



Republic of North Macedonia

Ministry of Finance

STAKEHOLDER ENGAGEMENT PLAN
(SEP)
for
***“PUBLIC SECTOR ENERGY EFFICIENCY
PROJECT”***

Republic of North Macedonia

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ABBREVIATIONS

AF	Additional Funding
DBNM	Development Bank of North Macedonia
E&S	Environmental and Social
EE Fund	Energy Efficiency Fund
EIA	Environmental Impact Assessment
ESCP	Environmental and Social Commitment Plan
ESF	Environmental and Social Framework
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental and Social Management Framework
ESMP	environmental and social management plan
ESS	Environmental and Social Standards
FYR	Former Yugoslav Republic
GRM	Grievance Redress Mechanism
GRS	Grievance Redress Service
LESIA	Limited Environmental Social Impact Assessment
LSGUs	Local Self-Government Units
MoF	Ministry of Finance
MOTC	Ministry of Transport and Communication
NGO	Non Governmental organization
OG	Official Gazette
OH&S	Occupational Health and Safety
OIP	Other Interested Parties
PE	Public Enterprise
PIU	Project Management Unit
RAP	Resettlement Action Plan
RM	Republic of Macedonia
RNM	Republic of North Macedonia
RPF	Resettlement Policy Framework
SEP	Stakeholder Engagement Plan
WB	World Bank
ZELS	Association of the Units of Local Self-Government

1 INTRODUCTION

1.1 INTRODUCTION

This document is a Stakeholder Engagement Plan (SEP) describing the planned stakeholder consultation and engagement process being implemented within the framework of the project “Public Sector Energy Efficiency Project”(PSEEP). The project has been initiated by the Central Government together with the Ministry of finance, in order to support reduction of energy consumption in the public sector and support the establishment and operationalization of a sustainable financing mechanism for the public sector.

The Ministry of finance is proposing allocation of funds from the World Bank Loan for the implementation of the Energy Efficiency retrofitting activities such as:

- Reconstruction of municipal buildings;
- Change of street lighting to EE lightening;
- Reconstruction of Ministry of health buildings i.e. thermal insulation facades, windows roofs etc;
- Introducing of renewable energy resources in public buildings
- Support and establishment of Energy Efficiency Fund.

All above mentioned activities will be a part of the “Public Sector Energy Efficiency Project” (PSEEP) and will include only projects in the territory of the Republic of North Macedonia.

The Project would include three components: (i) energy efficiency investments in the public sector; (ii) technical assistance (TA) and project implementation support; (iii) initial capital for the proposed Energy Efficiency Fund (or ‘EE Fund’).

In order to address Project’s potential environmental and social concerns in accordance with the requirements of the World Bank Assessment and Management of Environmental and Social Standards, the Ministry of finance (MoF) as the responsible national body has prepared an Environmental and Social Management Framework (ESMF) for the project.

According the national legislation site specific ESIA’s will be prepared for the sub-projects and according the WB requirements for “Projects with substantial risk” will be prepared an Initial Limited Impact Assessment (LESIA) and ESMP Checklist for the “Projects with moderate risk”. The ESMP Checklists will be publicly disclosed and consultation process will be conducted during a 30-days public hearing period. These due diligence instrument will ensure in time identification of possible environmental and social risks/impacts and appropriate measures for avoidance or mitigation will be proposed and implement in construction phase.

1.2 PURPOSE OF THE SEP

Stakeholder engagement is an inclusive process conducted throughout the project life cycle. Where properly designed and implemented, it supports the development of strong, constructive and responsive relationships that are important for successful management of the project environmental and social risks. Communicating early, often, and clearly with stakeholders helps manage expectations and avoid risks, potential conflict, and project delays. In addition, the plan assists in managing stakeholder expectations which will have a bearing throughout the lifespan of the project. Hence, this SEP provides a plan to interact effectively with stakeholders to support project interests.

The objectives of the SEP are identification of the project stakeholders at different stages of development and establishment of their rules for management of exchange of information between the PIU and the stakeholders in line with the national regulation and the WB Requirements.

The purpose of the SEP is to present how the MoF/PIU plans to communicate with stakeholders who may be affected by or will be interested in the PSEEP Project throughout the project life cycle. It also describes a grievance mechanism, which is a process that stakeholders may use to raise any concerns about the Project providing their opinions that may influence the Project implementation and its results.

The purpose of the SEP is, therefore, to enhance stakeholder engagement throughout the PSEEP Project, and to carry out stakeholder engagement in line with the laws of Republic of North Macedonia, as well as the requirements of World Bank. SEP will have an important role for successful implementation of the PSEEP project.

