

Environmental Management Plan

Project Number: 50146-003
June 2021

Armenia: ENA Investment Program Phase 2

Prepared by TETRA TECH for the Asian Development Bank.

The environmental management plan is a document of the borrower. The views expressed herein do not necessarily represent those of ADB's Board of Directors, Management, or staff, and may be preliminary in nature. Your attention is directed to the [“terms of use”](#) section of ADB's website.

In preparing any country program or strategy, financing any project, or by making any designation of or reference to a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

ENA - Modernization of Distribution Network
Stakeholder Engagement Plan
Phase 2: Final Report



**ELECTRIC NETWORKS
OF ARMENIA**

Prepared by



TETRA TECH

June 2021

TABLE OF CONTENTS

GLOSSARY	IV
1.0 INTRODUCTION	1
1.1 Preamble	1
1.2 Project Activities	1
1.3 Project Location	2
1.4 Stakeholder Engagement Plan Objectives	2
2.0 LEGAL REQUIREMENTS FOR DISCLOSURE	4
2.1 Armenian Requirements	4
2.2 Lenders' Requirements	4
2.2.1 EBRD	4
2.2.2 ADB	5
2.2.3 IFC	5
2.3 Aarhus Convention	5
3.0 STAKEHOLDER IDENTIFICATION AND ANALYSIS	6
3.1 Project Stakeholders	6
3.2 Stakeholder Categorization	6
3.3 Identified Stakeholders	7
4.0 STAKEHOLDER ENGAGEMENT PROGRAM	8
4.1 Main Principles	8
4.2 Stakeholder Engagement	8
4.2.1 Projects Requiring EIA	8
4.2.2 Projects Requiring land acquisition and resettlement	9
4.2.3 Community Engagement	10
4.2.4 ENA Staff	10
4.2.5 ENA Sub-contractors	10
4.2.6 NGOs	10
4.3 Engagement Summary	10
5.0 RESPONSIBILITIES FOR IMPLEMENTING STAKEHOLDER ENGAGEMENT ACTIVITIES	13
5.1 SEP Management Procedure and Responsibilities	13
5.2 Monitoring and Reporting	13
6.0 GRIEVANCE MECHANISM	14
6.1 Definitions of the GRM	14

6.2 GRM Scope and USE 14

6.3 GRM Overview and Structure, Communication and Process 14

6.4 Anonymous complaints 15

6.5 Confidentiality and Conflict of Interest 15

6.6 Reporting 15

6.7 Further Actions 15

6.8 Lenders Grievance Mechanism 16

7.0 MONITORING AND REPORTING 17

LIST OF TABLES

Table 1. Phase 2 Investment Projects (millions of AMD)1

Table 2. Phase 2 Investment Projects (millions of USD).....2

Table 3. Stakeholder Groups Identified7

Table 4. Summary of Planned Stakeholder Engagement 11

Table 5. Independent Accountability Mechanisms 16

APPENDICES

APPENDIX A: GRIEVANCE FORM0

APPENDIX B: GRIEVANCE/INQUIRY RECORD1

ACRONYMS/ABBREVIATIONS

Acronyms/Abbreviations	Definition
ADB	Asian Development Bank
CSR	Corporate social responsibility
EBRD	European Bank of Reconstruction and Development
ENA	Energy Networks of Armenia
EIA	Environmental Impact Assessment
ESDD	Environmental and Social Due Diligence
ESAP	Environmental and Social Action Plan
EU	European Union
GRM	Grievance Redress Mechanism
IAM	Independent Accountability Mechanism
IFC	International Finance Corporation
IP	Investment Program
LAR	Land Acquisition and Resettlement
LMP	Labor Management Procedures
NGO	Non-governmental Organization
NTS	Non-technical Summary
PR	Performance Requirement
PS	Performance Standard
PSRC	Public Services Regulatory Commission
RAP	Resettlement Action Plan
SEP	Stakeholder Engagement Plan
UNECE	United Nations Economic Commission for Europe

GLOSSARY

Affected Communities - Refers to groups of people living near a project that could potentially be impacted by a project (“Stakeholders,” in contrast, refers to the broader group of people and organizations with an interest in the project).

Consultation - The process of gathering information or advice from stakeholders and taking these views into account when making project decisions and/or setting targets and defining strategies.

Dialogue - An exchange of views and opinions to explore different perspectives, needs and alternatives, with a view to fostering mutual understanding, trust and cooperation on a strategy or initiative.

Engagement - A process in which a company builds and maintains constructive and sustainable relationships with stakeholders impacted over the life of a project. This is part of a broader “stakeholder engagement” strategy, which also encompasses governments, civil society, employees, suppliers, and others with an interest in the project.

Environmental and Social Impact Assessment - An assessment comprising various social and environmental studies which aim to identify project impacts and design appropriate mitigation measures to manage negative impacts, and to enhance positive ones.

Non-governmental Organizations - Private organizations, often not-for-profit, that facilitate community development, local capacity building, advocacy, and environmental protection.

Partnership - In the context of engagement, partnerships are defined as collaboration between people and organizations to achieve a common goal and often share resources and competencies, risks, and benefits.

Stakeholders - Persons or groups who are directly or indirectly affected by a project, as well as those who may have interests in a project and/or the ability to influence its outcome, either positively or negatively (IFC’s Handbook on Stakeholder Engagement (2007)); workers, local communities directly affected by the project and other stakeholders not directly affected by the project but that have an interest in it, e.g. local authorities, neighboring projects, and/or nongovernmental organizations, etc.

Stakeholder Engagement Plan - A plan that assists investors with effectively engaging with stakeholders throughout the life of the project and specifying activities that will be implemented to manage or enhance engagement.

