time for meaningful dialogue, consultation and modifications.
- **Inclusive** The Company will ensure inclusiveness of our engagement with stakeholders in representation of views, including women, key informants and focus groups.
- **Accessible** The Company will disseminate information in ways and locations that facilitate the access of stakeholders to it.
- **Free** The Company's engagement with stakeholders will be free of any kind of manipulation, intimidation and coercion.

The plan lays out the process for consultation based on the IFC PSs, and consists of the following phases:

- ESIA Study (Complementary studies)
- Site Preparation and Construction
- Operation of the Project
- End of Life / Decommissioning.

Table 2 ESIA Stakeholder Engagement Phases

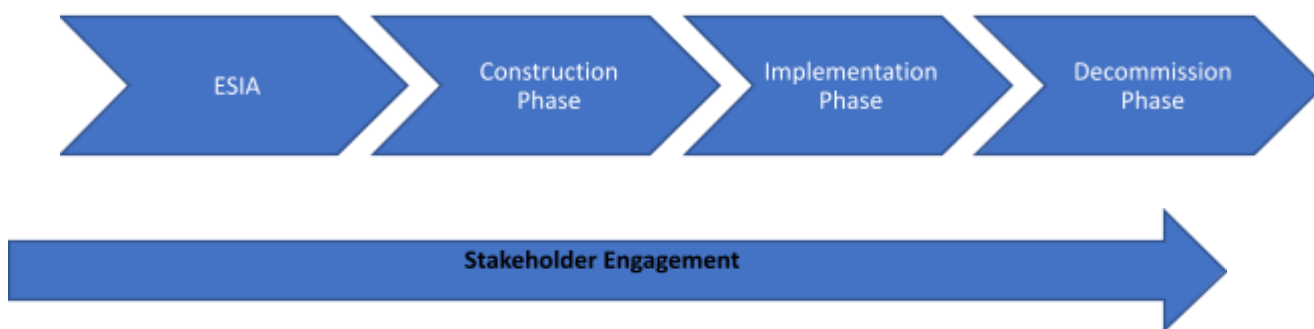
ESIA Stakeholder Engagement Phases			
Phase	Objective	Status	Responsibility

1. ESIA Complementary Studies	Stakeholder engagement during the ESIA phase will have two objectives: maintain the relationships developed during the previous stages; and ensure all stakeholder issues have been identified and taken on board by the Project. The Company and Consultant will revisit national and regional authorities and engage with affected communities within the PA . All stakeholders will be provided with a project update and an opportunity to comment, express any concerns and discuss issues.	Ongoing	Abkons with support of Blessed Investment
2. EIA Disclosure	Stakeholders will be presented with the draft EIA report at the end of the EIA process and invited to comment on the document. Information on the project impacts will be presented along with the mitigation measures designed to minimize or enhance them.	Planned	Abkons with support of Blessed Investment
3. Project execution	The Company will continue to engage with stakeholders throughout the project lifecycle (pre-construction, construction, operation and decommissioning). The methodology will be developed and finalised using the information compiled during the ESIA process.	Planned	Abkons with support of Blessed Investment

To develop a complete understanding of the existing environmental and social conditions of the project's PA and assess the impacts, further desktop and field studies will be carried out. These tasks will be performed by the Consultants specialists.

This SEP describes the communication with identified stakeholders and the various levels of engagement. When communities are predicted to be adversely affected, information, consultation and disclosure should contain the following information:

- Purpose, nature and scale of the project;
- Duration of the proposed project activities;
- Any risks and potential impacts with regard to environment, worker Health & Safety, other social impacts on communities and proposed mitigation plans;
- The envisaged consultation process, if any, and opportunities and ways in which the public can participate;
- Time/venue of any envisaged public meetings, and the purpose by which meetings are notified, summarised and reported.



4.2. Methods of Consultation

Project stakeholders differ in terms of information that is essential to disseminate, to what is 'good to know'. Stakeholders also differ in how they would expect to receive project information, and in light of this, engagement materials and tools used have been tailored towards the target audience. For instance, different materials have been designed and adapted to engage local communities, Government officials and NGOs.

The following methods will be used to ensure effective participation of the potentially affected people:

- Advertisement regarding project and planning activities in the local newspaper
- Radio announcements of meetings
- Information leaflets will be distributed among participants of the public consultation at the local municipalities
- Public meetings will be held in the local language with Power Point presentation in the settlements located close to the project area.

The consultation approach should be culturally appropriate and should take into account the purpose for engaging with a stakeholder group. The Consultant, in coordination with the Company, has chosen to use the following engagement methodology, to consult with stakeholders:

Table 3 Engagement Techniques

Engagement Technique	Information Delivered
Information Points and Boards	Provide project information on the public boards and information points
Electronic correspondence	Invite stakeholders to meetings Project information presentation to government officials, organizations, agencies
Project Website	Publish information on Company website Present project information and progress updates

	Disclose SEP, Grievance Mechanism (GM), ESIA, Non-Technical Summary, Environmental and Social Action Plan (ESAP) and other relevant project documentations
Media Plan	Disseminate project information to large audiences Inform stakeholders about consultation meetings Disclose EIA ¹ as per the national legislative requirements
Formal Meetings	Present project information to a group of stakeholders Allow the group of stakeholders to provide their views and opinions Build impersonal relations with high level stakeholders Distribute technical documents Facilitate meetings using PowerPoint presentations Record discussions, comments/questions raised and responses
Public meetings	Present project information to a large audience of stakeholders, and to the communities in particular Allow the group of stakeholders to provide their views and opinions Build relationships with neighbouring communities Distribute non-technical project information, facilitate meetings using PowerPoint presentations, posters, models, videos and pamphlets or project information documents Record discussions, comments/questions raised and responses
One-to-One meetings	Seek views and opinions Enable stakeholders to speak freely about sensitive issues Build personal relationship Record meetings and photo logbook
Focus Group Discussions (FGD) and Key informant Interviews (KII)	Allow a smaller group of between not less than 5 people to provide their views and opinions on targeted baseline information Build relationships with neighbouring communities and their representatives Use a focus group interview guideline to facilitate discussions Record feedback Gather opinions and views from individual stakeholders Gather baseline data

¹EIA Disclosure as per the Albanian legislation

	Develop a baseline database for monitoring impacts
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4.3. Information disclosure and stakeholder engagement approach with COVID-19 restrictions

Information disclosure and stakeholder engagement are cornerstones of managing the social impact of projects. Due to Covid – 19 viruses outbreak some traditional consultation approaches are ruled out. The Ministry of Health and Social Protection instructions have placed mandatory restrictions and social distancing measures to prevent the spread of the virus. According to these instruction public meetings are only allowed in certain cases even though under strict measures for enhancing protection of individuals and communities.