Overall, SEP serves the following purposes: a) stakeholder identification and analysis; b) planning engagement modalities and effective communication tool for consultations and disclosure; and (c) enabling platforms for influencing decisions; (d) defining role and responsibilities of different actors in implementing the Plan and (g) grievance redress mechanism (GRM).

The SEP will be disclosed before starting of the project activities

1.3 SCOPE AND STRUCTURE OF THE SEP

This document is a guidance on how to involve the public in all phases of projects, from their approval to their implementation.

Scope of the SEP is outlined in the World Bank's ESS10. The engagement will be planned as an integral part of the project's environmental and social assessment and project design and implementation.

The Stakeholder Engagement Plan consists of the following Chapters:

1. Project Description
2. Description of the Administrative, Policy and Regulatory Framework
3. Previous Stakeholder Engagement Activities
4. Stakeholder Identification and analysis
5. Stakeholder Engagement Program
6. Resources and Responsibilities for implementing the Stakeholder Engagement Plan
7. Grievance Redress Mechanism
8. Monitoring and Reporting

Update of the SEP document

After selecting of sub project, an update of the SEP will be carried out (It will be included in Annex of this general SEP), focussing on particular municipality/ies and the public hearings events will be defined, the disclosure package content and mechanism of engagement of stakeholders.

This SEP was first time updated in July 2024 to include the stakeholder engagement responsibilities and roles for the Component 3 of the PSEEP, the initial funding for the Energy Efficiency Fund, to be implemented by the Development Bank of North Macedonia (DBNM).

The second update in January 2025 is done with purpose to reconfirm the stakeholder engagement obligations, procedures and implementation schemes for the secured Additional Funding (AF) through the Western Balkans Investment Framework (WBIF) in 2024 as grant of €2.18 million for the Component 1b, which will contribute for financing the reconstruction with Energy Efficiency (EE) measures for total of 17 health-care buildings. Namely, upon the development of the detailed designs for EE renovation of selected 18 priority health-care buildings, the total amount of projected Bill of Quantities exceeded the originally allocated €5 million for the Component 1b. Therefor, the PIU within the Ministry of Finance prepared application for additional funding to the WBIF, striving to complement the budget for EE reconstruction of the health-care buildings. With this obtained additional funding, it will be feasible to reconstruct total 17 health-care buildings.

2 PROJECT DESCRIPTION

The global commitment to environmental protection and in particular to reduction of greenhouse gas emissions, Macedonia's dependence on energy imports, as well as the need to secure greater variety and thereby reliability of energy supply undoubtedly impose increased share of renewable energy sources in the final energy consumption. However, in parallel with activities and measures targeting increased share of renewable energy sources, measures and activities to increase energy efficiency of final energy consumption should be pursued. Thus, the target share of renewable energy sources in final consumption will be achieved much easily and faster, but the economy's competitiveness will also be improved due to reduced energy costs.

The Republic of North Macedonia signed and ratified the Agreement of the Energy Charter, the Energy Community Agreement, the United Nations Framework Convention on Climate Change and the Kyoto Protocol. Together with the signing of the Energy Charter Agreement Macedonia also signed a Protocol for Energy Efficiency and Relevant Environmental Protection Aspects.

The activities related to regulating specific issues related to the performance of energy activities specified in the Law on Energy are performed by the Energy Regulatory Commission (ERC) of the Republic of Macedonia. The Energy Regulatory Commission works and decides independently within the framework of the competences determined in the Law on Energy. The Energy Regulatory Commission has the status of a legal entity.

The council of the municipality, i.e. the Council of the city of Skopje, upon a proposal from the mayor, and after acquiring an opinion from the Ministry of Economy, enacts an energy development program for the municipality or the city of Skopje. These programs are enacted for a period of five years and they should be harmonized with the Strategy for Energy Development of the Republic of Macedonia. They determine, the method and conditions regarding the performance of energy activities of public interest of local significance, the need and the sources of funding for new facilities and reconstruction and upgrading of existing facilities, plants and installations for performing energy activities of public interest of local significance, the quantities of natural gas and heat required to satisfy the demand of the citizens and other consumers in the area of the municipalities and the city of Skopje and the measures and activities for increasing the energy efficiency and production of energy from renewable energy sources.