1.0 INTRODUCTION

1.1 PREAMBLE

This document is a Stakeholder Engagement Plan (SEP) for the Electricity Network of Armenia (ENA), identifying relevant stakeholders and defining communication channels and programs for ENA operations. It outlines the general approach to stakeholder engagement and public consultation. The SEP is a living document so it will be reviewed periodically during project implementation and updated as necessary in line with new activities or changes in ENA operations.

1.2 PROJECT ACTIVITIES

The European Bank for Reconstruction and Development (EBRD), International Financial Corporation (IFC) and Asian Development Bank (ADB) (jointly referred to as the “Lenders”) in 2017-2020 provided loans to the Electricity Network of Armenia company (ENA) to finance its 2017-2021 capital expenditures (referred to in this report as ‘Phase 1’), which form part of the ten-year (2017-2027) Investment Program (IP) approved by the regulator. ENA owns and operates all distribution networks of up to 110 kV and distributes electricity to all end customers in Armenia.

Following the Phase 1 investment program, ENA expanded the original IP to cover additional investments during the 2020-2022 period for continued modernization of the distribution network (Phase 2). In December 2020, IFC provided a \$60 million loan to ENA to partially finance Phase 2 investments between 2020 and 2021. Phase 2 is expected to be complemented by loans from ADB and EBRD to finance the completion of Phase 2 IP in 2021-22. (The 2020-2022 investment program is referred to as the “project.”)

Phase 2 expands the scope of the Phase 1 project and includes the following components which are the same as Phase 1:

- Reconstruction and modernization of existing substations and lines and replacement of outdated equipment (per Item 1-1 and 2-1 in Tables 1 and 2);
- Expansion of the automated electricity metering system (reading/billing) (per Item 5-1 in Tables 1 and 2);
- Expansion of the network and new connections (per Item 3-1 in Tables 1 and 2); and
- Installation of an automatic control system and other auxiliary investments (per item 6-1 in Tables 1 and 2).

Table 1. Phase 2 Investment Projects (millions of AMD)

No.	PROJECTS	ACTUAL (Million AMD)					PROJECTED (Million AMD)							TOTAL
		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	
1-1	Improvement and replacement of equipment in 6/10/0.4 kV networks	1,485.6	3,839.3	3,311.1	5,843.3	6,569.7	9,036.4	14,189.9	12,127.6	12,080.4	14,262.7	15,727.0	5,720.4	104,193
2-1	Rehabilitation and improvement of electric power transmission lines in 35 - 0.4 kV networks	1,308.5	2,443.3	3,142.7	7,852.9	5,958.3	8,460.8	9,769.3	8,904.4	9,173.6	8,215.3	12,289.5	4,429.2	81,948
3-1	Expansion of the network and works on new subscribers connection	4,311.8	4,014.2	4,795.7	6,519.2	11,043.8	9,305.7	3,848.4	3,478.5	3,478.5	3,478.5	3,478.5	3,478.5	61,231
4-1	Other emergency and rehabilitation works and reconstruction operations of non-routine character	751.3	1,314.0	1,031.6	602.7	687.9	509.0	308.4	308.4	308.4	308.4	308.4	308.4	6,747
5-1	Installation of Electric Power Automated Recording System in 0.4 kV voltage networks	1,535.0	9,781.3	9,322.8	12,665.8	14,442.9	15,000.0	5,627.9	5,664.2	5,277.9	4,490.0	-	-	83,808
6-1	Installation of automated recording and registration systems and implementation of international operational standards and other investments	2,610.0	1,823.1	932.0	636.2	502.4	983.1	256.1	373.0	348.2	353.1	304.6	299.5	9,421
	TOTAL	12,002	23,215	22,536	34,120	39,205	43,295	34,000	30,856	30,667	31,108	32,108	14,236	347,348

Table 2. Phase 2 Investment Projects (millions of USD)

		Exchange Rate AMD to USD												
		483.94	482.71	483.02	480.41	489.2	520.69	520.69	520.69	520.69	520.69	520.69	520.69	
No.	PROJECTS	ACTUAL (Million USD)					PROJECTED (Million USD)							TOTAL
		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	
1-1	Improvement and replacement of equipment in 6(10)/0.4 kV networks	3.1	8.0	6.9	12.2	13.4	17.4	27.3	23.3	23.2	27.4	30.2	11.0	203.2
2-1	Rehabilitation and improvement of electric power transmission lines in 35 - 0.4 kV networks	2.7	5.1	6.5	16.3	12.2	16.2	18.8	17.1	17.6	15.8	23.6	8.5	160.4
3-1	Expansion of the network and works on new subscribers connection	8.9	8.3	9.9	13.6	22.6	17.9	7.4	6.7	6.7	6.7	6.7	6.7	122.0
4-1	Other emergency and rehabilitation works and reconstruction operations of non-routine character	1.6	2.7	2.1	1.3	1.4	1.0	0.6	0.6	0.6	0.6	0.6	0.6	13.6
5-1	Installation of Electric Power Automated Recording System in 0.4 kV voltage networks	3.2	20.3	19.3	26.4	29.5	28.8	10.8	10.9	10.1	8.6	0.0	0.0	167.9
6-1	Installation of automated recording and registration systems and implementation of international operational standards and other investments	5.4	3.8	1.9	1.3	1.0	1.9	0.5	0.7	0.7	0.7	0.6	0.6	19.1
TOTAL		24.8	48.1	46.7	71.0	80.1	83.1	65.3	59.3	58.9	59.7	61.7	27.3	686.1

The main objectives of this program are to improve the network reliability, operational efficiency, and quality of service and reduce technical and commercial losses. It is expected also that the network modernization will improve significantly (and in a traceable/measurable manner) the capabilities of the system to absorb more renewable energy projects, especially small/medium size PV solar and wind-powered projects. The investment program has passed all the necessary public hearings and has been approved by the Public Services Regulatory Commission (“PSRC”) in its current form and substance.