Some engagement methods that shall be used during the public consultations are the following:

- Project leaflets - targeted leaflet distribution in the PA with contact details and mechanisms for returning feedback
- Email campaigns - constant contact and mechanisms for returning feedback through company email; projectblue@blessedinvestment.com.
- Engagement through local actors – administrators, chairman.
- Signage - community notice boards, posters.
- Project Website – www.spvblue.com; to disclose all the relevant project documents and mechanisms for returning feedback.

Even though with the social distancing measures in place, the Public Hearing event is still mandatory. However, the Public Hearing will be conducted based on the following Ministry of Health and Social Protection instructions² for enhancing protection of individuals and communities and preventing spread of the corona virus disease (Covid-19) which includes;

- Limited number of participants in closed places (limited to 10 participants) and in open spaces (Limited to 50 participants);
- **Cleaning and disinfecting** frequently touched surfaces within the venue as much as possible.
- **Cloth face coverings** is mandatory in Albania. However, face coverings will be provided to attendees ahead of the event.
- Temperature measurement of the attendees.
- **Ensuring distance** by placing the seats 2 m from each other

The future engagements will take into consideration the updated limitations and measures according to the Albanian Ministry of Health and Social Protection.

4.4. Socio-Economic Baseline data gathering

In order to develop an understanding of the socio-economic and cultural context of the Project area, qualitative and quantitative data collection will be carried out based on available secondary information that is publicly available. This baseline data collection will provide a benchmark of socio-economic and environmental conditions in the area, which will be used to help predict proposed Project induced changes, inform impact predictions and act as a reference point for future monitoring. We propose to use secondary data collected from state agencies and limited primary data collected during site visits. Data on land ownerships will be received from Land Management Agency (Cadastre).

During the site visit and consultations, we may use the following to collect primary data:

² <https://qbz.gov.al/eli/urdher/2020/11/17/633/5c8ca1e2-0838-4488-9f0b-2ecfbc756f45>

- Key informant interviews (KIs)- arranged with specific groups including Community Leaders and farmers to understand the specific socio-economic context of the communities that will be affected by land acquisition required for the Project as well as any associated facilities, including types of land ownership and use, categories of eligibility, market prices and so on.
- Focus group discussions (FGDs) with specific groups identified in initial stakeholder engagement and meetings with community Leaders - this will help determine the levels of vulnerability and alternative land uses.

The proposed socio-economic categories will include:

- Demographics.
- Governance and administration (including traditional institutions and community-based organisations).
- Land ownership and land use.
- Livelihoods and socio-economic activities.
- Traffic and transportation infrastructure (public and site).
- Local development issues.
- Social infrastructure and services (electricity, water, housing etc.).

In addition, the Consultant will collect data on vulnerable groups; such information will be collected from municipalities and local communities.

During the site visit, we will hold a number of meetings with key stakeholders conducted through in-depth interview and focus group discussions. Separate meetings could be conducted with women in order to have more free discussion and better understand their living conditions. However, the necessity of such separate FGD will be discussed with the local administrators and authorities.

4.5. Establishing a Grievance Mechanism

Each round of engagement undertaken will provide stakeholders with an opportunity to provide input and feedback on the proposed Project. This will build a two-way communication and raise the stakeholder's trust and reliability on the project. The stakeholder engagement process will be reported separately as a summary for each of the engagement and their outcomes through minutes of meetings, photo recording, list of participants and other background meetings information.

As the stakeholder engagement process aims to create an environment in which views, opinions, issues and suggestion can be expressed freely by all members of the community, including women, elderly, and/or vulnerable groups, the grievance mechanism will address, manage, resolve and document grievances raised by stakeholders in relation to project's activities. This procedure will describe the scope, specify roles and responsibilities and detail the steps for the grievance management process.

Its objectives mainly consist of the following:

- Establish a prompt, consistent and fair mechanism for receiving, investigating and responding to grievances from third parties
- Ensure the proper documentation of grievances and any corrective actions taken
- Contribute to continuous improvement in social performance through the analysis of trends and the preparation and dissemination of lessons learned.

This mechanism will be developed and designed in such a way that is appropriate for stakeholder groups understanding any communication challenges that they may face (e.g., language, literacy levels, level of access to technology). The Company and the Consultant will inform the affected communities about the mechanism in the course of the stakeholder engagement process.

This grievance mechanism will acknowledge and address all feedback and grievances over both real and perceived impacts in the same way, and with the same level of care.

Please refer to **Section 8** of this report for a more detailed discussion of the grievance mechanism process that will be applied to the Project.

5. Stakeholder Identification and Analysis

5.1. Introduction

For the purposes of this plan, a stakeholder is defined as any individual or group who is potentially affected by the project or who has an interest in the project and its potential impacts. The objective of stakeholder identification is therefore to establish which organisations and individuals may be directly or indirectly affected (positively and/or negatively), or have an interest in the project. Stakeholder identification is an on-going process, requiring regular review and updating as the Project develops.

5.2. Stakeholder Identification and Mapping

In order to develop an effective SEP, it is important to understand how stakeholders are related to the Project and their needs and expectations for engagement and consultation. This information can then be used to tailor engagement to each type of stakeholder. As part of this, it is important to identify stakeholders who may find it more difficult to participate and those who may be differentially or disproportionately affected by the Project because of their marginalized or vulnerable status.

Stakeholder mapping will consider:

- Who is affected by the Project and how;
- Who are the formal and informal community leaders and to what degree they can be seen as representatives;
- Whether the stakeholder support is neutral towards or is opposed to the Project;
- Each stakeholder's key interests and concerns in relation to the Project;
- How different stakeholders can influence the project and what risks or opportunities this presents to the Project.
- What engagement methods, format and frequency are required to ensure that different stakeholders have access to project information and opportunity to provide their feedback.

Different issues are likely to concern different stakeholders and so stakeholders have been grouped based on their potential connections to the Project. Understanding the connections of a stakeholder group to the project helps identify the key objectives for and best approaches to engagement for differing groups and individuals.

Deciding on which mechanism to use during engagement, is dependent on the level of feedback required, as well as on the ease with which participants can be involved in the engagement activity. One-on-one meetings and village meetings may be more appropriate for directly affected stakeholders where a two-way information flow is required to understand opinions and concerns.

