

NEPCO RESTRUCTURING LOAN – JORDAN

Stakeholder Engagement Plan (SEP)

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1. INTRODUCTION

The National Electric Power Company (NEPCO) is a 100% state-owned public shareholding company established in accordance with the General Electricity Law No. 10 (1996) on the 1st of September 1996 when the vertically integrated state-owned Jordan Electricity Authority was unbundled into 5 separate companies.

NEPCO is licensed by the Energy & Minerals Regulatory Commission (EMRC) to undertake the following:

- Operation of power system and demand / supply control (System Operator);
- Construction, operation and maintenance of system equipment such as transmission lines and substations (Transmission Network Owner);
- Planning of power system development;
- Purchase of electric power from power producers as single buyer and supply of the power to distribution companies and bulk consumers via the National Control Centre (at Amman South). At the moment, the dispatch is done based on a manual system;
- Procurement of fuel for thermal power generation; and
- Import/export of electric power through interconnection with Egypt and Syria.

The European Bank for Reconstruction and Development (EBRD) is now considering providing an up to USD 265 million Sovereign-guaranteed loan to NEPCO, with a tenor of up to 18 years. The proceeds of the loan will be used to assist NEPCO in its reforms and developing Jordan's electricity sector. Up to USD 65 million of the loan will be used for capex investments in NEPCO's network. The balance will be used to refinance existing short term debt. The Project will support NEPCO to adapt its operations to allow for further development of renewable energy in Jordan and to improve the sector's sustainability.

The associated E&S impacts of the project are site specific, readily identifiable, and can be mitigated through the implementation of a targeted Environmental and Social Action Plan (ESAP), hence, in accordance with EBRD's Environmental and Social Policy (2014) (ESP), the Project has been categorised as Category B therefore an E&S audit and analysis of the Project is required.

An Environmental and Social Due Diligence (ESDD) has been carried out for the Project by an independent consultant, which included E&S audits and meetings with NEPCO Team, site visits, and review of NEPCO's corporate procedures in terms of Environmental, Health and Safety, and Social (EHSS) management. The ESDD was carried out in accordance with:

- Applicable local, national and regional requirements;
- The EBRD's Environmental and Social Policy (ESP)_2014 (and the incorporated PRs), and relevant European Union (EU) requirements; and
- Relevant international conventions and protocols relating to environmental and social issues, as transposed into national legislation.

The ESDD included the assessment of the 'Project' against applicable EBRD Performance Requirements (PRs) and the review of the associated facilities environmental and social risks. The key Performance Requirements of relevance are PR1, PR2, PR3, PR4, PR5, PR6, PR8, and PR10 (PR7 and PR9 are not applicable).

As a result of the ESDD, an ESAP has been prepared and adopted for the Project. The ESAP addresses deficiencies and associated risks, and identifies mitigation measures to ensure that all work to be carried in relation to the Project complies with the EBRD's PRs.

This document constitutes a Stakeholder Engagement Plan (SEP) to be implemented by NEPCO throughout the construction and operation phase for the Project. The SEP outlines a systematic approach to stakeholder engagement that will help NEPCO build and maintain over time a constructive relationship with their stakeholders, in particular the locally affected communities. The SEP is a live document which will be updated throughout the Project construction, operation and implementation.

The Project welcomes suggestions for improvement of this SEP. Suggestions can be submitted via the contact information for NEPCO at the end of this document (Chapter 6).

In particular, this SEP includes the following:

- Chapter 2 – Project Description: provides a summary of the Project information and background;
- Chapter 3 – Regulatory Context: highlights the main requirements that are relevant for stakeholder engagement to the Project to include Jordanian regulations and international best practice requirements;
- Chapter 4 – Identification of Stakeholders: identifies a provisional list of stakeholders for the construction and operation phase of the Project to be verified and updated after the ESIA;
- Chapter 5 – Stakeholder Engagement Strategy and Plan: identifies an engagement strategy for each stakeholder group to include objective for engagement, communication methods and tools, timeframe and responsibilities.
- Chapter 6 – Contact Details: provides contact details of NEPCO for communication with all relevant stakeholders of the Project;
- Chapter 7 – Stakeholder Grievance Mechanism: identifies a mechanism for managing and handling any concerns or complaints related to the Project during the construction and operation phase, particularly from affected stakeholder and communities.

2. PROJECT DESCRIPTION

Based on the EBRD loan objectives, the project setup is divided into the following main levels:

- Macro-level: Overarching project strengthens and reforms NEPCO's corporate setup in order to enhance operations and increase system performance and resilience and also improve the electricity sector's sustainability;
- Micro-level: A set of infrastructure and capex investments as well as technical interventions that enhances the capabilities of the grid to absorb and manage power produced by renewable energy sources which ultimately helps promote renewable energy.

The following text provides a brief description for each of these project levels outlined above.

2.1 Strengthening and Reform of NEPCO

NEPCO was established in 1996 as a result of restructuring the old Jordan Electricity Authority which had all the responsibility of generation, transmission and distribution sectors. Subsequent restructuring in 1999, separated and privatized the generation and distribution sectors and delivered NEPCO into the setup which remains until current date.

From 2008 onwards, different regional economic and political disorder caused financial problems in Jordan. Moreover, the Government of Jordan faced energy security issues due to interruptions in the Egyptian natural gas supply, which in 2009 fuelled about 90 percent of Jordan's power generation, and this forced the country to increasingly rely on more expensive and less efficient diesel and heavy fuel oil (HFO) during a time of high oil prices.

The Government of Jordan (GoJ) decided to bear the financial repercussions and this resulted in a significant increase in NEPCO's operating losses and financial debts, which increased Jordan's gross public debts.