1.3 PROJECT LOCATION

As with Phase I, project activities are spread across the country. ENA has only been able to share a limited number of Phase 2 work sites with the Consultant, and these sites relate to distribution lines and substations proposed for upgrading, i.e., activities 1-1, 2-1 and 5-1 in the table above.

1.4 STAKEHOLDER ENGAGEMENT PLAN OBJECTIVES

The goal of this SEP is to build long-term relationships between ENA and the local communities; to improve and facilitate decision-making that involves project stakeholders (including project-affected people and communities) and other interested public in a timely manner; and to ensure that these groups are provided with sufficient opportunity to voice their opinions and concerns over environmental and social impacts of the ENA operations.

The SEP defines the methods, procedures, policies, and activities that will be implemented by ENA to inform stakeholders about the nature and potential impacts of their work.

The SEP contains a stakeholder identification table that specifies the most appropriate communication channels and strategies, information disclosure requirements, and grievance processes adopted by ENA.

The SEP outlines

- Planned project activities;
- Legal requirements for disclosure at both the national and international level;
- Process of identification and assessment of affected parties (including vulnerable and disadvantaged groups) and other interested stakeholders, as well as appropriate methods and tools to engage them;
- Identified stakeholders;
- Documents that will be disclosed and disclosure timelines;

- A grievance mechanism that allows stakeholders and the public to bring any project concerns to the attention of ENA and provide appropriate resolution processes; and
- A process for documenting the consultation and information disclosure activities, stakeholder tracking, and records management.

2.0 LEGAL REQUIREMENTS FOR DISCLOSURE

2.1 ARMENIAN REQUIREMENTS

The Law on Environmental Assessment and Expertise of 2014 sets out the public disclosure requirements for all projects that are required to carry out a full environmental impact assessment (EIA). The Ministry of Nature Protection and the public are notified of the project through the disclosure of a non-technical summary, and the first round of public hearings is held after the EIA report is submitted to the Ministry of Nature Protection and the Ministry undertakes its review. For a Category A project, the Ministry has 60 days to review, and for a Category B project, they have 40 days. Two public consultation meetings are required at this stage. The Ministry may extend the review deadline for up to 30 days after which it issues a positive or negative conclusion based on the expert review.

Legislation of the Republic of Armenia does include specific provisions for stakeholder engagement for land acquisition and resettlement; thus, the lender's requirements will be followed.

2.2 LENDERS' REQUIREMENTS

The project is required to comply with all lenders' requirements.

2.2.1 EBRD

EBRD has adopted a comprehensive set of specific performance requirements (PRs) that projects are expected to meet. EBRD's PR 10: Information Disclosure and Stakeholder Engagement recognizes the importance of an open and transparent engagement between the client, its workers, local communities directly affected by the project, and other stakeholders as an essential element of good international practice and corporate citizenship. Stakeholder engagement involves stakeholder identification and analysis, stakeholder engagement planning, disclosure of information, consultation and participation, a grievance mechanism, and ongoing reporting to relevant stakeholders.

In summary, the following system of stakeholder engagement is applicable to the project:

- Identification of project stakeholder groups. Identification of stakeholders, including members of the public who could be affected by the project construction and operation.
- Stakeholder engagement process and information disclosure. During this stage, it is necessary to ensure that identified stakeholders are appropriately engaged on environmental and social issues that could potentially affect them through a process of information disclosure and meaningful consultation.
- Meaningful consultation. The consultation process will be based on the disclosure of information relevant to the project activities and operations. The consultation process will be undertaken in a manner that is inclusive and culturally appropriate for all stakeholders.
- Grievance mechanism. Maintaining a grievance process by which the general public and other stakeholders can raise concerns that will be handled in a prompt and consistent manner.

Under PR 10, EBRD requires that stakeholder engagement is an ongoing process involving:

- Public disclosure of appropriate information to enable meaningful consultation with stakeholders;
- Meaningful consultation with potentially affected parties; and
- A procedure or policy by which people can make comments or complaints (grievance mechanism).

With respect to land acquisition and resettlement, PR 5, EBRD requires that resettlement activities shall be implemented with appropriate disclosure of information, consultation, and the informed participation of affected persons. From the earliest stages and through all resettlement activities, the affected men and women, including host communities, shall be involved in consultations.

EBRD's Public Information Policy-PIP (2014)

EBRD's PIP sets out how EBRD discloses information and consults with its stakeholders to promote better awareness and understanding of its strategies, policies, and operations. The project documentation will be provided for the public on the EBRD website in accordance with this Policy.

2.2.2 ADB

The ADB's Public Communications Policy sets out similar guidelines on disclosing information to the public, providing project data sheets to the public, and making documents available to vulnerable groups through various communications channels and in local languages to ensure that equal access to information is given to all stakeholders.

2.2.3 IFC

IFC Performance Standard 1 (PS1) states that clients should identify the range of stakeholders that may be interested in their actions and consider how external communications might facilitate a dialog with all stakeholders.

IFC also requires the development and implementation of a Stakeholder Engagement Plan that is scaled to the project risks and impacts and development stage and tailored to the characteristics and interests of the affected communities. Where applicable, the Stakeholder Engagement Plan will include differentiated measures to allow the effective participation of those identified as disadvantaged or vulnerable.

IFC require that the client will provide affected communities 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, the client will undertake a process of consultation 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. The extent and degree of engagement required by the consultation process should be commensurate with the project's risks and adverse impacts and with the concerns raised by the affected communities.