A list of the organisations identified to date is provided below, together with a plan for their involvement in the various phases of engagement. This list will be kept up to date as new stakeholders are identified or express an interest in the project. Contact details of the majority of the individuals/ institutional stakeholders have also been compiled by the ESIA team to enable the Project to readily communicate with each stakeholder. This information may be kept on a database for ease of use, but will not be shared with any third party.

National stakeholder has been engaged by the Project during the study phase of the National EIA together with some regional stakeholders, which will be contacted also during this additional study phase of the ESIA.

Any stakeholder not identified on the list below may contact the Company at the details in Section 9.3 and request to be included within the stakeholder database.

Table 4 Stakeholders' Mapping

Stakeholders	Interest and role in the project	Stakeholders' analysis		Stakeholder Engagement Method			
		Influence on project	Impact of project on stakeholders	Meeting s	Written Correspondence	Focused interviews / questionnaire	Informed via public announcement (i.e., newspaper, TV)
National level							
Ministry of Tourism and Environment (MTE)	Supervision of the ESIA procedure and approval of the ESIA report.	Medium	Low	√	√		
Ministry of Infrastructure and Energy (MEI)	The Ministry has a much broader responsibility as in addition to energy it includes transport, spatial planning and telecommunication, which is expected to facilitate coordination between sectors.	Medium	Medium	√	√		
Ministry of Agriculture and Rural Development (MARD)	Ministry of Agriculture and Rural Development (MARD) is responsible for managing water resources, irrigation, drainage and flood protection. The Ministry coordinates priorities among different purposes and different users of water resources.	Low	Low	√	√		

Stakeholders	Interest and role in the project	Stakeholders' analysis		Stakeholder Engagement Method			
		Influence on project	Impact of project on stakeholders	Meetings	Written Correspondence	Focused interviews / questionnaire	Informed via public announcement (i.e., newspaper, TV)
Ministry of Culture	Protection and conservation of the National cultural heritage (shall be informed in chance findings during the construction activities). Provide information for the cultural heritage in the project area.	Medium	Low	√	√		
National Environment Agency (NEA)	Supervision, implementation of the ESIA procedure and review and approval of the ESHIA report. Supervision of the public engagement during the ESIA process.	High	Low	√	√		
National Territorial Planning Agency (NTPA)	National Territorial Planning Agency (NTPA) is a public institution responsible for spatial and urban planning, crucial steps in the development process for infrastructure projects, within MEI.	Low	Low	√	√		
National Agency for the Protected Areas (NAPA)	National Agency for the Protected Areas (NAPA), is a public body under the Ministry of Tourism and Environment, which	High	Low	√	√		

Stakeholders	Interest and role in the project	Stakeholders' analysis		Stakeholder Engagement Method			
		Influence on project	Impact of project on stakeholders	Meetings	Written Correspondence	Focused interviews / questionnaire	Informed via public announcement (i.e., newspaper, TV)
	is responsible for the management of protected areas.						
National Institute of Cultural Heritage - Ministry of Culture	Protection and conservation of the National cultural heritage (shall be informed in chance findings during the construction activities). Provide information for the cultural heritage in the project area. This is a central institution, under the responsible ministry for cultural heritage, established to carry out activities in the field of excavations and studies of cultural heritage, which is affected by construction works of any nature, or by plans for territory regulation.	Medium	Low	√	√		
Transmission System Operator (OST)	Transmission System Operator (OST) among other functions, OST provides the necessary capacities for the transmission of	Medium	Low	√	√		

Stakeholders	Interest and role in the project	Stakeholders' analysis		Stakeholder Engagement Method			
		Influence on project	Impact of project on stakeholders	Meetings	Written Correspondence	Focused interviews / questionnaire	Informed via public announcement (i.e., newspaper, TV)
	electricity produced from domestic sources.						
National NGOs	Interest in environmental protection and disclosure of the project impacts and mitigations strategy.	Low	Low	√	√		√
Regional & local level							
Regional Directory of Environment, Fier Region	Supervision and implementation of the public consultation process. Assist and publish the PH notice and the Non-Technical Summary (NTS) at its webpage (hosted at NEA website). Attend the PH process and report to NEA about the compliance of the project with public consultation procedure. This report is important for final decision making by NEA and MTE.	High	Medium	√	√		
	Certification of the public consultation procedure.						

Stakeholders	Interest and role in the project	Stakeholders' analysis		Stakeholder Engagement Method			
		Influence on project	Impact of project on stakeholders	Meetings	Written Correspondence	Focused interviews / questionnaire	Informed via public announcement (i.e., newspaper, TV)
Drainage Board	Drainage Board is responsible for managing the irrigation, drainage and flood protection.	High	Medium				
Regional Agency for the Protected Areas (RAPA)	Regional Agency for the Protected Areas (NAPA), is a public body under the National Agency for the Protected Areas, which is responsible for the management of the Regional protected areas.	High	Low	√	√		
Prefecture of Fier Region	Reporting key concerns/opinions to the Government. Role in facilitation of the public engagement and hearing process.	Low	Medium	√	√		
Regional Council of Fier	Reporting key concerns/opinions to the Government. Role in facilitation of the public engagement and hearing process.	Low	Medium	√	√		
Mayor of Fier Municipality	Elected representative of the community, reporting key concerns/opinions to the Government. Role in facilitation	Medium	High	√	√		

Stakeholders	Interest and role in the project	Stakeholders' analysis		Stakeholder Engagement Method			
		Influence on project	Impact of project on stakeholders	Meeting s	Written Correspondence	Focused interviews / questionnaire	Informed via public announcement (i.e., newspaper, TV)
	of the public engagement and hearing process.						
Topojë Administrative Unit, Municipality of Fier	Role in facilitation of the public engagement and hearing process.	Medium	High	√	√	√	
Technical Directories of the Fier Municipality	Management of the local resources within the given competencies and technical support to the mayor decision making. Role in facilitation of the public engagement and hearing process.	Medium	High	√	√		
	- Urban planning directory (includes also environment), provide information for the land use plan in the project area. Provide information to protect the environment in the project study area.						

