

KNESS Solar Project

Stakeholder Engagement Plan (SEP)

08 Dec 2017

1 Introduction

1.1 Background

The project developer Group of private Ukrainian companies KNESS (KNESS Group) has approached the European Bank for Reconstruction and Development (EBRD) for financing the construction of three solar photovoltaic power plants in Vinnytsya Oblast of Ukraine. The projects are thus subject to EBRD's 2014 Environmental and Social Policy and have been determined as a Category B projects. EBRD's consultants have conducted an environmental and social due diligence assessment of the projects and supported the development of applicable environmental and social documentation, namely, an Environmental and Social Action Plan, a Stakeholder Engagement Plan, and a Non-Technical Summary of the environmental and social considerations.

The developer company considers stakeholder engagement as an essential part of good business practices and corporate citizenship, and a way of improving the quality of projects. In particular, effective community engagement is central to the successful management of risks and impacts on communities affected by projects, as well as to achieving enhanced community benefits. To meet EBRD requirements for stakeholder engagement and public consultation and disclosure¹, a stakeholder engagement process with development of a Stakeholder Engagement Plan (SEP) is being applied to these projects. These details are laid out in this document, the SEP.

1.2 The Project

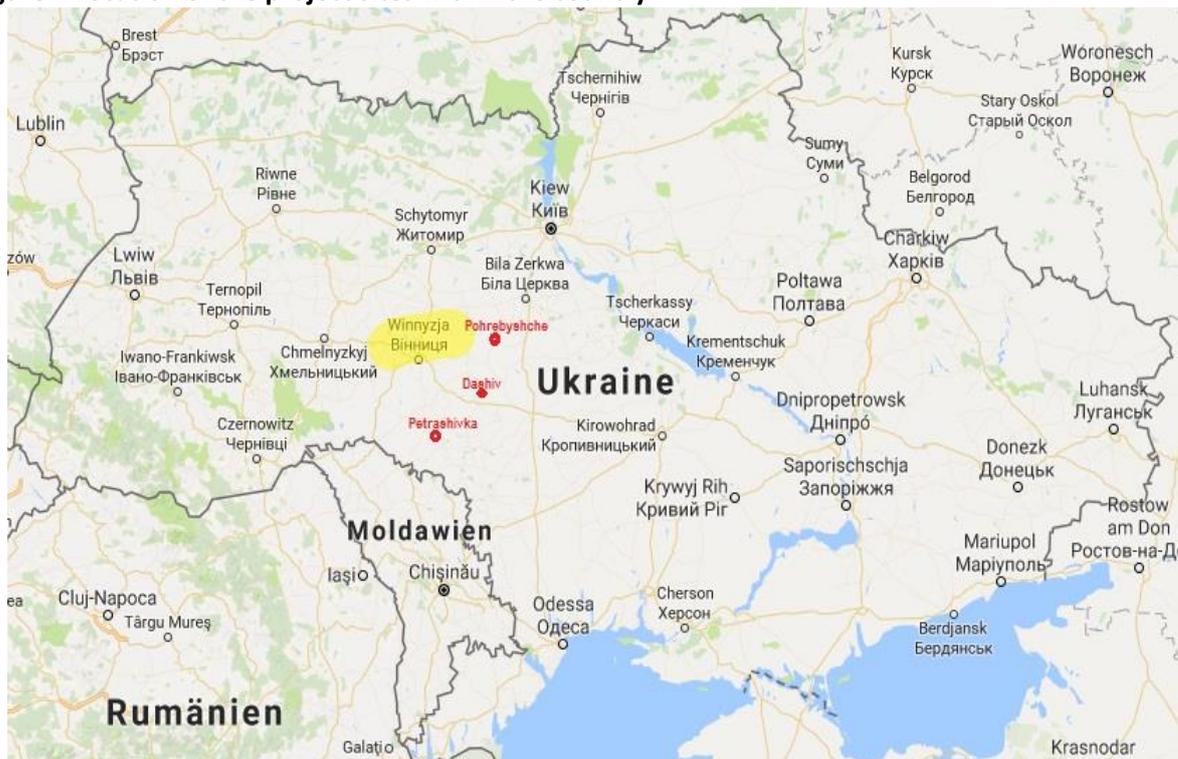
The proposed project will construct and operate three photovoltaic (PV) solar power plants on three sites – Dashiv, Petrashivka and Pohrebyshche - located in Vinnytsya Oblast in central Ukraine. The total installed peak capacity of these plants will be 33.77 MW, and electricity will be sold to the grid at the “green tariff”. Key technical facts of the project are summarized in the table below, and the map shows the plant locations.