2.3 AARHUS CONVENTION

The Convention on Access to Information, Public Participation in Decision-making, and Access to Justice in Environmental Matters (the Aarhus Convention) was adopted by the United Nations Economic Commission for Europe (UNECE) in 1998. The Aarhus Convention is comprised of three pillars:

1. Access to information – public authorities must release environmental information to the public if it is requested and do so in a timely manner (within one month unless an extension for another month is granted). Other stipulations include regular reporting on the state of the environment and maintaining electronic databases where environmental information is accessible by the public.
2. Public participation – minimum requirements for public participation and participation of relevant public authorities are specified for a variety of project categories. Requirements are similar to those of EIAs that follow European Union legislation.
3. Access to justice – the public has the right to review procedures before a court of law if they have not been granted satisfactory access to information requested. Appealing a decision on a project is also allowed under the Convention.

3.0 STAKEHOLDER IDENTIFICATION AND ANALYSIS

3.1 PROJECT STAKEHOLDERS

Project stakeholders are “people who have a role in the Project, or could be affected by the Project, or who are interested in the Project.” Project stakeholders can be grouped into primary stakeholders who are “...individuals, groups or local communities that may be affected by the Project, positively or negatively, and directly or indirectly... [especially] those who are directly affected, including those who are disadvantaged or vulnerable” and secondary “broader stakeholders who may be able to influence the outcome of the Project because of their knowledge about the affected communities or political influence over them.”

Thus, project stakeholders are defined as individuals, groups, or other entities who:

1. Are affected or likely to be affected directly or indirectly, positively or adversely, by the project (also known as “affected parties”); and
2. May have an interest in the project (“interested parties”). They include individuals or groups whose interests may be affected by the project and who have the potential to influence the project outcomes in any way.

Cooperation and negotiation with the stakeholders throughout project development often also require the identification of persons within the groups who act as legitimate representatives of their respective stakeholder group, i.e., the individuals who have been entrusted by their fellow group members with advocating for the groups’ interests in the process of engagement with the project.

Community representatives may provide helpful insight into the local settings and act as main conduits for dissemination of the project-related information and as a primary communication/liaison link between the project and targeted communities and their established networks. The legitimacy of such representatives may stem from both their official elected status and their informal and widely supported standing within the community that allows them to act as focal points of contact in the project’s interaction with its stakeholders. Examples of legitimate stakeholder representatives include and are not limited to:

- elected officials of regional, local, and village councils and self-governance bodies;
- leaders of informal or traditional community institutions;
- non-elected leaders that have wide recognition within their community;
- leaders of community-based organizations, local NGOs and women’s groups;
- elders and veterans within the affected community;
- religious leaders; and
- teachers and other respected persons in the local communities, etc.

Verification of stakeholder representatives (i.e. the process of confirming that they are legitimate and genuine advocates of the community they represent) remains an important task in establishing contact with the community stakeholders. Legitimacy of the community representatives can be verified by talking informally to a random sample of community members and heeding their views on who can represent their interests in the most effective way.

3.2 STAKEHOLDER CATEGORIZATION

For the purposes of effective and tailored engagement, stakeholders can be divided into the following core categories:

- Affected parties – persons, groups, and other entities that are directly influenced (actually or potentially) by the project and/or have been identified as most susceptible to change associated with the project, and who need to be closely engaged in identifying impacts and their significance, as well as in decision-making on mitigation and management measures; and

- Vulnerable groups – persons who may be disproportionately affected or further disadvantaged by the project(s) as compared with any other groups due to their vulnerable status and that may require special engagement efforts to ensure their equal representation in the consultation and decision-making process associated with the project(s). At this stage of the project, no vulnerable groups have been identified.

Engagement with all identified stakeholders will help ensure the greatest possible contribution from the stakeholder parties toward the successful implementation of the project(s) and will enable the project(s) to draw on their pre-existing expertise, networks, and agendas. It will also facilitate both the community and institutional endorsement of the project(s) by various parties. Access to local knowledge and experience also becomes possible through the active involvement of stakeholders.

3.3 IDENTIFIED STAKEHOLDERS

To effectively implement this Stakeholder Engagement Plan, the stakeholders have been identified in the table below. Stakeholders include local and national government, project-affected communities, ENA employees, and sub-contractors working for ENA on project activities. As the project spans most of Armenia, a full list of project-affected communities (and any vulnerable groups) is unavailable at this time; however, as the project progresses, each community affected by the project should be notified of the project’s plans and activities per the guidelines outlined in this Stakeholder Engagement Plan.

Table 3. Stakeholder Groups Identified

Stakeholder Group	Interest/Cause in Engagement
International Level	
Environmental and societal NGOs,	Scientific understanding of the range or problems associated with the project(s).
National and Regional Level	
Government Ministries and Administration	Legislative and executive authorities. Functions of EIA approval.
NGOs	Represents the interests of different interested parties and vulnerable groups
ENA employees and Project’s sub-contractors	Technical understanding of the range or problems associated with the proposed project(s) including health and safety issues.
Local Level	
Local land users and other local population	Potential vulnerable groups, affected persons and communities, and other interested parties living in the close vicinity to project works.

4.0 STAKEHOLDER ENGAGEMENT PROGRAM

4.1 MAIN PRINCIPLES

To meet best practice approaches, ENA will apply the following principles for stakeholder engagement:

- **Openness and life-cycle approach:** public consultations for the project(s) will be arranged during the whole lifecycle, carried out in an open manner, free of external manipulation, interference, coercion or intimidation;
- **Informed participation and feedback:** information will be provided to and widely distributed among all stakeholders in an appropriate format; opportunities are provided for communicating stakeholders' feedback, for analyzing and addressing comments and concerns; and
- **Inclusiveness and sensitivity:** stakeholder identification is undertaken to support better communications and build effective relationships. The participation process for the projects(s) is inclusive. All stakeholders at all times encouraged to be involved in the consultation process. Equal access to information is provided to all stakeholders. Sensitivity to stakeholders' needs is the key principle underlying the selection of engagement methods. Special attention is given to vulnerable groups, in particular women, youth, elderly including diverse ethnic groups.