The GoJ had to borrow funds in order to offset debts of NEPCO and the Water Authority of Jordan (WAJ) which increased the total public debt in September 2018 to 96.1 percent of the Gross Domestic Product (GDP).

This triggered several strategic financial and economic decision made by the GoJ in order to offset all these financial burdens. In addition, this necessitated strategic infrastructure investments including the conglomeration of the energy terminals in the Port of Aqaba as well as creating the enabling environment and mainstreaming for the development of Renewable Energy (RE) projects which aimed to reduce supply costs and increase energy security in Jordan.

Since 2011, Jordan's RE market has been expanding and the target of 10 percent of renewable energy in the overall energy mix by 2020 has been achieved in 2017, which led the government to increase the official target to 20% by 2020. To date, more than 2,000 MW of solar Photovoltaic (PV) energy and wind energy

projects have been either awarded and operated or planned to be contracted. This also triggered NEPCO's need to strengthen its institutional, regulatory and infrastructure capacity to allow for RE boom.

In 2011, EBRD approved the creation of a €1 billion special fund to launch investments in the four of the Southern and Eastern Mediterranean (SEMED) countries (Jordan, Egypt, Morocco, and Tunisia). Since then, EBRD invested €4.8 billion in more than 120 projects in the region including Jordan.

As part of this programme, the EBRD's loan to NEPCO includes a corporate reform Roadmap which will cover the following:

- Financial Forecasting and Risk Management - the assistance aims at supporting NEPCO in improving its forecasting and analytical accounting tools and developing risk management strategies for each business line.
- Corporate Governance and Compliance - the assistance targets improvements in the corporate governance structure and decision making capabilities of the Company.
- E-Procurement - the assistance aims to support the implementation of an electronic procurement platform and system aiming to extend NEPCO's procurement opportunities to a wider universe of companies, including small and medium enterprises (SMEs), and allow for competitive pricing and improved cost management.
- Renewable energy absorption - support will be provided to analyse Jordan's renewable energy absorption capacity and options to increase it.

2.2 Infrastructure and Capex Investments

NEPCO's planning and technical team in collaboration with the generation and distribution companies prepare a set of documents on a regular basis to enable the planning of the power system development. These documents are submitted to EMRC in order to assist the adoption of the annual Master Plan which includes the generation master plan, transmission master plan, and the system master plan.

As part of the Master Plan, NEPCO forecasts demand and based on the existing supply and transmission system, puts priorities for additional infrastructure developments such as new substations (S/S), expansion of existing S/Ss, and Overhead Transmission Lines (OHTL). NEPCO also estimates the related construction costs for each candidate site and together with the distribution companies selects the best location for the new sub support point sites.

This preliminary site selection is done on the macro-level where the general area is identified and subsequently, the technical and engineering team from NEPCO undertakes site visits and assessments to decide on the most suitable location/plot. This selection is done based on pure engineering criteria without any considerations for environmental concerns. The team also takes into account trying to find a location with the minimum need for land acquisition to the extent possible in order to reduce the financial implications. After finalising the site selection, NEPCO reports the detailed construction plan to EMRC and set out towards planning and building the new infrastructure components once they get a no objection from EMRC.

NEPCO has transmission grids and a National Control Center (NCC). According to NEPCO, the total capacity of its substations is 11,484 MVA and the total length of 132 kV and 400 kV transmission lines is 4,426 km.

Based on negotiations and discussions between NEPCO and the EBRD, a list of the infrastructure developments has been agreed to improve renewable energy integration and this includes the following main items:

- supporting the implementation of smart grid systems and automated control center (ACC) which are essential to improve the management of the electricity supply and demand balance and reduce renewable energy curtailment; and
- construction and/or extensions of a number of substations in different areas in Jordan. The EBRD loan does not cover establishing any OHTL for existing or new S/Ss. However, these are considered as associated facilities and shall be also discussed in the text below. The table below provides a list of these planned infrastructure components:

Table 1: List of Planned Construction &/or Extensions of Substations as part of the EBRD Loan to NEPCO

Project name	Description	Location	Need for associated facilities (OHTL)	Completion timeline
New S/Ss				
NEW ZERQA Substation	- Will be used to feed load in Zerqa and some parts of Amman Governorate.	Zarqa	No	2021
New JERASH Substation	- This substation is very important to the electrical system as it's used to ensure safe and reliable operation of the electrical system in the northern region. The northern zone contains Round 2 PV projects (150 MW) and more than 300 MW as a wheeling project through NEPCO and EDCO. Jerash substation is important to ensure evacuation of generated power and solving transmission line congestion in the northern area of Jordan.	Amman	Yes: building and installing a new corridor from Samra power plant to Jerash and from Jerash to Rehab at 132 kV level	2021
New FUHIES Substation	- Will reduce 400 kV Amman South – Qatrana corridor congestion resulted from adding RES in the southern area. Moreover, there is a possibility to add around 30 MW PV projects as wheeling projects to be connected to this substation.	Amman	No	2021
Round 3 Wind Substation	- Will evacuate 50 MW (Round 3 wind) project and transmit it via the green corridor to the load center in middle and north of Jordan.	Location to be confirmed	Still to be determined	2022
MAA'N DEVELOPMENT AREA (MDA2) Substation	- To evacuate 200 MW (Round 3 PV) projects and transmit it via the green corridor to the load center in middle and north of Jordan.	Ma'an	Yes	2021
Substations Extension				
- Hassan Industrial Estate S/S - Azraq S/S - Rishah S/S - South Amman - Irbid City - Ruweished - Al Rajhi Cement Factory - Subeihi	- To accommodate increased demand, population growth, and wheeling projects in these areas	Multiple	No	Not Available

The S/Ss included in the table above are located in different areas in Jordan to match the required need for additional electricity supply.