The Project supports the priorities driving the "Strategy for Improvement of Energy Efficiency in the Republic of Macedonia until 2020" are linked to the national security and development goals, and include the following:

1. Reliable energy supply
2. Sustainable economic development
3. Competitiveness of the economy

Which priorities will be achieved by a series of strategic measures, including the following:

- Reduction of dependence on imported fuels through and electricity consumption for non-productive use.

- Modernization of the energy infrastructure, and diversification of energy supply (the extension of a natural gas network is an important basic element in the realization of all expected energy efficiency measures).
- Enforcement of regional cooperation and fulfilment of Energy Community acquis.
- Energy sector management and training, including technology transfer (Best Available Technologies – BAT, clean development mechanism – CDM).
- Building a framework that will allow viability of energy efficiency improvements on a commercial basis.

The **Project Development Objectives** are: (i) reduce energy consumption in the municipal sector; and (ii) support the establishment and operationalization of a sustainable financing mechanism for the public sector.

The project aims to achieve these objectives by enabling investments into municipal and government owned buildings and use of renewable energy sources.

Progress made under the proposed project will be monitored according to these intermediate indicators: (a) projected lifetime energy savings from EE investments in public buildings (MWh); and (b) establishment and operationalization of an EE Fund; (c) associated CO₂ emissions reductions as a result of the energy savings (tons of CO₂ equivalent); (d) number of buildings/street lighting systems renovated, (e) budgetary savings from investments, (f) number of beneficiaries (disaggregated by gender), (g) percentage of project beneficiaries reporting an improvement in building comfort level (disaggregated by gender), (h) number of participants in capacity building activities (with gender breakdown), (i) percentage of municipalities using citizen engagement mechanisms and (j) number of participants (contractors, municipality staff, supervision staff) in gender equality training.

The Project components are:

- Component 1: Energy efficiency investments in the public sector (€18 million, IBRD)
- Component 2: TA and project implementation support (€2 million, IBRD)
- Component 3: Initial capital for the Energy Efficiency Fund (€5 million, IBRD)

The Project would include three components: (i) energy efficiency investments in the public; (ii) technical assistance (TA) and project implementation support; (iii) initial capital for the proposed Energy Efficiency Fund (or 'EE Fund').

Component 1. Under this Component, EE and some renewable energy (RE) investments ("subprojects") would be financed in public facilities (covering municipal buildings and public lighting, central government buildings). It is expected that these subprojects will generate demonstrable energy cost savings and social co-benefits, which would form the basis for developing a sustainable mechanism under the proposed EE Fund. The focus will be on renovation of larger buildings with high energy consumption that typically yield more energy savings. This component would support preparation of the energy audits and technical designs, renovation works, construction supervision and final energy performance certificates. Centralized preparation work will be important to ensure the preparation documents are consistently prepared and of high quality, given that many municipalities have limited expertise in reviewing such documents.

Component 1(a) Energy Efficiency Investments in Municipal Sector (Est. cost €10 million). Municipalities would apply for financing based on period calls for proposals for the renovation of buildings under their management and/or public lighting systems. The energy audits, technical designs and construction supervision would be procured by the PIU at no cost to the municipalities; the municipalities would be responsible for procurement of the renovation works and final energy performance certifications. Financing would be provided through sub loan agreements similar to the practice under the ongoing MSIP program. Sub-loans would generally be repaid over a 10-13-year period. It was also agreed that about 10-20% of the investment amount would be provided as a grant to the municipality.

The Project would seek to support cost-effective renovations of eligible municipal buildings and municipal-managed public lighting¹. Proposed building eligibility criteria would include: (i) ownership by (or assigned to) the local government (excluding municipally-owned enterprises, private buildings with municipal tenants)²; (ii) must be structurally and seismically safe³, not had a full EE renovation in the past 10 years, and be at least 10 years old; (iii) no plans for office moves, closure, building demolition or privatization; and (iv) sufficient utilization rates (e.g., at least 50% of the designed capacity of the building is being used). Eligible municipalities must have sufficient debt capacity to borrow from the Project for the proposed subproject. Proposed eligible investments would include building envelope measures (roofs/wall insulation, windows, doors), heating/cooling systems, water heating, pumps/fans and lighting. Some RE applications (e.g., rooftop solar PV, biomass heating, solar water heating, geothermal or air sourced heat pumps) could also be considered if they meet the economic criteria and are primarily used to offset the building's electricity/fuel use (rather than to generate power to sell to the grid). A limited amount of funds (e.g., 10%) could be allocated for non-EE measures (e.g., rewiring, minor structural repairs, painting, seismic safety, etc.). The Project would seek to ensure minimum technical performance of the renovated buildings (i.e., country's Class C energy performance certificates or higher) and should include an investment cost of at least €50,000 but not more than €500,000, and a maximum simple payback period of 12-15 years (or unless the Bank otherwise agrees). Procedures for identifying the buildings, prioritization and selection will be finalized in the Project Operations Manual (POM).