4.2 STAKEHOLDER ENGAGEMENT

4.2.1 Projects Requiring EIA

As none of the works planned by ENA under this investment plan are anticipated to require an EIA, it is not expected that EIA-related stakeholder engagement will take place. If a full EIA is required according to the stipulations set out in the Armenian Law on Environmental Impact Assessments (2014) and in accordance with international best practice full stakeholder engagement will be required according to this plan and in accordance with the Armenian law as follows.

According to Armenian legislation, stakeholders and the public are required to be notified of public consultations 10 days before the consultation takes place. To give ample notice to all affected stakeholders, this time will be increased to 30 days. After the consultation takes place, stakeholders and the public have two days to submit any additional comments or concerns to ENA through the established communication channels that are detailed in the public announcement. All documents will be disclosed on ENA's website (www.ena.am) and the Ministry of Nature Protection's website (www.mnp.am) and accessible by the general public at the time the consultation is announced. Documents will be produced in both English and the local language (Armenian).

All Public consultations will be coordinated through ENA's Public Relations (PR) Department with local authorities in any communities affected by project activities. If an EIA were to be required, affected populations will include end-users of electricity provided by ENA, people living on or near land that has transmission lines, distribution lines, substations, or branch offices. Announcements of the consultations will be published in the national newspaper "Republic of Armenia" and in local papers in affected communities. Vulnerable groups will be identified through consultations with local authorities in affected communities carried out by the Environment manager when they are submitting the NTS to the local authority representing the affected community. If any vulnerable populations are identified that may not have regular access to newspapers, circulars will be mailed to the local population and/or delivered to homes/settlements that do not receive regular mail service, and announcements will be posted in public places such as town halls, schools, and parks. Local authorities will be briefed on the consultation process so that they may communicate the details of the consultations directly to the affected communities. The announcements will include the date, location, project scope, location to access relevant documents, and contact information of ENA. State and national authorities will also be notified of the consultations.

ENA's PR department consists of five employees in the public outreach department, two of whom are responsible for the consultation and grievance processes. The PR Department will be responsible for ensuring that all consultations and disclosure activities follow this Stakeholder Engagement Plan. The PR Department will also be responsible for holding the public consultations and maintaining records of each meeting including meeting minutes and video recording of the public consultation. Annually the PR Department will compile the information from all consultations and report to EBRD and ADB on all the consultations held during the year. In the case of tariff changes, the Public Services Regulatory Commission is responsible for disclosing all documents related to tariff changes, while ENA is still responsible for the public consultation process.

The steps in the consultation process for an EIA are:

1. PR department and Environmental Expert meet with local and national authorities to discuss project and identify any vulnerable populations
2. Non-technical summary of the project is submitted to the Ministry of Nature Protection and the head of the local authority in the affected community(ies)
3. Relevant documents are published on ENA's website (www.ena.am) and the Ministry of Nature Protection's website (www.mnp.am)
4. Announcement of public consultation is published on community announcement boards in central places like community plazas, parks, schools, etc.
 - a. If vulnerable groups were previously identified, extra steps here may include mailing circulars announcing the consultation, radio/TV announcements of the consultation, etc.

The above outlined steps correspond to the four public hearings that are required during the EIA process as stated in the Armenian legislation:

- First Hearing – before submission of preliminary application (Category A, B, C)
- Second Hearing – during preliminary examination (Category A, B, C);
- Third Hearing – After the ESIA has been conducted by the Implementer but before it is submitted to the MNP (Category A, B); and
- Fourth Hearing – The last phase of the examination procedure (Category A, B).

4.2.2 Projects Requiring land acquisition and resettlement

As none of the works planned by ENA under this investment plan are anticipated to require land acquisition and resettlement (LAR), it is not expected that LAR-related stakeholder engagement will take place. If any LAR impacts are uncovered, and preparation and implementation of Resettlement Action Plan (RAP) is deemed necessary, the consultations shall be carried out from the earliest stages and through all resettlement activities. Affected men and women, including host communities shall be involved in consultation. This will facilitate their early and informed participation in decision-making processes related to resettlement.

The ENA will take into account any individuals or groups that may be disadvantaged or vulnerable. In particular, the ENA will take necessary actions to ensure that vulnerable groups are not disadvantaged in the resettlement process, are fully informed and aware of their rights, and are able to benefit equally from the resettlement opportunities and benefits.

The ENA shall consult with the affected persons in preparing the RAP and shall summarize the information contained in the RAP for public disclosure to ensure that affected people understand the compensation procedures and know what to expect at the various stages of the project (for example, when an offer will be made to them, how long they will have to respond, grievance procedures, and legal procedures to be followed if negotiations fail).

In addition, where a project involves the loss of public amenities, the client shall undertake meaningful consultation, in accordance with PR 10, with the locally affected community to identify and, where possible, agree upon a suitable alternative.

4.2.3 Community Engagement

4.2.3.1 Phase 2 Rehabilitation Works

Given the nature of project works, small-scale localized interventions, it is unlikely that the local community will be significantly affected.

It is possible that short-term noise and air quality impacts could occur along with some minor traffic disruptions. All works will take place either on ENA-owned property or government owned land, as such no land acquisition is anticipated. However, as noted in Phase 1, project works may result in some short periods of electricity disconnection for some households.

Prior to the commencement of any project involving sites bordering residential areas, ENA will provide notice to all neighboring properties of the works 24 hours in advance. The notice shall include a description of the activity and its location and the schedule of works. The notice will also include any safety-related information. The notice will also state if any disconnections will occur and for how long. The notice will also include the Grievance Form included as Annex A and ENA contact details.

Further, this SEP, along with the Project Environmental and Social Compliance Audit (ESCA), Environmental and Social Actions Plan (ESAP), and a Non-technical Summary (NTS), will be disclosed on the lenders' websites and ENA website.