The expansion will take place for already existing S/Ss built in different periods and as part of separate projects and do not utilise the whole land area on which they are built. Each of the existing S/S plot has readily available area that would accommodate the expansion infrastructure without any need for any land acquisition. In addition, these S/Ss are already connected to an existing OHTL and hence there is no need to establish any additional associated facilities.

As for the new S/Ss, the list below provides clarification on the location and land take requirements:

Table 2: Land Take Requirements for the New S/Ss and for any Associated Facilities

Project name	Land take Requirements
NEW ZERQA Substation	New Zerqa was a committed project in 2015 and the site has been selected and land acquisition a couple of years back. An OHTL already passes in the area and hence there is no need to establish any new associated facilities. The selected site is located within regularised land use boundaries and in close proximity to residential areas which might cause difficulties when requesting the site permit and environmental permit from the Ministry of Environment (MoEnv) since the latter requests that S/Ss are not located within regularised land use boundaries.
New JERASH Substation	Project located in agricultural area outside regularised land use boundaries and is close to an adjacent forest area. This S/S requires building and installing a new OHTL corridor from Samra power plant to Jerash

		and from Jerash to Rehab at 132 kV level. NEPCO Team shall undertake site specific assessments and surveys in order to decide on the most suitable location for the S/S. This shall require going through a land acquisition process and compensation for the lost land and any crops on those plots in accordance with the Jordan Land Acquisition legislations.
New Substation	FUHIES	This substation has been in operation since 1979 and it was used to supply cement factory load in area closed to Amman where the load is very high, Jordanian government agreed with cement factory to move the factory to non-populated zone and to stop operation in fuhies to reduce environmental impact. Therefore, NEPCO through the availability of the land will rehabilitate the existing substation to be used as 132/33 kV to supply load in Amman and salt area this decision was based on load forecast study in this zone that expected to have high growth level. The land is on the border of regularized land use boundary and is within a densely populated area. The ability to obtain a site permit and environmental permit shall be discussed with the MoEnv.
Round 3 Substation	Wind	Both MDA2 and Round 3 switching substations are used as a connection point to MDA round 3 projects with 200 MW PV capacity and to round 3 wind project with 50 MW capacity consequently.
MAA'N DEVELOPMENT AREA (MDA2) Substation		The MDA2 S/S shall be located within the Ma'an Development Zone and the land for the S/S is already allocated by the Ma'an Development Company. An additional OHTL will be required to connect MDA2 S/S with MDA1 S/S. However, those do not entail any issues or impediments in terms of site approvals. The location of round 3 switching station is not decided yet with expectation that the substation will be in tafila or around Tafila region. Mostly, the Direct proposal RE bidders allocate an area on the land they rent or procure for the RE project and thus this would facilitate locating the new S/S. The need for an OHTL is still unclear since there may be a potential to connect with the existing OHTL from Round 1/wind.

NEPCO technical team shall undertake the final selection of the S/S locations after consultation with the MoEnv and shall assign an independent E&S consultant in order to identify any E&S impacts associated with the project. The main aim, to the extent possible, will be the avoidance of any E&S adverse impacts including any physical or economic resettlement.

2.3 Project Components

The key components of the S/S are the following: Power transformer, Current transformer, Voltage Transformer, SCADA panels, AC panels, DC panels, Reactive power system (STATCOM) - depends on the project, Surge Arrestor, LV, MV and HV cables, SCADA Parts and sensors, Servers, Isolaters, Gantries, MV Switch gears, Earthing system, Metering panels, billing system, and Disconnecters.

Associated facilities include the Overhead Transmission Line.

3. REGULATORY CONTEXT

3.1 Relevant Jordanian Stakeholder Engagement Requirements & Legislation

Stakeholder engagement in Jordan is connected to the preparation of an Environmental and Social Impact Assessment (ESIA) and is a requirement of the "EIA Regulation No. (37) of 2005". For those projects which require an ESIA (as the case for this Project), the Regulation requires a scoping session with potentially affected stakeholders at the onset of the ESIA, in order to provide stakeholders with project information and allow them to participate in the ESIA process.

The Regulation specifies that the outcomes of the ESIA are to be announced to the public and stakeholders in a manner that the Ministry of Environment deems appropriate and is dealt with on a case by case basis – taking into account the type and nature of the project development.

3.2 EBRD Requirements

The Developer will be seeking financing for the Project from International Financial Institutions (IFIs) – to include mainly the European Bank for Reconstruction and Development (EBRD). Therefore the Developer wishes to design and manage the project in accordance with good international industry practice and standards.

The EBRD 2014 Environmental and Social Policy includes a comprehensive set of Performance Requirements (PRs) covering key areas of environmental and social impacts and issues. EBRD's PR10 sets out the following requirements of stakeholder engagement during project preparation:

- The first step in successful stakeholder engagement is for the client to identify the various individuals or groups who (i) are affected or likely to be affected (directly or indirectly) by the project ("affected parties"), or (ii) may have an interest in the project ("other interested parties"). Resources for public information and consultation should focus on affected parties, in the first instance.
- As part of the stakeholder identification process, the client will identify individuals and groups that may be differentially or disproportionately affected by the project because of their disadvantaged or vulnerable status. The client will also identify how stakeholders may be affected and the extent of the potential (actual or perceived) impacts. Where impacts are perceived, additional communication may be required to provide information and reassurance of the assessed level of impacts. An adequate level of detail must be included in the stakeholder identification and analysis so as to enable the Bank to determine the level of communication that is appropriate for the project under consideration. Employees are always considered stakeholders.