Stakeholders	Interest and role in the project	Stakeholders' analysis		Stakeholder Engagement Method			
		Influence on project	Impact of project on stakeholders	Meetings	Written Correspondence	Focused interviews / questionnaire	Informed via public announcement (i.e., newspaper, TV)
	- Agriculture, forestry, irrigation and drainage directory, provide information for the agriculture land use in the project study area. Provide information for the forest's areas in the project study area. Provide information for the drainage system and plans in project study area.						
	- Water supply enterprise provides information for the water supply systems in the project study area.						
Local community at the project area	Settlements in the project area of influence which will be reviewed in light of the ESIA and significance of impacts after mitigation.	Medium	High	√		√	√
	Settlements likely to experience impacts pertaining to land loss, economic displacement, disturbance from construction						

Stakeholders	Interest and role in the project	Stakeholders' analysis		Stakeholder Engagement Method			
		Influence on project	Impact of project on stakeholders	Meeting s	Written Correspondence	Focused interviews / questionnaire	Informed via public announcement (i.e., newspaper, TV)
	activities (noise, air etc.); some job creation.						
Business community members- at the project area	Potential partners in managing potential cumulative impacts during the construction phase of the project. The project may also have an impact on the activities of these groups.	Medium	High	√		√	√

5.3. Vulnerable Groups

Vulnerable people are those “who may be more adversely affected by project impacts than others by virtue of characteristics such as their gender, gender identity, sexual orientation, religion, ethnicity, indigenous status, age (including children, youths and the elderly), physical or mental disability, literacy, political views, or social status”.

The Project have identified vulnerable people or groups who may be disproportionately impacted by the project and developed mitigation measures to address this.

The table below outlines types of vulnerable groups identified and proposed mitigation measures:

Vulnerable Groups	Factors of vulnerability	Type of impact	Proposed mitigation measures
Children and youth	<ul style="list-style-type: none"> - Age - Economic status 	<ul style="list-style-type: none"> - Child labour due to fraudulent hiring practices; - Difficulty accessing the school 	<ul style="list-style-type: none"> - Project have developed management (construction) plans to avoid adverse impacts; (Traffic management Plan, Labour Management Plan) - ESIA has taken into consideration mitigation impacts;
Single-headed households (local area)	<ul style="list-style-type: none"> - Economic and social status; 	<ul style="list-style-type: none"> - Unemployment - Forced labour and child labour 	<ul style="list-style-type: none"> - Project have developed management (construction) plans to avoid adverse impacts; - The project has prepared a LARP considering fair compensation or provision of similar accommodation. - ESIA has taken into consideration mitigation impacts;
Elderly	<ul style="list-style-type: none"> - Age; - Physical disability; 	<ul style="list-style-type: none"> - Lack of access to property or services; - Noise impact; 	<ul style="list-style-type: none"> - Project have developed management (construction) plans to avoid adverse impacts (noise, access, traffic issues);
People living below poverty line	<ul style="list-style-type: none"> - Economic status - Literacy 	<ul style="list-style-type: none"> - Unemployment; - Low income; - Difficulty accessing workplace; 	<ul style="list-style-type: none"> - Project have developed management (construction) plans to avoid adverse impacts;

			<ul style="list-style-type: none"> - The project has prepared a LARP considering fair compensation or provision of similar accommodation.
Women	<ul style="list-style-type: none"> - Gender; - Economic status 	<ul style="list-style-type: none"> - Discrimination at workplace and harassment; - Forced labour; - Lack of access to resources; 	<ul style="list-style-type: none"> - Project have developed management (construction) plans to avoid adverse impacts; - ESIA has taken into consideration mitigation impacts;
Persons with disabilities	<ul style="list-style-type: none"> - Physical or mental disabilities; 	<ul style="list-style-type: none"> - Lack of access to resources; 	<ul style="list-style-type: none"> - Project have developed management (construction) plans to avoid adverse impacts; - ESIA has taken into consideration mitigation impacts;
Households with low income including subsistence farmers Households' dependent on limited land of low productivity	<ul style="list-style-type: none"> - Economic status - 	<ul style="list-style-type: none"> - Unemployment; - Low income; 	<ul style="list-style-type: none"> - ESIA has taken into consideration mitigation impacts; - The project has prepared a LARP considering fair compensation or provision of similar accommodation.

The Project has also taken specific measures to ensure the participation of women and potentially vulnerable stakeholder groups in the consultation through questionnaires, focus group discussion, KII, etc., during ESIA preparation.

The consultation during the construction phase for the vulnerable groups will continue through distribution of leaflets explaining the timeline of starting of works and duration and posters announcing community meetings.

The impacts associated with this phase and the possibility of filing a grievance through the grievance form present in the project website or delivered manually through the CLO. If necessary, vulnerable groups will be contacted directly by the CLO through dedicated meetings.

6. Stakeholder Engagement Action Plan

Preparatory work is essential to ensure that all fieldwork runs smoothly, and each team is able to perform the tasks laid out in this Action Plan. This includes conducting the baseline, assessing who should be consulted and how, and organizing the field work teams to ensure that all areas and issues are covered. The table below lists the engagements that are planned for the consultation phase of the Stakeholder Engagement Plan with potential meeting dates.

Table 5 Detailed SEAP

Task / Activity	Identified Stakeholders	Meeting Date
Consultation Meetings	Department of Agriculture, Municipality Drainage Board, Fier Municipality	22.07.2021 06.08.2021 06.10.2021
	Drainage Board	22.07.2021
	Mayor of Fier Municipality	17.06.2021 30.07.2021
	Technical Directories of the Fier Municipality	09.07.2021
	Topojë Administrative Unit, Municipality of Fier	20.01.2021 29.12.2021
	Local community at the project area (Grykë, Topojë and Sheq-Marinas)	30.12.2022
	Head of the villages at the project area	30.12.2021
	Key informants from relevant institutions	29.12.2021
	Public Consultation	17.06.2022

6.1. Public Consultation

Based on the requirements of the IFC Performance Standards on Environmental and Social Sustainability, a meeting was held in the project area to inform the general public about the impacts and mitigations presented in the EIA report and to inform about the grievance redress mechanism and the possibilities of the residents to file a grievance. For each of the village affected, posters were placed at least two weeks in advance of the meetings announcing the reason of the meeting, the location and venue of the meeting and the date and time. In addition, posters were placed in each Administrative Unit Office and in the venues of the meetings.

All head of the villages affected were met during this period of engagement inviting them and the local population to participate in the meeting and during the two weeks period before the meeting, additional phone calls with head of villages and other community leaders, such as the administrator of the AU were held to invite them to and to renew the invite for the local population to participate in the meeting.