4.2.3.2 Operational Activities

During the operational phase of the Project, ENA shall be responsible for routine community engagement relating to site safety. ENA are in the process of developing a community awareness campaign relating to electrical safety and this will be rolled out during Phase 2 through a range of media.

In addition, during the operational phase the local community will be able to engage with ENA regarding any complaints, through the grievance redress mechanism (GRM) which is included in this SEP below.

4.2.4 ENA Staff

ENA staff are involved during Phase 2 rehabilitation works as well as day to day ENA works. ENA staff will be provided with copies of the Phase 2 NTS to ensure that they are aware of all the project requirements and commitments, including those relating to occupational health and safety and the workers GRM.

4.2.5 ENA Sub-contractors

Sub-contractors will be provided with copies of the Phase 2 NTS to ensure that they are aware of all the project requirements and commitments, including those relating to occupational health and safety.

4.2.6 NGOs

Key NGOs pertaining to biodiversity conservation in Armenia include WWF-Armenia who should be consulted regularly regarding bird safety mitigation measures. Further, IUCN regional species representatives should also be consulted on an-hoc basis as required dependent on relevant bird species identified during ENA screening.

If any LAR impacts are uncovered and RAP is prepared, during its implementation NGOs may be involved as mediators during the grievance redress and monitoring process.

4.3 ENGAGEMENT SUMMARY

Stakeholder engagement activities will need to provide stakeholder groups with relevant information and opportunities to voice their views on topics that matter to them. Table 5 presents the stakeholder engagement

Stakeholder Engagement Plan – Phase 2

activities ENA will undertake. The activity types and their frequency are adapted to the two project stages: Phase 2 rehabilitation and upgrading works, and operation and maintenance.

Table 4. Summary of Planned Stakeholder Engagement

Target Stakeholders	Topics of Engagement	Methods Used	Location/Frequency	Responsibilities
International NGOs	Birds safety	Meetings with NGOs to discuss ENAs bird management strategy	Annually	ENA Environmental Expert
National NGOs	Birds safety	Meetings with NGOs to discuss ENAs bird management strategy	Ad-hoc as required, dependent on bird species identified	ENA Environmental Expert
Government Ministries and Administration	EIA	Per the requirements of the EIA regulations	Per the requirements of the EIA regulations	ENA Environmental Expert
	LAR (for state and community land)	Per the requirements of the LAR legislation and RF / RAP provisions	Per requirements of the LAR legislation	ENA Social Expert
ENA Employees	Phase 2 Works (details of works, training, employment and social policies, safety, grievance redress, etc.)	Meetings with staff and communication of the NTS (written, or verbally)	Annually	OHS Department ENA Environmental Expert
	Operational Activities (details of maintenance works, training, employment and social policies, safety, grievance redress, etc.)	Per the requirements of national legislation, IFI policies, ENA policies and procedures	Per the requirements of national legislation, IFI policies, ENA policies and procedures	HR Department, PR Department, OHS Department
ENA Sub-contractors	Phase 2 Works (details of policy requirements applicable for contractors)	Distribution of NTS to all sub-contractors	Annually	Contracts Department
	Operational Activities (details of policy requirements)	Per the requirements of national legislation,	Per the requirements of national legislation, IFI	Contracts Department

Stakeholder Engagement Plan – Phase 2

	applicable for contractors)	IFI policies, ENA policies and procedures	policies, ENA policies and procedures	
Local Community	EIA (Non-technical summary, ENA's website, Community meetings & consultations)	Per the requirements of the EIA regulations	Per the requirements of the EIA regulations	ENA PR Department, Environmental Expert, Social Expert, Safety Department
	Land acquisition and resettlement (Information brochure, census/SES questionnaires and process, entitlement matrix, RAP summary)	Per the requirements of the LAR legislation and RF / RAP provisions and IFI policies	Per the requirements of the LAR legislation and RF / RAP provisions and IFI policies	ENA Social Expert, PR Department
	Phase 2 Works (land use, incidents during construction, construction traffic, engagement during works, environmental impacts, grievance redress, emergency preparedness, etc.)	Notices of works to all neighboring properties, leaflets, emails. Disclosure of ESCA, ESAP and NTS	Once, 24 hours prior to the start of a work activity Lenders and ENA website	ENA PR Department, OHS Department, Environmental Expert, Social Expert
	Operational Activities (land use, incidents during operation, environmental impacts, grievance redress, emergency preparedness, etc.)	Mass Media, including web-based applications GRM	Periodic safety campaigns (at least every six months) at targeted locations.	ENA PR Department, OHS Department, Environmental Expert, Social Expert

5.0 RESPONSIBILITIES FOR IMPLEMENTING STAKEHOLDER ENGAGEMENT ACTIVITIES

5.1 SEP MANAGEMENT PROCEDURE AND RESPONSIBILITIES

ENA will retain the overall responsibility for management and implantation of this SEP. ENA shall appoint a member of staff to coordinate, document, track (via the Grievance / Inquiry Form in Annex B) and manage all SEP activities, and it is recommended that this role falls under the Social Specialist (a new position required as part of the Phase 2 ESCA).

The Social Specialist will report monthly on all aspects of the project (including the SEP and GRM) directly to ENA senior management.

5.2 MONITORING AND REPORTING

The SEP will be periodically revised and updated as necessary during the project implementation to ensure that the information presented herein is consistent and is the most recent, and that the identified methods of engagement remain appropriate and effective in relation to the project context and specific phases of the development. Any major changes to the project-related activities and to its schedule will be duly reflected in the SEP.

Information on public engagement activities undertaken by the project during the year will be conveyed to the stakeholders via the ENA website. Specifically, it will provide a summary of all stakeholder engagement activities undertaken during the year, including details of the location, number of participants and key points raised during the meetings along with ENAs recommended measures to resolve any problematic issues raised.