The Client will inform the EBRD how communication with the identified stakeholders will be handled throughout project preparation and implementation, including the type of grievance procedure envisaged.

4. IDENTIFICATION OF STAKEHOLDERS

The NEPCO Restructuring Loan including the components under the capex investments have been identified based on negotiations between NEPCO and the EBRD. An Environmental and Social Impact Assessment (ESIA) is still not undertaken and is planned in the near future.

NEPCO shall assign an external consultant to undertake the Environmental and Social Impact assessment (ESIA) studies for the infrastructure investments including the associated OHTL and obtain the environmental permit from the MoEnv. This shall include holding a public hearing with related stakeholder groups and communities, including project-affected groups and local nongovernmental organizations (NGOs) should be consulted about the project's environmental and social aspects and their views should be taken into account when finalising the project design. This indicates that there are no previous discussions with stakeholder undertaken by NEPCO for the purpose of this Project.

In order to define a communication process with stakeholders, several stakeholder groups that may be interested and/or affected by the Project development and implementation have been identified, to the extent possible.

Mapping and profiling of stakeholders in this SEP shall be updated after the ESIA for the individual projects is carried out.

In principle, there are a number of groups of people and social groups who are interested in the Project on different levels. These may be described as:

- People and social groups who will be directly or indirectly affected by the project (such as local communities).

This also includes vulnerable groups, which in relation to Project location includes local community grazers. As discussed earlier, an ESIA including detailed socio-economic surveys or community consultations have still not been carried out.

Based on discussions with NEPCO, the expansion works on the existing S/Ss (Hassan Industrial Estate S/S, Azraq S/S, Rishah S/S, South Amman S/S, Irbid City S/S, Ruweished S/S, Al Rajhi Cement Factory S/S, and Subeihi S/S) will take place on a vacant land readily available within the fenced boundaries of the existing plot without any need for acquisition of additional land. In addition, these S/Ss are already connected to an existing OHTL and hence there is no need to establish any additional associated facilities. These S/Ss have been built some time ago and for some of these S/Ss such as South Amman, Irbid, and Subeihi) the urban and residential areas have expanded to become closer to these S/Ss. In that sense, the main stakeholders would

be the community and sensitive receptors within proximity of the existing S/Ss. A detailed list shall be further verified and elaborated in the ESIA.

As for the new S/Ss, in general and based on encounters on several similar projects in Jordan, such local community land users may include local community herders. Based on the ESDD, this is mainly relevant in the case of the Zarqa, MDA2 S/S, Round 3 Wind Substation S/S, New Jerash S/S, and the associated OHTL with the Jerash S/S. In addition, the stakeholders would also include the community and sensitive receptors within proximity of the existing S/Ss and this is applicable for all new S/Ss and associated facilities, A detailed list shall be further verified and elaborated in the ESIA.

- People and social groups who may participate in the implementation of the project (such as investors, Contractors, Consultants, Subcontractors, Service and material providers...etc); and
- People and social groups whom are not affected by the project development per se but may have a possibility to influence and make decisions on implementation of the project and/or may have an interest in the Project such as the governmental entities and line ministries (and Non Governmental Organisations).

A provisional stakeholder list is provided in Table 3 below. After the ESIA is assigned and ESIA kicked off, a stakeholder group mapping and profiling shall be undertaken and a matrix to elaborate on these details shall be provided to NEPCO. This update shall be reflected in the SEP.

Table 3: Identified Groups of Stakeholders

Level of Stakeholder interest in/involvement to the Project
1. Stakeholders who may be directly or indirectly affected by the Project
Residents of District/municipality in which each of the 13 S/Ss is located including: <ul style="list-style-type: none"> ▪ Community Based Organisations; ▪ Youth and unemployed; ▪ Woman groups; ▪ Local academic institutions; and ▪ Local enterprises and businesses. Some of the stakeholders listed above may not be located in proximity of the project components or its associated facility (OHTL), however, they may be interested in being engaged in the Project in terms of job opportunities, local contracting works, and other as appropriate. Priority is given to the stakeholders living or residing within proximity to the project.
<ul style="list-style-type: none"> ▪ Local community grazers within the Project area. Those generally undertake grazing activities and usually settle in tents throughout this period. When they are done, they generally return to their permanent residences.
2. Stakeholders who may Participate in Implementation of the Project
<ul style="list-style-type: none"> ▪ Investor/Lender ▪ Contractors, Consultants, Subcontractors, Service and material providers...etc ▪ Employees / workers
3. Stakeholders who may have a possibility to influence and make decisions on implementation of the project and/or may have an interest in the Project
Central Government
<ul style="list-style-type: none"> ▪ Ministry of Environment (MoEnv). Official governmental entity responsible for protection of the environment in Jordan. Responsible for granting environmental clearance of Project and ensuring implementation of environmental protection measures related to the Project. ▪ Ministry of Agriculture (MoA). Official body responsible for managing rangelands and forest as well as protecting and managing wildlife. For this project, MoA is also responsible for ensuring proper management of impacts on biodiversity. ▪ Ministry of Labour (MoL). Official body responsible for the labour sector in Jordan mandated to achieve the objectives related to employers and workers in Jordan including but not limited to overseeing the affairs of employers and workers, contribute to the organization of the Jordanian labour market, employ Jordanians locally and abroad, etc. ▪ Ministry of Municipal Affairs (MoMA). Official body responsible for setting and designating land uses in Jordan which identifies certain activities and projects which are to be allowed. For this Project MoMA will be involved in changing designation of land use for the Project, if required. ▪ Ministry of Energy and Mineral Resources (MEMR). Overall regulator for the development of the energy projects in Jordan. ▪ Ministry of Health (MoH). Official body responsible for the health sector in Jordan, including public health and safety. For this Project this mainly includes issues related to the public health of nearby communities and nuisance prevention from the Project to include waste management, wastewater management, etc. ▪ Ministry of Public Works and Housing (MPWH). Governmental authority responsible for the construction and development of the public road network in Jordan. For this Project, MPWH is involved in ensuring transportation activities are properly managed. ▪ Ministry of Water and Irrigation (MWI)/Water Authority of Jordan (WAJ). Official governmental entity responsible for the overall monitoring of the water sector, water supply and provisions of wastewater services. For this project this includes issue such as water