Table 1 Key Technical Data of the Plants

Parameter	Dashiv	Petrashivka	Pohrebyshche
Installed capacity, MW	10.86	11.41	11.50
Approximate annual electricity generation, GWh	12.4	12.9	12.9
Land plot, hectares	20.68	20.0	22.7106
Number of PV modules	40,238	42,262	42,592
Module type	Talesun TP660P-270, polycrystalline 60-cell modules 270W each		
Access road, m	50	900	1,000
Transmission cable, m	1,850	2,190	1,210

¹ EBRD Performance Requirement PR10

Figure 1 Location of the project sites within the country



Dashiv (4,233 residents) is an urban-type settlement in Illintsi District of Vinnytsya Oblast. The project site is located in the northern part of the settlement.

Petrashivka (553 residents) is a village in Tulchyn District of Vinnytsya Oblast. Administratively, it is part of Pechera village council. The project site is located to the north-west of the village at 3km.

Pohrebyshche (9,760 residents) is a town in Vinnytsya Oblast, which is an administrative center of Pohrebyshche District. The project site is located in the eastern part of town.

The project developer, KNESS Group, is a Ukrainian privately-owned company, who has been engaged in the design, construction and operation of solar power plants across the country. To date, KNESS Group has commissioned 23 solar PV plants with total capacity of 157MW.

By employing the renewable solar power, the project will provide significant environmental benefits over other types of energy generation, such as those using fossil fuels (gas, coal) or nuclear. It will contribute to the reduction of emissions of greenhouse gases (expected annual emission reductions are 30 000 tons of carbon dioxide), create new jobs, and improve the security of energy supply in the area.

1.3 Requirements for Stakeholder Engagement and Public Consultation

Ukraine is a signatory of Aarhus Convention on Access to Information and Public Participation (UNECE)². The convention is designed to improve the way ordinary people engage with government and other decision-makers on environmental matters. Consequently, people are

² UNECE Aarhus Convention on access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters

entitled to be informed about environment related issues pertaining to the projects. National legislation also provides for public involvement in decision-making process.

As per EBRD’s Environmental and Social Policy of 2014, the projects funded by the Bank must meet the best international practices and requirements for stakeholder engagement and public consultations. The principles, requirements, methodological and procedural aspects of stakeholder engagement for EBRD projects are described in detail in Performance Requirement (PR) 10 “Information Disclosure and Stakeholder Engagement”³. This requirement outlines a systematic approach to stakeholder engagement that will help clients build and maintain over time a constructive relationship with their stakeholders, including the locally affected communities.

The following elements shall be implemented for the projects engagement and consultation process:

- Identification of project stakeholder groups, including members of the public who could be affected by the Project construction and operation.
- Stakeholder engagement/consultation process and information disclosure. During this stage, KNESS Group will 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. The disclosed information will include the Projects activities and operations. The consultation process will be undertaken in a manner that is inclusive and culturally appropriate for all stakeholders, including effected communities and vulnerable groups.
- Grievance mechanism, by which the general public and other stakeholders can raise concerns, and which will be handled in a prompt and consistent manner, is another key element of stakeholder engagement.