The monitoring and reporting mechanisms for grievances is outlined in the section below.

6.0 GRIEVANCE MECHANISM

6.1 DEFINITIONS OF THE GRM

Transparency and accountability are core elements of the project. For this purpose, the project will include a GRM. The goal of the GRM is to strengthen accountability to beneficiaries and to provide channels for project stakeholders to provide feedback and/or express grievances related to project supported activities. The GRM is a mechanism that allows for the identification and resolution of issues affecting the project. By increasing transparency and accountability, the GRM aims to reduce the risk of the project inadvertently affecting citizens/beneficiaries and serves as an important feedback and learning mechanism that can help improve project impact. The mechanism focuses not only on receiving and recording complaints but also on resolving them. While feedback should be handled at the level closest to the complaint, all complaints should be registered and follow the basic procedures set out in this chapter.

6.2 GRM SCOPE AND USE

Scope - Grievance Redress Mechanism will be available for project stakeholders and other interested parties to submit questions, comments, suggestions and/or complaints, or provide any form of feedback on all project-funded activities.

GRM's users - Project beneficiaries, project affected people (i.e. those who will be and/or are likely to be directly or indirectly affected, positively or negatively, by the project), as well as the broader citizenry can use the GRM for the above purposes (see Scope).

GRM's management - The GRM is managed by ENA.

Submission of complaints - Complaints can be expressed at any time throughout project implementation.

6.3 GRM OVERVIEW AND STRUCTURE, COMMUNICATION AND PROCESS

A grievance mechanism serves to provide all stakeholders and the public with a tool to share their concerns with ENA and the relevant regulatory authorities. Grievance redress will be carried out in accordance with the provisions of the ENA's Grievance Mechanism Procedure.

The Public Grievance Reception Form provided in Annex A will be made available on ENA's website in both English and Armenian with instructions on submitting the form to ENA.

Any interested party can submit grievances through several methods, including:

- In Person:
 - To Public Relations Representative for external grievances.
 - To IMS Department for internal grievances.
 - To ENA CJSC General Manager during citizens reception, which is hold every Saturday from 11:00 to 14:00.
 - To state official bodies mainly Public Services Regulatory Committee (PSRC) and Ministry of Nature Protection.
 - To grievance box
- Electronic:
 - By website: <http://ena.am/Contact.aspx?hid=45&lang=2> (External)
 - By social media: <https://www.facebook.com/ZaoElektriceskieSetiArmenii> and <https://www.linkedin.com/company-beta/3025886/> (External)
 - By e-mail: ims@ena.am (Internal)

- By phone:
 - PR responsible 010-59-12-27
 - Helpline (+374 10) 59-13-12
 - Call-center 180 or 080000180.

The receiving department shall formally acknowledge grievance within five working days of the submission of the grievance. The company shall communicate the outcome(s) with the submitter of the grievance within 20 calendar days.

The grievance is considered resolved upon the reception of an acceptance note by the complainant. Shall the complainant disagree with implemented actions; the receiving department shall organize a meeting with the complainant and other stakeholders (if necessary) for further discussion to reach an agreement.

Employee grievances are handled by the Human Resources Department. Employees may submit grievances either in person, by email, by mail, or through the internal employee hotline. The ENA HR department will follow up with resolution and inform the complainant on the outcome within 10 business days.

6.4 ANONYMOUS COMPLAINTS

In case of anonymous complaints, the complaining party can submit their complaint without personal details. Given that personal details are not provided, ENA will be unable to respond directly with the result of any complaint investigation. As such it will be the responsibility of the complaining party to follow up with ENA for further understand the progress and result of the investigation. ENA website will be enhanced to include a page on anonymous grievances, which will include description of each anonymous grievance and the response provided.

6.5 CONFIDENTIALITY AND CONFLICT OF INTEREST

Confidentiality will be ensured in all instances, including when the person making the complaint is known. For this reason, multiple channels to make a complaint have been established and conflicts of interest will be avoided.

6.6 REPORTING

Regular updates on the GRM system will be available on the ENA web page.

ENA will provide information on the following as part of monthly reports to the Lenders:

- Status of establishment of the GRM (procedures, staffing, awareness building, etc.);
- Quantitative data on the number of complaints received, the number that were relevant, and the number resolved;
- Qualitative data on the type of complaints and answers provided, issues that are unresolved;
- Time taken to resolve complaints;
- Number of grievances resolved at the lowest level, raised to higher levels;
- Any particular issues faced with the procedures/staffing or use;
- Factors that may be affecting the use of the GRM/beneficiary feedback system;
- Any corrective measures adopted.

6.7 FURTHER ACTIONS

The GRM does not substitute for—and should not obstruct—judicial and administrative remedies, such as mediation or arbitration, which are necessary for disputes beyond the scope of the GRM. A key function of a GRM is to address emerging concerns before they reach a level that may warrant judicial or administrative proceedings. Stakeholders will therefore be able to appeal to the court in case if they are not satisfied with the results of grievance investigation.

6.8 LENDERS GRIEVANCE MECHANISM

All IFIs have externally focused, citizen-driven accountability mechanisms, referred to as independent accountability mechanisms (IAMs). Although their scope and mandates vary, they all receive submissions of concern from external stakeholders about the environmental and social performance of their institutions' projects.

IAMs review environmental, social, and transparency-related issues raised by project-affected people and civil society organizations about lender financed projects, which are believed to have caused harm. The general goals of IAMs are to ensure that the projects financed are implemented in line with the lenders' commitments to environmental and social sustainability. The following table provides details of the relevant IAMs.