supply and wastewater disposal.
<ul style="list-style-type: none"> ▪ Ministry of Tourism and Antiquities (MoTA). Official body responsible for tourism development and protection of antiquities in Jordan. For this project, this mainly includes potential impacts related to archaeology and cultural heritage related to the Project. ▪ Social Security Corporation (SSC). Registration of employees in the social security system and regulating occupational health and safety as well as procedures for work injuries. ▪ Energy and Minerals Regulatory Commission (EMRC). Overall regulator of the energy sector in Jordan. Permit for Project may be required by EMRC before construction activities commence. ▪ Jordan Institute for Standards and Metrology (JISM). Responsible for issuing standards in Jordan including those related to environmental issues such as drinking water standards, ambient air quality standards, and other. ▪ Jordan Engineers Association (JEA). Involved in reviewing technical drawings and granting construction permit for the Project. ▪ Jordan Contractors Association (JCA). Involved in registering contractors to the Project and providing them with vocational licenses to work (international contractors should register with JCA to work in Jordan as well). ▪ Department of Antiquities (DoA). Official governmental entity responsible for protection of archaeology and cultural heritage resources in Jordan. ▪ The General Directorate of Jordan Civil Defence. Involved in approving technical designs and drawings and undertaking inspections during construction and operation
Local Governmental Agencies
<ul style="list-style-type: none"> ▪ Local Governorate – Local Development Unit. Official governmental body in Local Governorate responsible for key government services. For this Project they should be involved in socio-economic development from the Project (job opportunities, local contracting works, and other as appropriate). ▪ Local District Office. Official governmental body in Local District responsible for administrative services. For this Project they should be involved in socio-economic development from the Project (job opportunities, local contracting works, and other as appropriate). ▪ Local Municipality. Official governmental municipal body responsible for providing infrastructure and utility services such as waste collection. Should also be involved socio-economic development from the Project (job opportunities, local contracting works, and other as appropriate)
Non-Governmental Organizations (NGOs) and Other Organisations – listed below are the key environmental and social development NGOs in Jordan. Such entities could be interested in updates on environmental and social implementation of the Project.
<ul style="list-style-type: none"> ▪ Jordan Environment Society ▪ Friends of Environment Society ▪ National Environment and Wild Life Society ▪ The Jordan Society for Sustainable Development ▪ EDAMA ▪ Environmental Societies Association ▪ Jordan Green Building Council ▪ Energy Conservation and Environmental Sustainability Society ▪ Renewable Energy and Environment Investment Society ▪ Jordan River Foundation ▪ Jordanian Hashemite Fund for Human Development ▪ Royal Society for conservation of Nature (RSCN) ▪ BirdLife International
Other Utilities
<p>This shall include relevant representatives from various governmental authorities and utility service providers in the footprint of the project and may include the following: (i) water resources and networks; (ii) wastewater services; (iii) solid waste services; (iv) hazardous waste services; (v) road networks;(vi) Hejaz railway; (vii) Fajr gas pipeline; (viii) electricity networks; and (ix) aviation. Others may also include National Petroleum Company (NPC) gas well fields and the TAPLine¹.</p> <p>These entities would be interested in protection of their infrastructure elements in the area and could be interested in updated on project implementation. This shall be further verified in subsequent studies.</p>

5. STAKEHOLDER ENGAGEMENT STRATEGY AND PLAN

Table 4 below identifies the stakeholder engagement strategy and plan to include stakeholders relevant to the Project (as identified in Table 3 earlier), objective of consultation with each group, the communication methods and tools, time frame and responsible entity for undertaking such consultations.

¹ Trans-Arabian Pipeline (Tapline) was an oil pipeline from Qaisumah in Saudi Arabia to Sidon in Lebanon. In its prime, it was an important factor in the global trade of petroleum—helping with the economic development of Lebanon—as well as American and Middle Eastern political relations. Oil transport through the pipeline started in 1950. The line between Saudi Arabia and Jordan continued to transport modest amounts of petroleum until 1990. Today, the entire line is unfit for oil transport but still physically exists in different areas in Jordan.

In particular, it is important to note that from the onset of the Project, NEPCO (and its contractors) shall adopt and implement a labour employment plan. The labour employment plan will provide details on number of workers required for the project with breakdown (skilled and unskilled), contract services required for the Project, and a local community labour/contractor recruitment strategy. Recruitment strategy will conform to the requirements of the recently issued “Regulation for Obligatory Employment of Jordanian Workforce from Surrounding Communities in Development Projects No. (131) of the year 2016”. The Regulation requires the obligatory employment of local communities within development projects to include fresh graduate engineers, technicians, labourers, etc. and specifies requirements for training as well as giving priority for local contractors. The number of job opportunities is specified based on the investment amount of the development projects. The Plan will also demonstrate providing priorities to local communities for employment and contract services starting at the district level, Governorate level and then at the national level.