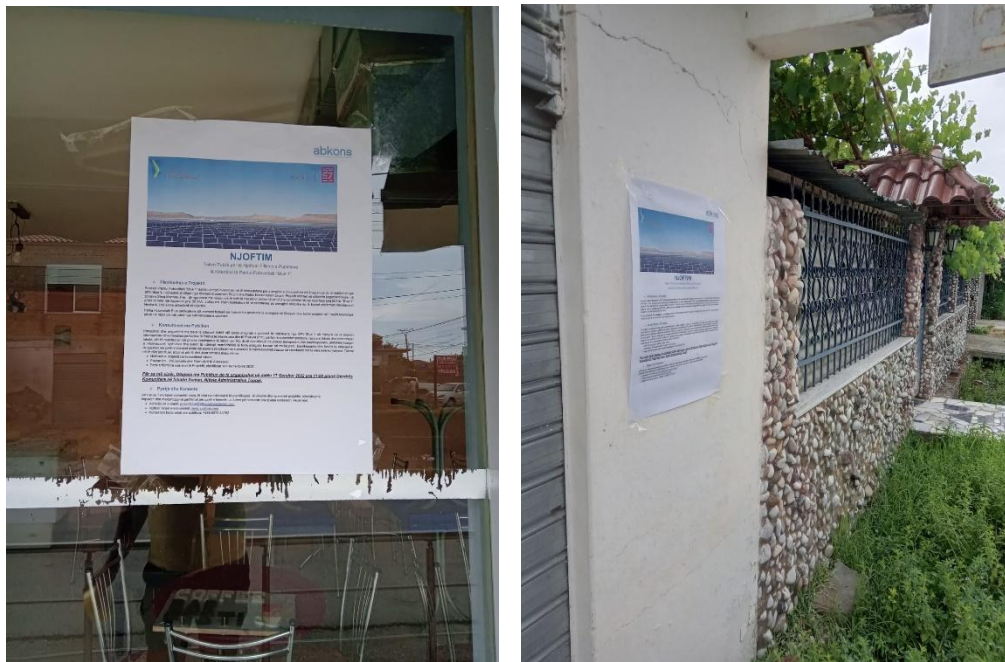




Figure 4 Posters announcing public consultation

The public consultation was held on June 17, 2022 in the Community Centre of Seman village, near the Administrative Unit of Topojë. The meeting was conducted as per the following agenda:

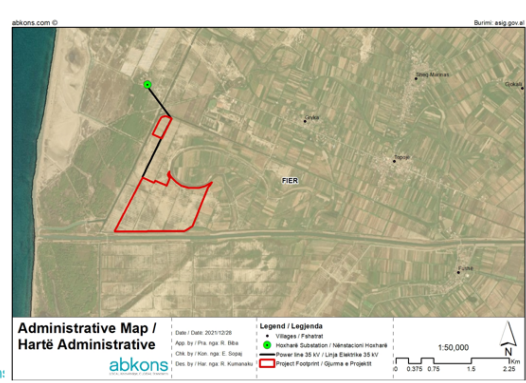
- Registration of participants;
- Introduction;
- Project presentation;
- EIA impact and mitigation measures;
- Grievance redress mechanism
- Discussions, questions and suggestions;

The meeting included a presentation and description of the project, preparation phase of the EIA and the findings of the EIA studies and the grievance redress mechanism.

Përshkrimi i Projektit

- Projekti i Parkut Fotovoltaiik "Blu 1" është një nga investimet më të rëndësishme për energjinë e rinovueshme në Shqipëri;
- Blue 1 është projekti më i madh privat fotovoltaiik në rajon që nuk varet nga subvencionet e qeverisë.
- Zona e Projektit është zotëdhur për shkak të rrezatimit të lartë diellor, veçanërisht i përshtatshëm për parqet fotovoltaiike dhe për ndikimin e ulët në tokat bujqësore të kërkuara.
- SPV Blue 1 është zhvilluar nga kompanitë Blessed Investment Sh.p.k dhe Matrix Konstruksion Sh.p.k.
- Projekti ndodhet në zonën e Sheq Marinas, Fier, një nga zonat me nivelin më të lartë të rrezatimit diellor në vend dhe zhvillohet në një sipërfaqe prej 82 Ha.
- "Blu 1" do të ketë një kapacitet të instaluar prej 50 MW.
- Energjia do të transmetohet në rrjetin kombëtar nëpërmjet nënstationit në Hoxharë

Përshkrimi i Projektit



Administrative Map / Hartë Administrative

abkons

The table below presents a summary of the main issues addressed (comments received) and respective responses as appropriate.

Key Issues / Comments	Responses
Mr. Viktor Tirana (Agriculture Department of Topojë AU): There are concerns among the farmers that the Photovoltaic Parks are responsible for the low rainfalls in the areas where they are installed	Klodian Cipo: The studies on PV parks shows that they might be responsible for a slight increase of the temperature in the nearby area of the installed panels, but the rainfalls depend from other factors and all the studies on PV parks does not indicate such an impact. If you have any study concerning this point, we will take into evaluation for reference.
Mr. Aleksander Kola (Head of Topojë AU): Are there going to be any infrastructural improvements in the area?	Klodian Cipo: The Project is going to improve the road that from access road leading to the beach reaches the Project development area, which is actually in very bad conditions. This road will be upgraded and asphalted and will be maintained by the project during the construction period. In addition, all the channels in the area, will be cleaned and maintained by the project in order to function normally during the construction and operation periods.
Mr. August Gjeci (farmer): Which is the number of employments required and how many will be from the area?	Mateo Begeja: The construction will rely on the employment of local companies and local labour. The companies that will perform the construction are all from the area (Fier district), some of them already on board, like the security and fencing companies. Others are about to join the project. The companies will require local staff that will be employed during the construction period. The necessary personnel for the construction and operation period have still to be defined.





Figure 5 Photos during public consultation meeting

7. Management Function

This section provides a brief description of the proposed Company's organizational structure and management functions in terms of the stakeholder engagement process. While the Company may decide to adapt this structure according to its needs, it is emphasized that various components listed and decided, as below, should be represented in the Project organizational structure in order to successfully implement the SEP:

- The Project Manager (PM) is responsible for overseeing and coordinating all activities associated with stakeholder engagement.
- The Community Liaison Officer (CLO) will monitor and manage all the activities during the stakeholder engagement process to ensure the compliance with the standards. Responsibilities of the CLO include the following:
 - Stakeholder mapping and analysis of all parties interested in the Project
 - Ensure that all stakeholder engagement aspects are a permanent item on all high-level management agendas, and that all actions arising from management decisions are implemented in regards of the stakeholder participation
 - Determine necessary resources for effective implementation of this SEP and submits to his line managers
 - Manage stakeholder mapping and prepare communications to stakeholders and respond to stakeholder inquiries
 - Develop the action plan and ensure that this SEP is implemented and improves the SEP activities accordingly
 - Provide briefings and support to technical teams for meetings with stakeholders
 - Arrange and attend stakeholder meetings with technical team members and ensure feedback of stakeholder responses and requests to technical teams are responded to within agreed timescales
 - Liaise with other project managers to ensure that stakeholder engagement requirements / protocols are understood;
 - Proactively identify stakeholders, project risks and opportunities and inform the PM / senior management to ensure that the necessary planning can be done to either mitigate risk or exploit opportunities.
 - Ensure that the disclosure documents are disseminated accordingly to the public and affected communities in compliance with the national legal framework and international requirements
 - Manage arising community matters;
 - Communicate grievance management process to communities;

- Interact with related and complementary support activities that require ad hoc or intensive stakeholder engagement (community development and land acquisition/resettlement planning and implementation);
- Act as main point of contact between the Company and stakeholders;
- Monitors Contractors grievance management and grievance reporting (as stated in previous paragraphs, this SEP will be updated prior to future project phases)
- responsible for on-going monitoring and review of the effectiveness and efficacy of the Grievance Mechanism.
- Registration, investigation and resolution of grievances; Conduct grievance reporting

8. Stakeholder engagement during project lifecycle

8.1. Construction Phase

The Company will keep the stakeholders informed of the construction process using effective mechanisms and tools easily reachable by the community, presenting the stages and progress of work, conducting informal meetings to gather their views and concerns and to address grievances in an appropriate way. The stakeholder engagement in this phase will include the information disclosure to third parties, specifically, contractors' sub-contractors, employees and any other key stakeholders (project site residents) on any project's works.

It is suggested that Information Boards can be installed at the entrances and/or centres of every affected settlement (i.e., village along the route) and at relevant locations along the project footprint. Information in relation to access and traffic management during construction will be provided on the boards. The Grievance Mechanism and Contractor contacts detail will also be included. The Company will secure sites prior to any construction activities taking place and will ensure appropriate construction and warning signs are in place.

The stakeholder engagement activities performed by any project contractors will be defined in the updated SEP to be prepared before construction. The construction contractor(s) will be required to develop a project specific engagement plan, including a grievance mechanism, as part of the Construction, Environmental and Social Management & Monitoring Plan and implement it in relation to the works he/she is contracted to deliver.

During the Construction works, the Company and its contractors will submit semi-annual information regarding the work progress, work schedules and potential amendments that must be disclosed to the company website. Responsibilities for monitoring and frequency of reporting need to be clear between the client and contractor.

The opportunity to raise grievances will be provided (further information on Grievance Mechanism in Chapter 9); contact details for disclosing information or submission of concerns will be presented. The notification will be disclosed on the website, on the bulletin boards, and at Project's liaison offices.

In summary, the contractors will:

- contact directly all parties in order to provide information on the construction works at least two weeks prior to commencement of works, disclosing the schedule of works;
- update the information on the progress of works on a quarterly basis (to be delivered to the Company, for online disclosure, and affected peoples via mail, personal contact and/or through local administrative units); and
- disclose information on any delays to affected persons.

To be able to participate in an informed manner, stakeholders should receive the information they need promptly and in Albanian language. There are almost unlimited methods of disclosing information which can be developed through the Project's SEP and be updated at any stage and project phase.

8.2. Operational Phase

After completion of construction of the Project, the Company periodically will meet the local authorities and community leaders to follow up on any open issues associated with the project and will engage with relevant parties and stakeholders to address them as needed. The information boards can be placed in the most populated areas of the project site and vicinities selecting the best location for the notice boards should be done in consultation with community members.

The key stakeholder engagement activities during operation will support the established stakeholder engagement process by:

- Providing regular information about the operational facility and its environmental / social performance.
- Monitoring impact mitigation measures and achievement of targets (as per regulatory requirements). Providing feedback on effectiveness of the impact mitigation measures.
- Continued implementation of the grievance mechanism.

It must be noted, that while in consultation activities during the ESIA disclosure and the construction phases will focus on the Project, during the operation phase the stakeholder engagement actions and annual environmental and social reporting will cover operational activities.

8.3. Decommissioning

During the Construction and Operational Phase, and in subsequent phases, the emphasis on engagement shifts to focus on consultation and disclosure about activities that are ongoing or about to take place and receiving feedback from stakeholders about on-going activities. While the Decommissioning phase intends to engage stakeholder on informing of the closure of the project activities and to consult and disclose the information the same way during the early phases of stakeholder engagement. The engagement should consist of:

- Informing the draft decommissioning programme
- Communicating the various issues and concerns raised by the decommissioning studies so that they are understood and considered by the stakeholders
- Gaining stakeholders' feedback and views on decommissioning scenarios
- Published announcements and updates about the progress of the Project.

9. Grievance Mechanism

The purpose of the Grievance Mechanism is to outline company's approach to accepting, assessing, resolving, and monitoring grievances from stakeholders and/or stakeholders' groups about Project activities and Project implementation (including here its contractors' activities). The grievance mechanism ensures that complaints and grievances are addressed in good faith and through a transparent and impartial process, but one which is culturally acceptable.

It does not deal with 'concerns' which are defined as questions, requests for information, or perceptions not necessarily related to a specific impact or incident caused by a project activity. If not addressed to the satisfaction of the person or group raising the concern, then a concern may become a complaint. Concerns are not registered as a grievance but will be managed through the Developers' external communications plan.

The Company will establish a grievance mechanism to be aware of and respond to stakeholders' concerns and to facilitate a resolution for stakeholder grievances. The grievance mechanism will address concerns promptly and effectively, using an understandable and transparent process that is culturally appropriate and readily accessible to all segments of the affected parties, at no cost and without retribution.

Key definitions are as follows:

- **Complaint:** an expression of dissatisfaction that is related to an impact caused by a project activity, which has affected an individual or group. Adversely, the interests of an individual or group and the individual or group want a proponent (or contractor) to address and resolve it (e. g. problems related to dust deposition, noise or vibration, access constraints, etc.). A complaint is normally of a less serious nature than a grievance; and
- **Grievance:** a claim raised by an individual or group whose livelihood, health and safety, cultural norms and heritage are considered to have been adversely affected by a project activity which, if not addressed effectively, may pose a risk to Developer operations (through stakeholder actions such as access road blockages) and the livelihood, well-being or quality of life of the claimant(s).