Table 5. Independent Accountability Mechanisms

Lender	Title	Website
EBRD	Independent Project Accountability Mechanism	https://www.ebrd.com/project-finance/independent-project-accountability-mechanism/about.html
ADB	Accountability Mechanism	https://www.adb.org/who-we-are/accountability-mechanism/main
IFC	Compliance Advisor Ombudsman	http://www.cao-ombudsman.org

7.0 MONITORING AND REPORTING

The SEP will be periodically revised and updated as necessary during the project implementation to ensure that the information presented herein is consistent and is the most recent, and that the identified methods of engagement remain appropriate and effective in relation to the project context and specific phases of the development. Any major changes to the project-related activities and to its schedule will be duly reflected in the SEP.

Monthly summaries and internal reports on public grievances, enquiries, and related incidents, together with the status of implementation of associated corrective/preventative actions, will be collated by the Social Specialist and referred to ENA senior management. The monthly summaries will provide a mechanism for assessing both the number and the nature of complaints and requests for information, along with the project's ability to address those in a timely and effective manner. Information on public engagement activities undertaken by the project during the year may be conveyed to the stakeholders in two possible ways:

- Publication of a standalone annual report on project's interaction with the stakeholders.
- Several Key Performance Indicators will also be monitored by the project on a regular basis, including the following parameters:
 - Number of public hearings, consultation meetings and other public discussions/forums conducted within a reporting period (e.g., monthly, quarterly, or annually);
 - Frequency of public engagement activities;
 - Geographical coverage of public engagement activities – number of locations and settlements covered by the consultation process;
 - Number of public grievances received within a reporting period (e.g., monthly, quarterly, or annually) and number of those resolved within the prescribed timeline;
 - Type of public grievances received;
 - Number of press materials published/broadcasted in the local, regional, and national media, amount of project's charitable investments in the local communities in the project area of influence.

APPENDIX A: GRIEVANCE FORM

Date / Թվական՝	/ /	Code / Հ.Հ՝	
I. Personal & contact information / Բողոքարկողի անձնական և կապի տվյալները			
Full name / Անուն և Ազգանուն՝			
Community / Համայնք՝			
Organization / Կազմակերպություն՝			
Phone / Հեռախոս՝			
e-mail / Էլ-հասցե՝			
Address / Հասցե՝			
Communication language / Հաղորդակցման լեզուն՝	<input type="checkbox"/> Armenian / Հայերեն <input type="checkbox"/> English / Անգլերեն <input type="checkbox"/> Russian / Ռուսերեն		
II. Brief description of the incident or grievance / Միջադեպի կամ բողոքի ամփոփ նկարագրություն			
{Specify the type, location, date & time of the incident and people involved / Ամփոփ նկարագրել միջադեպի տեսակը, վայրը, թվականն ու ժամը, ինչպես նաև մասնակիցները (օրինակ՝ տուժած կողմեր և այլն)}			
Frequency of the incident / Միջադեպի հաճախականությունը՝	<input type="checkbox"/> One-time occurrence / Մեկանգամյա միջադեպ <input type="checkbox"/> Repetitive occurrences / Բազմիցս պատահել է (# occurrences / կրկնման քանակը՝) <input type="checkbox"/> Continuous / Շարունակական		
III. Your expectations on the resolution of the issue / Խնդրին ի՞նչ լուծում եք ակնկալում			

Signature / Ստորագրություն

Date / Ամսաթիվ

Please mail the form to The Public Relations Department of “ENA” CJSC at 0047, Armenak Armenakyan St., 127 Building, Yerevan – Armenia.

For further information e-mail to office@ena.am or contact us on +374 10 59-12-27 (ext 45-26).

Խնդրում ենք լրացված ձևաթուղթն ուղարկել «ՀԷՑ» ՓԲԸ հասարակայնության հետ կապերի և տեղեկատվության բաժին՝ ՀՀ, ք. Երևան, 0047, Արմենակ Արմենակյան փող., 127 շենք հասցեով: Լրացուցիչ տեղեկատվություն ստանալու համար կարող եք գրել office@ena.am էլ. հասցեով կամ զանգահարել +374 10 59-12-27, ներքին-45-26 հեռախոսահամարով:

APPENDIX B: GRIEVANCE/INQUIRY RECORD

GRIEVANCE/INQUIRY RECORD (Form A)	
<i>Instructions: This form is to be completed by staff receiving the inquiry or grievance and kept in the project's file. Attach any supporting documentation/letters as relevant.</i>	
Date Grievance Received:	Name of Staff Completing Form:
Grievance Received (check √): <input type="checkbox"/> National <input type="checkbox"/> Oblast <input type="checkbox"/> Rayon <input type="checkbox"/> Village	
Mode of Filing Inquiry or Grievance (check √): <input type="checkbox"/> In person <input type="checkbox"/> Telephone <input type="checkbox"/> E-mail <input type="checkbox"/> Phone Text Message <input type="checkbox"/> Website <input type="checkbox"/> Grievance/Suggestion box <input type="checkbox"/> Community meeting <input type="checkbox"/> Public consultation <input type="checkbox"/> Other _____	
Name of Person Raising Grievance: <i>(information is optional and always treated as confidential)</i> Gender: <input type="checkbox"/> Male <input type="checkbox"/> Female	
Address or contact information for Person Raising Grievance: <i>(information is optional and confidential)</i>	
Location where grievance/problem occurred [write in]	
Brief Description of Grievance or Inquiry: <i>(Provide as much detail and facts as possible)</i>	
Category 1	Social Safeguards
Category 2	Environmental Safeguards
Category 3	Grievances regarding violations of policies, guidelines and procedures
Category 4	Grievances regarding contract violations
Category 5	Grievances regarding the misuse of funds/lack of transparency, or other financial management concerns
Category 6	Grievances regarding abuse of power/intervention by project or government officials
Category 7	Grievances regarding ENA staff performance
Category 8	Reports of force majeure
Category 9	Grievance about project interventions
Category 10	Other
Who should handle and follow up on the grievance:	
Progress in resolving the grievance (e.g., answered, being resolved, settled):	