Taking the above into account, NEPCO and its Contractors shall take the following into account:

- Manage expectations so that local communities are realistic about opportunities from the Project especially short term construction jobs;
- Include a local labour recruitment strategy to identify the number of skilled and unskilled job opportunities targeted at the local community throughout the construction and operation phases. This will be provided in details to include the qualifications and skills required for each job opportunity as well as the limitations and constraints of local community members and how and to which extent those could be addressed through training and capacity building. The Plan is to include a transparent recruitment procedure for the local community, to be adopted and implemented in the various construction and operation contracting arrangements. Such procedures must provide equal opportunities for all, including females to the greatest extent possible. In addition, strategy should clearly present contract terms;
- Local contractor recruitment strategy which details additional areas where local community members can benefit or be involved besides job opportunities provided they have the required skills and expertise needed to meet the development standards. For example, during construction the Project shall consider local sourcing of materials and supplies (if available);
- Ensure timely and continuous communication and dissemination of information with the local community members to alleviate potential sense of social alienation and exclusion and improve their understanding and perception of the benefits associated with development. Communication will also include information and updates on the project development, number of employment opportunities, the bidding process for project components, construction plans, etc. In addition, communication should also highlight the long term benefits of the project beyond immediate community benefits;
- For PR5-Land Acquisition, Involuntary Resettlement and Economic Displacement:
 - Undertake consultation activities with local community grazers (through regular site visits to the area) to inform them about the new S/Ss and the expansion works on existing S/S as well as the accompanying new OHTL, their locations, construction schedule and grievance mechanism;
 - NEPCO to schedule surveys for S/S locations and OHTL route in order to survey those on private lands so the census and land valuation and acquisition process can proceed as early in the process as possible;
 - If needed, NEPCO to appoint qualified consultant to develop a Land Acquisition Framework and a Land Acquisition and Compensation Plan (LACP), to ensure land acquisition and compensation meet national related legislations with increased consultation and information disclosure, and to monitor the land acquisition and compensation process to verify it meets the requirements of the LACP;
 - The LACP will also identify any vulnerable individuals and groups who will need additional mitigation and consultation measures;
 - Appoint a person to be the primary point of contact within NEPCO regarding the land acquisition and compensation programme; and

- At completion of land acquisition and compensation, NEPCO to audit the completed program.

In addition to the above, NEPCO will be required to establish a Project Implementation Unit (PIU) with a multidisciplinary team from NEPCO with a specified scope acceptable to the EBRD. The PIU will be assisted by a qualified PIU Consultant for the Project preparation phase, including preparation of tender documents and complete tendering process for EBRD financed contracts under the Project. The PIU Consultant will also assist the Company with supervision and monitoring of the Project implementation phase until Project completion. The PIU Consultant shall monitor the implementation of the Project in compliance with EBRD's ESP. This structure should strengthen Project implementation ability within NEPCO and mitigate procurement delays.

Table 4: Stakeholder Engagement Strategy and Plan

Stakeholder	Objectives	Communication Methods and Tools	Timeframe	Responsibility
Stakeholders who may be directly or indirectly affected by the project				
1. Residents of District/municipality in which each of the 13 S/Ss is located including: <ul style="list-style-type: none"> ▪ Community Based Organisations; ▪ Youth and unemployed; ▪ Woman groups; ▪ Local academic institutions; and ▪ Local enterprises and businesses. 2. Local community grazers within the Project area. Those generally undertake grazing activities and usually settle in tents throughout this period. When they are done, they generally return to their permanent residences	Disclose information and outcomes of the Labour Employment Plan.	1. Awareness session shall be held for the local community to inform them on the outcomes of the Labour Employment Plan. The session is to be held in coordination with Local District Office and Local Municipality for local community representatives to include elected members of municipal council, elder representatives of tribal groups, community based organisations, women groups, youth and unemployed, local enterprises and businesses, and local governmental institutions.	One time before construction. One time before operation.	NEPCO / Contractor(s)
	In particular, and based on outcomes of community integration plan (local labour and contractor recruitment strategy), notify local communities on all job opportunities for the Project.	1. Run advertisements in local newspapers.	When required during construction and operation	NEPCO / Contractor(s)
		2. Post advertisements in Arabic at key local community platforms to include Local District Office, Local Municipality, women CBO's, youth CBO's, etc.		
		3. Post advertisements in Arabic around site/fence for local community grazers to be informed about any job opportunities		
	Disclosure of Project information to local community grazers	1. Undertake consultation activities with the grazers (through regular site visits to the area in general) to inform them about Project, its location and schedule as well as the grievance mechanism that will be implemented.	Before construction	NEPCO
	Disclosure of Stakeholder Engagement Plan (SEP) including grievance mechanism.	1. E-mail notification. SEP in Arabic to be disclosed on company website.	Once before construction (updated when required)	NEPCO
		2. Hardcopy of SEP in Arabic to be available at Local District Office and Local Municipality.	Once before construction (updated when required)	NEPCO
3. Summary advertisement in Arabic of grievance mechanism to be posted at key local community platforms to include Local District Office, Local Municipality, women CBO's, youth CBO's, etc.		Once before construction (to be checked regularly to ensure advertisement in place)	NEPCO	
Updates on the Project including environmental and social issues (e.g. environmental performance, grievance mechanism implementation, community integration plan, etc.)	1. Prepare leaflet in Arabic with updates on project and its environmental and social issues. This could include updates on the projects development, number of employment opportunities, the bidding process for project components, construction plans, etc. Leaflet to be disclosed at key local community platforms to include Local District Office, Local Municipality, women CBO's, youth CBO's, etc.	Semi-annually during construction Annually during operation	NEPCO	
Stakeholders who may participate in implementation of the project				
▪ Investor/Lender	Updates on the Project including	1. Individual/Internal Meetings (if required)	TBD	NEPCO / TC