1.4 Previous Stakeholder Engagement Carried out by the Developer

The local community was informed about the preparation of project siting plans (DTP) in newspaper announcements, and public consultation meetings have taken place in respective locations, as presented in the Table 2 below.

Table 2 Key disclosure and consulation activities per site

Activity	Petrashivka Site	Pohrebyshe Site	Dashiv Site
Public notification	Public announcement in “Tulchynskiy Kray” newspaper dated 07 Apr 2017	Public announcement in “Kolos” newspaper dated 07 June 2017	Public announcement in “Trudova Slava” newspaper №30 dated 03 Aug 2017
Public consultation meeting on the project siting plans (DTP)	The public consultation meeting was held on 18 April 2017 in Petrashivka village, with 26 participants from the local community. No specific concerns, complaints or suggestions regarding the proposed project were received.	The public consultation meeting was held on 23 June 2017 in Pohrebische town, with 20 participants. No specific concerns, complaints or suggestions regarding the proposed project were received.	The public consultation meeting was held on 28 August 2017 in Dashiv village, with 14 participants. No specific concerns, complaints or suggestions regarding the proposed project were received.

³ EBRD Environmental and Social Policy 2014 (<http://www.ebrd.com/what-we-do/strategies-and-policies/approval-of-new-governance-policies.html>)

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During the visit of the project sites on 31 Oct 2017, USELF environmental consultant has met with the heads of local government councils, who expressed their general support to the project.

Also, KNESS Group representatives have been discussing the project with local government, regulatory authorities and other stakeholders on an ongoing continuous basis.

1.5 SEP Objectives

This SEP has been developed with the aim of describing how KNESS Group will continue to communicate with people and institutions who may be affected by, or interested in the Project, at various stages of project preparation and implementation. The Plan also includes a grievance mechanisms for stakeholders to raise any concerns related to the project for KNESS Group's attention.

2 Stakeholder Identification and Assessment

In order to define a communication process in line with EBRD PR10, KNESS Group, with assistance from a consultant, have identified key stakeholder groups that may be interested in, and/or affected by the Project. They include:

- Internal stakeholders, such as KNESS Group's employees and construction contractors' workers;
- Local residents and land owners/users in the project vicinity;
- Government administrations and regulatory authorities of various levels;
- Local media and internet sites with coverage of local and regional affairs;
- Non-governmental organisations (NGOs), scientific research community.

The Tables 3, 4, and 5 below provide initial details of project stakeholders for all three project sites, Dashiv, Pohrebyshe and Petrashivka. They will be further developed and continuously updated by the developer, as the project progresses.

Table 3 Project Stakeholders for Dashiv project site

No	Name of Stakeholder	Description	Contact Person	Contact Details
Internal				
1	Employees	The employees involved in, or affected by the Project	Ivan Vekirchuk , Director	Address: 39 A Gonty str., 21017 city of Vinnytsa Vinnytsa Oblast
Local residents and land owners/users				
2	Residents of Dashiv urban-type settlement	Local residents that are most likely to be affected	Sergiy Titarenko , Head of village council	Address: 9 Gorky str., Dashiv urban-type settlement, Illinetsky district 22740 Vinnytsa Oblast, Phone: +(04345) 3-24-50 E-mail: dashivsilrada@meta.ua
3	Land users	Land users of the land plots taken by the project (previously used for cattle grazing)		Dashiv, further details to be confirmed