9.1. Objectives

Participation in the grievance mechanism is voluntary, anonymous (where required) and free. The main principles on which the grievance mechanism is based are:

- **Proportionality:** a mechanism scaled to the potential risks and adverse impacts that the Project may impose on affected communities.
- **Cultural appropriateness:** a mechanism designed in a culturally appropriate manner.
- **Accessibility:** a clear and understandable mechanism that is accessible to all segments of the affected communities at no cost to them. Grievances may be received face-to-face, via telephone, email or post.
- **Transparency and accountability:** a mechanism that operates in a transparent way and that is accountable to all stakeholders.
- **Appropriate protection:** a mechanism that prevents retribution and does not impede access to other remedies, including public judicial or non-judicial mechanisms.

The grievance mechanism shall not impede access to the country's judicial or administrative remedies. An affected person can approach a court of law at any time and independent of the project level grievance redress process. Along with the EBRD requirements on development and approval of grievance mechanism by implementation of investment projects, grievance redress procedure in Albania is also regulated by the national legislation of Republic of Albania, in particular by the law "Nr. 119/2014 On Public Information rights". According to the "Nr. 119/2014 On Public Information rights", the application or complaint shall be considered within ten days from the date of receipt in the state authority. The

submission procedure for grievances and citizens' applications needs to be discussed during the public consultations in the project districts.

9.2. Process

The grievance mechanism for the Project takes into account the national legislation, as well as EBRD's requirements.

The Affected Party (APs) will have the right to file complaints and queries on any aspect of Project activity and land acquisition. The Company will be responsible for establishment of Grievance Mechanism (GM) and act as the GM secretary to make sure that the GM is operational to effectively handle environmental and social concerns of project affected persons. The proposing GM will be presented during the public consultations. The Company will ensure that grievances and complaints on any aspect or issues that may arise, are addressed in a timely and satisfactory manner.

All possible avenues are made available to the APs to resolve their grievances at the project level. Under the proposed project level grievance mechanism, affected households may appeal any decision, practice or activity connected with the resolution of a grievance. APs will be made aware of the procedures they can follow to seek redress, including, if necessary, resort to the courts. The project GM will be disseminated to APs through the consultation meetings, FGDs, and KIIs.

9.2.1. Grievance Mechanism Records and Documentation

The flow chart in the levels summarizes briefly how a grievance is processed:

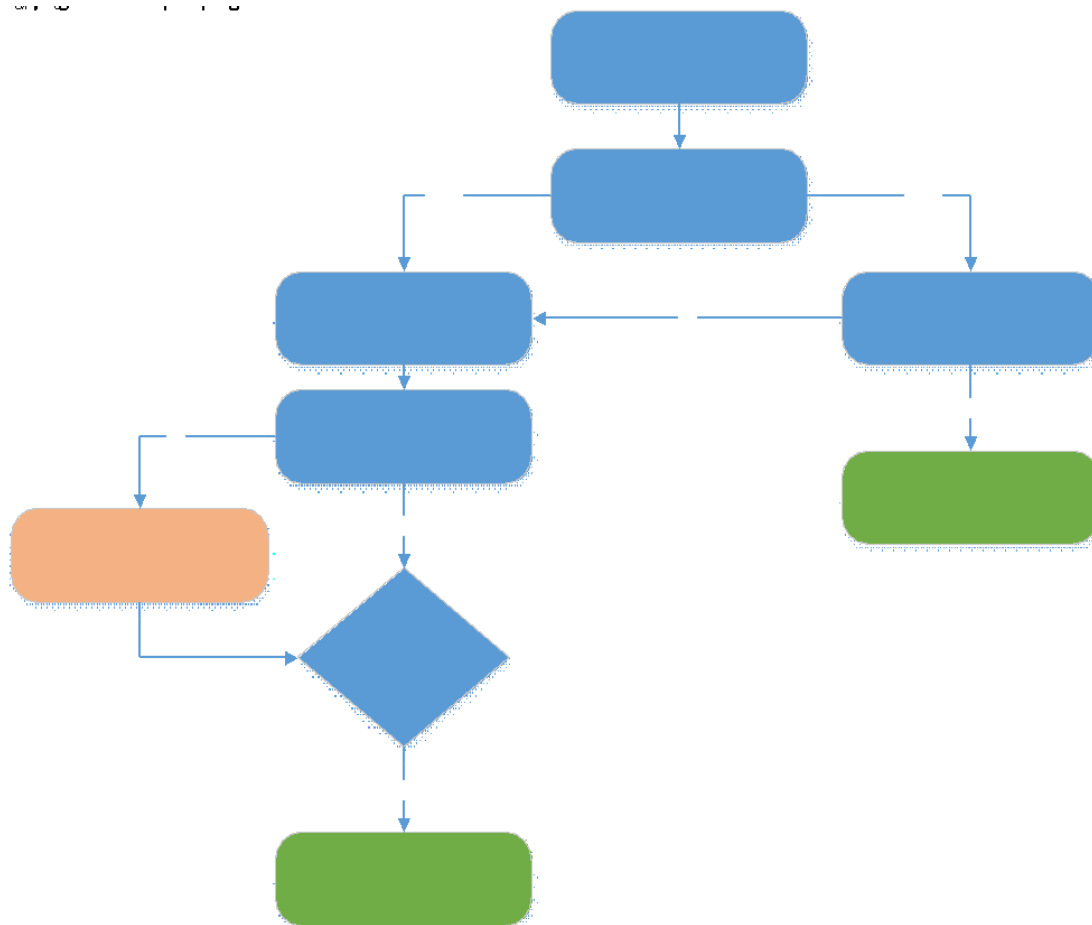


Figure 6 Steps of grievance and respective levels

- **Identify, receive and register grievance:** any person or stakeholder group may send comments, complaints and/or requests for information in person or via post, telephone or email using the

contact information provided on the Company website, as well at any poster/banner at the villages and settlements. The received grievance shall be registered in the database **within 7 working days**.

Direct contact information of the person responsible for grievance redress will also be available.