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	environmental and social issues (e.g. environmental performance, grievance mechanism implementation, community integration plan, etc.)	2. Submission of annual environmental report.	Annually – December of each year	Consultant Developer				
Stakeholders who may have a possibility to influence and make decisions on implementation of the project and/or may have an interest in the Project								
Central Government								
1. Ministry of Environment (MoEnv)	Some governmental stakeholders might require to undertake certain inspections or auditing exercises and/or might require certain updates/information on the implementation of the project	1. Individual/Internal Meetings (if required)	Upon occurrence	NEPCO				
2. Ministry of Agriculture (MoA)		2. Correspondence and official letters (if required)	Upon occurrence	NEPCO				
3. Ministry of Labour (MoL)	Updates on the Project including environmental and social issues (e.g. environmental performance, grievance mechanism implementation, community integration plan, etc.)	1. Prepare leaflet in Arabic with updates on project and its environmental and social issues. This could include updates on the projects development, number of employment opportunities, the bidding process for project components, construction plans, etc.	Annually	NEPCO				
4. Ministry of Municipal Affairs (MoMA)								
5. Ministry of Energy and Mineral Resources (MEMR)								
6. Ministry of Health (MoH)								
7. Ministry of Public Works and Housing (MPWH)								
8. Ministry of Water and Irrigation (MWI)/Water Authority of Jordan (WAJ)								
9. Ministry of Tourism and Antiquities (MoTA)								
10. Social Security Corporation (SSC)								
11. Energy and Minerals Regulatory Commission (EMRC)								
12. Jordan Institute for Standards and Metrology (JISM).								
13. Jordan Engineers Association (JEA)								
14. Jordan Contractors Association (JCA)								
15. Department of Antiquities (DoA)								
16. The General Directorate of Jordan Civil Defence								
Ministry of Environment					Coordination for list of private	1. Individual/Internal Meetings (if required)	Once before	NEPCO/Contractor(s)

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	contractors approved for collection of hazardous waste from the site to the Swaqa Hazardous Waste Treatment Facility.	2. Correspondence and Official Letters	construction Once before operation	
	Coordination for disposal of any damaged or broken panels to the Swaqa Hazardous Waste Treatment Facility.	1. Individual/Internal Meetings (if required) 2. Correspondence and Official Letters	Upon occurrence during operation	Developer / Project Operator
Local Government				
Local District Office	Disclose information and outcomes of the Labour Employment Plan	1. Awareness session to be held for the local community to inform them of the Labour Employment Plan. Session to be undertaken in coordination with Local District Office.	Once before construction Once before operation	NEPCO/Contractor(s)
Local Municipality	Coordination for the collection of solid waste from the site to the municipal approved landfill	1. Individual/Internal Meetings (if required) 2. Correspondence and Official Letters	Once before construction Once before operation	NEPCO/Contractor(s)
	Disclose information and outcomes of the Labour Employment Plan	1. Awareness session will be held for the local community to inform them of the Labour Employment Plan. Session to be undertaken in coordination with Local Municipality.	Once before construction Once before operation	NEPCO/Contractor(s)
Local Water Directorate	Coordination for list of private contractors approved for collection of wastewater from Project site.	1. Individual/Internal Meetings (if required) 2. Correspondence and Official Letters	Once before construction Once before operation	NEPCO/Contractor(s)
	Coordination to secure the water requirements of the Project	1. Individual/Internal Meetings (if required) 2. Correspondence and Official Letters	Once before construction Once before operation	NEPCO/Contractor(s)
Local Public Works Directorate	Submission of traffic and transport plan and discussions on outcomes and its implementation.	1. Individual/Internal Meetings (if required) 2. Correspondence and Official Letters	Once before construction	NEPCO/Contractor(s)
Department of Antiquities – Local/Regional	Reporting and communication in case archaeological remains are found through construction of project along with chance find procedures implemented.	1. Individual/Internal Meetings (if required) 2. Correspondence and Official Letters	Upon occurrence	NEPCO/Contractor(s)
Local Environmental Directorate	Updates on the Project including environmental and social issues (e.g. environmental performance, grievance mechanism implementation, community	1. Prepare leaflet in Arabic with updates on project and its environmental and social issues. This could include updates on the projects development, number of employment opportunities, the bidding process for project components, construction plans, etc.	Annually	NEPCO

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	integration plan, etc.)			
Non-Governmental Organizations (NGOs) and Other Organisations				
1. Jordan Environment Society (JES)	Disclosure of Stakeholder Engagement Plan (SEP) including grievance mechanism.	1. E-mail notification. SEP to be disclosed on company website.	Once before construction	NEPCO
2. Friends of Environment Society	Updates on the Project including environmental and social issues (e.g. environmental performance, grievance mechanism implementation, community integration plan, etc.)	1. Prepare leaflet in Arabic with updates on project and its environmental and social issues. This could include updates on the projects development, number of employment opportunities, the bidding process for project components, construction plans, etc.	Annual	NEPCO
3. National Environment and Wild Life Society (NEWS)				
4. The Jordan Society for Sustainable Development				
5. EDAMA				
6. Environmental Societies Association				
7. Jordan Green Building Council				
8. Energy Conservation and Environmental Sustainability Society				
9. Renewable Energy and Environment Investment Society				
10. Jordan River Foundation				
11. Jordanian Hashemite Fund for Human Development				
12. RSCN				
13. BirdLife International				
Other				
Utilities and Infrastructure	Submit letter to confirm no infrastructure elements in Project site	1. Obtain official letter from related entity confirming that they do not have any existing/planned infrastructure in the Project site	Once before construction	NEPCO
	Disclosure of Stakeholder Engagement Plan (SEP) including grievance mechanism.	2. E-mail notification. SEP to be disclosed on company website.	Once before construction	NEPCO
	Updates on the Project including environmental and social issues (e.g. environmental performance, grievance mechanism implementation, community integration plan, etc.)	1. Prepare leaflet in Arabic with updates on project and its environmental and social issues. This could include updates on the projects development, number of employment opportunities, the bidding process for project components, construction plans, etc.	Annually	NEPCO

6. CONTACT DETAILS

Throughout the Project, all stakeholders can contact the Developer throughout the contact details provided below.