4	Land owners/users	Land owners affected by transmission cables		Dashiv, further details to be confirmed
Government and regulatory authorities				
5	Vinnitsa Oblast state administration	Regional government	Korovy Valery Viktorovich, Head of the Oblast state administration	Address: 70 Soborna str., 21050 city of Vinnitsa , Phone: +(0432) 59-21-10 Phone/Fax: +(0432) 59-21-28 E-mail: oda@vin.gov.ua
6	Illinets district state administration	Regional government	Andriy Lysak, Head of district state administration	Address: 18 Soborna str., 22700 Illinets town, Telephone: (04345) 2-14-63, fax: 2-15-64 E-mail: rda_illinec@vin.gov.ua
Media and internet				
7	Newspaper "Trudova slava"	Local newspaper	Editor-in-chief	Address: 22 Soborna str., 22700 Illintsi town, Vinnitsa Oblast, E-mail: ilin_ts@ukr.net Phone: +(04345) 2-10-75
Research community				
8	Scientific and Manufacturing Private Enterprise "Ankor"	Private Enterprise, project contractor	Andriy Nekyvayko, Director	Address: 18 Stetsenko str., 21007 city of Vinnitsa Phone: + (0432) 611728

Table 4 Project Stakeholders for Pohrebyshche project site

No	Name of Stakeholder	Description	Contact Person	Contact Details
Internal				
1	Employees	The employees involved in, or affected by the Project	Ivan Vekirchuk , Director	Address: 39 A Gonty str., 21017 city of Vinnitsa Vinnitsa Oblast
Local residents and land owners/users				
2	Residents of Pohrebyshche town	Local residents that are most likely to be affected	Anatoliy Bilyuk, Head of town council	Address: 77 Bogdan Khmelniysky Str., Pohrebyshche town, 22200 Vinnitsa Oblast
3	Land users	Land users of the land plots taken by the project (previously used for gardening)		Pohrebyshche, further details to be confirmed
4	Land owners/users	Land owners affected by transmission cables		Pohrebyshche, further details to be confirmed
Government and regulatory authorities				
5	Vinnitsa Oblast state administration	Regional government	Korovy Valery Viktorovich, Head of the Oblast state administration	Address: 70 Soborna str., 21050 city of Vinnitsa , Phone: +(0432) 59-21-10 Phone/Fax: +(0432) 59-21-28 E-mail: oda@vin.gov.ua
Media and internet				
6	Newspaper "Kolos"	Local newspaper	Mykola Matsenko,	Address: 110 Khmelniysky str., 22200

			Editor-in-chief	Vinnitsa Oblast, Pogrebysche district, Pogrebysche town Phone: + (04346) 21768
NGOs and research community				
7	Vinnitsa branch of State Enterprise "State research and design-instruction institute "ndiproektrekonstruktsiya"	Design institute, project contractor	Oleksandr Rekyuta, Director	Address: 29 Teatralna str., 21000 city of Vinnitsa Vinnitsia Oblast Phone: + (0432) 327 798

Table 5 Project Stakeholders for Petrashivka project site

№	Name of Stakeholder	Description	Contact Person	Contact Details
Internal				
1	Employees	The employees involved in, or affected by the Project	Ivan Vekirchuk , Director	Address: 39 A Gonty str., 21017 city of Vinnitsa Vinnitsa Oblast
Local residents and land owners/users				
2	Residents of Petrashivka village	Local residents that are most likely to be affected	Head of village council	
3	Land users	Land users of the land plots taken by the project (previously used for cattle grazing)		Petrashivka, further details to be confirmed
4	Land owners/users	Land owners affected by transmission cables		Petrashivka, further details to be confirmed
Government and regulatory authorities				
5	Vinnitsa Oblast state administration	Regional government	Korovy Valery Viktorovich, Head of the Oblast state administration	Address: 70 Soborna str., 21050 city of Vinnitsa , Phone: +(0432) 59-21-10 Phone/Fax: +(0432) 59-21-28 E-mail: oda@vin.gov.ua
6	Tulchyn district state administration	Regional government	Mykola Pidbolyachnyi, Head district state administration	Address: 1 Nikolai Leontovich str., 23600 Tulchyn town Vinnitsa Oblast Phone: (04335) 2-14-63 E-mail: rda_tulchin@vin.gov.ua
Media and internet				
7	Newspaper "Tulchynskiy Kray"	Local newspaper	Olena Kozyr-Novakovska Editor-in-chief	Address: 1 Lenin str., 23600 Vinnitsa Oblast, Tulchyn district, Tulchyn town Phone: + (04335) 23583
Research community				
8	PJSC "Scientific-Production Company "SVITIAZ"	Private Joint-Stock Company, project contractor	Volodymyr Demeshkan, Director	Address: 15 Lebedinsky str., 21034 city of Vinnitsa Vinnitsia Oblast