Grievances will be collected during the pre-construction phase (where most of the grievances are expected to be related to the project influence), during the implementation of any construction works under the investment programs, and also during operations. Grievance Register shall be in place and updated for every grievance registered by the Company. The Grievance Register will also serve as a historic track of different solutions of Company and construction contractors to different issues presented and the time frame for solution for each grievance;

- **Acknowledge:** the complainant is notified within a period of 7 days by the Company from the receipt of the grievance that their grievance has been received and assigned. They should also be provided with contact information of the person responsible for the resolution of their grievance and the estimated time for completion. If it is decided that a grievance is not valid or doesn't fall under the company's jurisdiction, the Grievance Manager is obliged to notify the complainant **within 7days** from receipt of the grievance, and where possible direct them to the responsible third parties;
- **Assess and categorize:** in the first instance grievances will be assessed by the Grievance Manager, who will consult other relevant sectors / employees in the process as necessary. They will decide who should deal with the grievance and determine whether additional support is necessary. The manager decides which grievances should be responded to internally and which fall outside of the impact of the project. If the grievance is to be dealt with internally the grievance manager formally delegates the further handling of the grievance to the relevant department / personnel / contractor for development of an appropriate response;
- **Resolution process:** a response is developed by the delegated team and CLO. The process of issuing grievance feedback, explaining time required for resolution and the required progress, if not yet resolved, shall be reported back to the stakeholder within 30 days.
- **Review the response:** Based on the understanding thus developed, the CLO, in consultation with the concerned departments, shall identify a suitable resolution to the issue. In case the issue is beyond the delegated powers of the CLO, it should be escalated to upper management (as appropriate). This resolution shall be accordingly communicated to the complainant within 30 working days of the escalation.
- **Review the response if unsuccessful:** As noted above, in some cases it may not be possible to reach agreement with the complainant on the proposed response. In this situation the Grievance management staff should review the situation with the complainant and see whether any modification of the response might meet the concerns of the complainant or should inform the latter about other alternatives that may be available. However, if the Complainant is not satisfied with the outcomes an additional external review will be considered and offered to the Complainant.
- **Communicate proposed resolution and Implement approach:** the proposed resolution should be confirmed with the complainant before implementation to minimize unnecessary/unwarranted actions. If they agree with the approach required actions are implemented to deal with the issue. Completion of actions is recorded in the grievance register. The response is signed off by the appropriate manager. This includes either a signature of the grievance register or confirmation in official correspondence (which will then be filed with the grievance to indicate agreement and referenced in the register); The process of communication of the proposed response should normally occur after 30 days of the receipt of the grievance (depending on type of grievance)
- **Follow-up and close out:** any further response from the complainant are recorded to help assess whether the grievance is closed or whether further action is required. The CLO will use appropriate communication channels to confirm whether the complainant has understood and is satisfied with the response. This communication should also be recorded in the grievance register. Finally, the CLO determines whether the grievance can be closed or whether further attention and action is required. Issue of grievance feedback when mitigation established within the assigned timeframe can be done in a period of 30/60 days (depending on the severity level of grievance)

To be in compliance with international requirements, the Company will implement a Third-Party Grievance Mechanism which is subject to recognized national regulatory and/or cultural requirements, specific types of community and public concerns.

9.3. Contact Details for the General Public

Contacting Person: Mr. Artan Mine, Community Liaison Officer

Phone Number: +355 6883 48987

Email: projectblue@blessedinvestment.com

Web: www.spvblue.com

10. Monitoring and Reporting Stakeholder Activities

It will be important to monitor and report on the on-going stakeholder engagement efforts to ensure that the desired outcomes are being achieved, and to maintain a comprehensive record of engagement activities and issues raised. This will be done through this SEP, where the following will be recorded through this plan:

- Updates to the stakeholder database
- Recording of all consultations held
- Updates to the grievance log.

The list of stakeholder groups to be consulted on an on-going basis will be continually revised and updated as additional stakeholders are identified and will include, but not be limited to the following:

- Regulatory authorities
- National, State and local government
- Local community leaders (head of villages and leaders of groups etc.)
- Community groups representatives.

Minutes of all engagement activities will be uploaded onto the stakeholder database so that they can be referred to by the project team for consideration if needed. The database will be interrogated on a regular basis by the social consulting team to identify any trends in grievances and corrective actions that are required. These trends will be provided to the core social team as well as the lead social specialist.

The effectiveness of the stakeholder engagement activities will be assessed to determine if the respective activities have achieved the purpose of ensuring a meaningful consultation of stakeholders and an informed participation.

Table 7 Engagement Tools

Reporting Material	Description	Purpose	Audience
Focus Group Interviews	Interviews which target specific audiences	Provide a forum for vulnerable members of society to be heard and allow open discussion of project impacts	Vulnerable groups, including women
Key Informant Interviews	Interview sheet which targets individuals	Provide qualitative information from an	Government and local

	who have knowledge of a specific subject or are informed members of the community	individual who has in-depth knowledge of a specific subject or topic area	employers, local leaders, healthcare professionals , NGO
Minutes of Meetings (MoM)	A reporting template	Provide a summary of the meeting discussions, comments and suggestions	National & Local level
Participants List	A reporting template	Provide the summary of the people participating in each meeting and is a topic for the final reporting	National & Local level meetings
Photos	A reporting factsheet	Proof of the action/consultation during the stakeholder engagement process	During all processes

Stakeholder engagement will be reported based on the data collection and analysis, disclosure of all the materials and proof-documentation of each meeting and survey outcomes as well. In conjunction with this, the stakeholder engagement tools will be used to record and analyse feedback received from stakeholders.

A final report on stakeholder engagement for the ESIA phase will be prepared based on the strict monitoring and progress information and data collection during the consultation. This report will be updated and subject to be updated in continuum during all the Project Cycle.

In terms of monitoring and reporting, additional tools will be used to record and maintain the stakeholder participation and engagement such as participants' lists, performance questionnaires, photo logbooks etc.

The SEP will be reviewed on an annual basis and updated to take into account the results of the review. The Company stakeholder manager will be responsible for facilitating this review incorporating any changes agreed. The SEP is going to be updated before beginning of the Project construction works, as needed, and during operation of the Blue Project. Each SEP update shall also include information about previous stakeholder engagement activities and a summary of the outcomes.

The results and further consultation shall be reflected in the future updates of the SEP as per the Project phases. This SEP identifies various activities in future project phases that require monitoring and reporting including the following:

- The updating of the SEP.
- Company CLO activities: minutes of consultation meetings will be produced, and all original written consultation correspondence will be retained as evidence of the process and outcomes.
- Grievance logging and tracking: each grievance will be logged by the CLO, given an identification number and followed through by recording details and timing for their resolution and closing out.
- Annual reporting: a Project specific annual report summarizing project performance, CLO activities including grievances and updates to the SEP will be produced.

Public domain documents will be distributed widely to stakeholders including regulatory agencies, NGOs, local authorities, and local communities.

As part of the ESIA, an Environmental and Social Management and Monitoring Plan will detail specific monitoring and reporting requirements for environmental and social project performance.