Contact Details for the Public

NEPCO central offices in Amman at the following address:

National Electric Power Company (NEPCO)

Telephone: 00962 6 5858615

Fax: 00962 6 5818336

Address: P.O. Box 2310 Amman 11181 Jordan

Website: www.nepco.com.jo

Email: info@nepco.com.jo &/or aadaileh@nepco.com.jo

To contact any of the NEPCO Regional Support Centres centres, dial NEPCO central offices in Amman (contact details above) and request your call to be transferred to any of the NEPCO Regional Support Centres as relevant to the location of the S/S of interest.

#	NEPCO Regional Support Centres	sub-projects
1	North Region Centre	<ul style="list-style-type: none"> ▪ New Jerash S/S ▪ Irbid City S/S ▪ Hassan Industrial Estate S/S ▪ Al Rajhi Cement Factory S/S
2	East Region Centre	<ul style="list-style-type: none"> ▪ Azraq S/S ▪ Ruweished S/S ▪ Rishah S/S
3	Middle Region Centre	<ul style="list-style-type: none"> ▪ New Zarqa S/S ▪ Fuheis S/S ▪ South Amman ▪ Subeihi S/S
4	South Region Centre in Ma'an	<ul style="list-style-type: none"> ▪ MDA2 S/S ▪ RD III Wind S/S

Direct Contact through the Community Liaison Officer (CLO) for the Project:

Telephone: xxxxx

Email:

In addition, the Developer intends to provide all relevant information to the public (on website provided above) and which will include but not limited to the following:

- Executive summary of the Environmental and Social Impact Assessment (ESIA);
- Stakeholder Engagement Plan (SEP);
- Non-Technical Summary (NTS);
- Leaflet in Arabic with updates on project and its environmental and social issues. This could include updates on the projects development, number of employment opportunities, the bidding process for project components, construction plans, etc.

Hard copies will also be available at the central NEPCO Offices in Amman and well as the NEPCO Regional Support Centres as per details provided above.

7. STAKEHOLDER GRIEVANCE MECHANISM

The Developer understands that management of grievances is a vital component of stakeholder engagement and an important aspect of risk management for a project. Grievances can be an indication of growing stakeholder concerns (real and perceived) and can escalate if not identified and resolved. Identifying and responding to grievances supports the development of positive relationships between projects, communities and other stakeholders. Monitoring of grievances will signal any recurrent issues, or escalating conflicts and disputes.

The Developer will implement a Grievance Mechanism to ensure that it is responsive to any concerns and complaints particularly from affected stakeholders and communities. The Developer will accept all comments and complaints associated with the Project and individuals who submit their comments or grievances have the right to request that their name be kept confidential. At all times, complainants are also able to seek legal remedies in accordance with the laws and regulations of Jordan.

The Developer will monitor the way in which grievances are being handled and ensure they are properly addressed within deadlines specified within the mechanism presented below. The Developer will also report regularly to the public on the grievance mechanism implementation, protecting the privacy of individuals.

Stakeholder Grievance Mechanism

1. A Grievance Disclosure Sheet will be prepared and disclosed at the locations identified below. The Grievance Disclosure Sheet will inform the local communities on how and where to lodge a grievance in accordance with step 2 below. (Local District Office Bulletin Board, Local Municipality Bulletin Board, Around site/fence of the Project site)
2. Stakeholders willing to lodge a grievance should be able to use the avenues listed above
3. All grievances (whether submitted through a grievance form, e-mail, telephone, etc.) will be recorded on a grievance log sheet by the CLO.
4. Grievance procedure starts with formal acknowledgment in accordance with the preferred method of communication specified by the complainant within 7 working days of submission. If the grievance is not well understood or if additional information is required, clarification will be sought from the complainant during this step.
5. The CLO will analyse the root cause of the grievance and identify the required actions to be implemented to deal with the issue (in coordination with the relevant personnel) and identify the timeline for their completion (if applicable).
6. A response is going to be developed by the CLO (in coordination with the relevant personnel) and which will be communicated to the complainant in accordance with the preferred method of communication specified. The response will be signed-off by the Project Manager. This sign-off may be a signature on the grievance log or in correspondence which should be filed with the grievance. All grievances will be responded to within 20 working days.
7. Response of the complainant is recorded within the grievance log to help assess whether the grievance is closed or whether further action is needed.

A workers' grievance mechanism will be established for the employees of NEPCO and his contractor(s) as a separate system. The grievance mechanism should guarantee confidentiality. Workers will be given the possibility to lodge grievances both through workers representatives and unions and independently, personally, regardless of the matter of the complaint. Anonymous lodging will also be made possible (grievance boxes). The Grievance Procedure will be free, open and accessible to all and comments and grievances will be addressed in a fair and transparent manner. Information about the procedures, who to contact and how, will be made available. In particular all workers will be informed of the Grievance Process and new workers will be informed when they join the Project. Information on Contact Points will be posted on staff information boards and on site information boards.