				Phone: + 0432-66-90-88, 0432-27-55-13 E-mail: svityaz.corp@gmail.com
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3 Disclosure of Information and Stakeholder Engagement Programme

3.1 Disclosure of Information Relevant to Project

To meet the environmental and social requirements and performance standards of EBRD, a Non-Technical Summary of environmental and social considerations (NTS) and the SEP (this document) are being disclosed to the public on USELF web site www.uself.com.ua

Printed copies of the NTS and SEP will also be made available to the public at local government councils of the project locations (Dashiv, Pohrebyshche, and Petrashivka/Pechera), and from KNESS Group offices upon request.

This document, the Stakeholder Engagement Plan (SEP), and the Environmental and Social Action Plan (ESAP), will also be available to the public from KNESS Group's contact person on request (please see the contact information in Section 3.3 below).

The local population will be receiving timely information about planned construction activities, safety measures in the vicinity of the construction site, traffic management, employment and business opportunities and other relevant information through the local media listed in the table above. Publicly shared information will also include summaries of annual project progress reports, incorporating environmental and social impacts, health and safety performance and implementation of the external grievance mechanism.

Any public comments or complaints will be reported following the grievance procedure described in Section 4 below.

3.2 Stakeholder Engagement Programme

A provisional Stakeholder Engagement Programme is provided in the Table 6 below. This programme will be further discussed by the parties involved, and updated accordingly.

Table 6 Provisional Stakeholder Engagement Programme

No	Stakeholder	Activity	Means of Communication	Timeframe
Project Preparation (Pre-construction) Phase				
1	All stakeholders	<ul style="list-style-type: none"> Publish NTS (in English and Ukrainian), and inform all stakeholders through local media. 	<ul style="list-style-type: none"> Local media publications; Local radio; Publications on web site. 	2017
2	Land users of the land plots taken by the project	<ul style="list-style-type: none"> Consult about the project Inform about alternative land plots for cattle grazing and gardening 	<ul style="list-style-type: none"> Meetings Public notices Local media 	(Done in 2017) Before the start of construction
3	Landowners along the transmission	<ul style="list-style-type: none"> Consult about the construction of the underground transmission cables 	<ul style="list-style-type: none"> Meetings 	Before the start of construction

	cables			
4	Statutory stakeholders (regulatory agencies)	<ul style="list-style-type: none"> Obtain all necessary permits for project construction 	<ul style="list-style-type: none"> Official correspondence; Meetings. 	2017
5	Construction contractors, temporary workers	<ul style="list-style-type: none"> Agree construction related grievance management procedure and code of conduct for temporary workers; Provide training to contractors on the code of conduct. 	<ul style="list-style-type: none"> Meetings; Official correspondence; Trainings. 	Before the start of construction
6	Local population	<ul style="list-style-type: none"> Provide information on safety measures and traffic management procedures during construction; Provide information on employment opportunities and opportunities for service provision, if any; Provide information on construction related grievance procedure. 	<ul style="list-style-type: none"> Big boards at the construction site; Safety signs posted on roads at dangerous sites; Newspaper announcements; Web site announcements. 	Before the start of, and during construction
Construction Phase				
7	All stakeholders	<ul style="list-style-type: none"> Provide information on implementation of the ESAP, SEP, revision of documents, and new impacts (if any); Provide information on processing and responding to grievances. 	<ul style="list-style-type: none"> Newspaper publications; Web site announcements. 	Continuously during construction phase
8	Construction contractors, temporary workers	<ul style="list-style-type: none"> Monitor the performance of contractors and their implementation of the agreed plans and procedures; Provide additional training as required. 	<ul style="list-style-type: none"> Meetings; Official correspondence; Trainings. 	Continuously during construction phase
9	Local population	<ul style="list-style-type: none"> Collect and address any grievances. 	<ul style="list-style-type: none"> Official correspondence; Meetings. 	Continuously during construction phase
Operation Phase				
10	All stakeholders	<ul style="list-style-type: none"> Ongoing interaction and cooperation with stakeholders; Continue to provide information on the implementation of the ESAP; Collect and address any grievances. 	<ul style="list-style-type: none"> Media publications; Meetings; Correspondence. 	Throughout the lifetime of the project.

3.3 Roles and Responsibilities

KNESS Group will appoint a suitably qualified person who will have the overall responsibility for handling the consultation and information disclosure, including organisation of consultation process, communication with identified stakeholder groups, collecting and processing comments/complaints, and responding to any such comments and complaints. Depending on the nature of a comment/complaint, some of them may be forwarded to the appropriate person within the company for a response.

Name of the person and title	Affiliation and contact information
Sergii Shakalov, Director	Company: KNESS Group Postal Address: 39A, Gonty Street, Vinnytsa, 21017 Phone: +38 0432 55 48 44 E-mail: office@tovpek.com.ua

4 Public Grievance Procedure

The objective of a grievance procedure is to ensure that all comments and complaints from any project stakeholder, including residents of nearby residential areas, the KNESS Group employees, local/regional authorities and other interested parties, are considered and addressed in an appropriate, consistent and timely manner. All grievances will be acknowledged and responded to within a reasonable timeframe.

KNESS Group will accept all comments and complaints associated with the project. A proposed template of a Comments and Complaints Form is shown in Annex C. The comments and complaints will be summarised and listed in a Complaints and Comments Log Book, containing the name/group of commenter/complainant, date the comment was received, brief description of issues, information on proposed corrective actions to be implemented (if appropriate), and the date of response sent to the commenter/complainant.

Any person or organisation may send comments and/or complaints in person or by post, email, or facsimile using the contact information specified in the Form.

All comments and complaints will be responded to either verbally or in writing, in accordance with preferred method of communication specified by the complainant in the Comments and Complaints Form. Comments will be reviewed and taken into account in the project preparation and implementation, however, they may not receive an individual response unless requested.

Individuals who submit their comments or grievances have the right to request that their name be kept confidential.

All grievances will be registered and acknowledged within 5 days and responded to within 20 working days. KNESS Group will keep a grievance log and report on grievance management, as part of annual project progress reports.

During construction, grievances in relation to construction activities will be managed by the KNESS Group and their construction contractors. People may also submit their complaints via the local government representation in the respective settlements.

Annexes

Annex A Copies of Project Publications in Local Media

Annex B Public Consultation Minutes

Annex C Public Grievance Form

Annex C Public Grievance Form (Form for public comments, complaints and reports)

Reference No:	
Full Name*: <small>*if anonymous, no response will be possible</small>	
Contact Information and Preferred method of communication Please mark how you wish to be contacted (mail, telephone, e-mail).	By Post: Please provide mailing address: _____ _____ _____ By Telephone: _____ By E-mail _____
Description of Incident or Grievance:	What happened? Where did it happen? Who did it happen to? What is the result of the problem? Source and duration of the problem? Etc.
Date of Incident/Grievance	
	One time incident/grievance (date _____) Happened more than once (how many times? _____) On-going (currently experiencing problem)
What would you like to see happen to resolve the problem?	
Sergii Shakalov, Director Company: KNESS Group Postal Address: 39A, Gonty Street, Vinnytsa, 21017 Phone: +38 0432 55 48 44 E-mail: office@tovpek.com.ua	