Component 1b. Energy Efficiency Investments in Central Government Buildings of the Ministry of Health (€5 million) Under this Component, EE and renewable energy investments would be financed in public buildings managed by the central government focusing on the health sector. The Ministry of Health (MOH) confirmed their interest to participate in the Project and identify the buildings that will be renovated. In June 2023, the Ministry of Finance secured Additional Funding (AF) through the Western Balkans Investment Framework (WBIF) as grant of €2.18 million

¹ Public lighting would include street lighting, traffic lights, lighting of parking lots, parks and signage.

² However, some public buildings related to defense or police (e.g., prisons) may not be eligible due to Bank restrictions.

³ A new regulation was put in place after the Skopje earthquake in 1963 and all buildings constructed after the new regulation was enacted have generally been in compliance. Draft building technical designs are reviewed, supervised and approved by IZEES (the *Institute* of Earthquake Engineering and Engineering Seismology). In the case that construction permits and seismic certifications are not available, the PIU can include an engineering seismic assessment with the energy audit. If deficiencies are identified, these costs can be included in the renovation costs if the payback period is under 15 years. If not, the building will be removed from the Project.

for this Component, which will contribute for financing the reconstruction with Energy Efficiency (EE) measures for total of 17 health-care buildings.

Component 1c. Technical studies to support investments (€3 million). This subcomponent will support subproject screening, detailed energy audits, technical designs and technical specifications, and construction supervision for investments undertaken in Components 1a and 1b. It would also include technical assessments needed for adequate disposal of any hazardous materials from the renovations as well as their actual disposal.

Component 2. Technical assistance and implementation support (€2 million). The draft Energy Efficiency Law, which includes a provision for the establishment of the proposed EE Fund, was approved by the Government and submitted to Parliament and expected to be enacted before the end of 2019. This component will be used to develop the supporting bylaws, additional strategies and plans, and the law/bylaw/ regulation to establish the proposed EE Fund. Following indicative list of technical assistance (TA) activities were agreed: (i) establish a legal basis for establishment of the proposed EE Fund (to be a state-owned entity to offer financing and services to support the renovation of public EE projects, both central and municipal) including the draft legislation/regulation, governance structure and institutional set-up; (ii) review and develop templates for the various financial instruments (e.g., loans, energy service agreements, partial grants, etc.) and other service offerings (e.g., audit/design procurement) of the Fund to service both central and municipal facilities, assess demand and absorption capacity of the market, potential for nondebt instruments (as compliant with the Macedonian legislation on public debt), repayments, risks, etc. and the legal basis for financing agreements with eligible public institutions to ensure its sustainability; (iii) formulation of a 5-year staffing and investment plan for the Fund, including a prospective subproject pipeline for the initial year of operations and detailed operating procedures; (iv) support to develop broader EE secondary legislation and further EE market development. While the specific areas will be confirmed once the EE Law has been adopted, an indicative list of options include: (i) updates of EE-related rulebooks for buildings and building performance certificates; (ii) support for homeowner association legislation to allow for commercial borrowing and signing of contracts for building renovations; (iii) development of a long-term building renovation strategy (as required under the revised EU Energy Performance in Building Directive); (iv) regulations for net-metering for rooftop solar PV installations on public and residential buildings; and (v) other areas as requested by the Ministry of Economy; (v) targeted information campaigns and training of EE market actors (e.g., energy auditors, design firms, construction companies, ESCOs, commissioning inspectors) to ensure adequate demand for municipal applications, technical competencies and learning lessons from early projects; and (vi) support for the project implementation and PIU, including safeguards, gender and citizen engagement aspects, project monitoring and reporting, PAD preparation consultants etc.

Component 3. Initial capital for the proposed EE Fund (€5 million). In order to ensure that the EE Fund is established within the lifetime of the Project, and to ensure that investment capital is available for the Fund once it is established, it was agreed that €5 million would be set aside to be used by the EE Fund once it is established. The funds would be used to support EE Fund staff, operating costs, marketing, and initial audits/designs/investments. The funds would not be used until the EE Fund is legally established, a set of operating procedures (operations manual) has

been adopted by the Fund's Board of Directors and approved by the Bank, an investment and staffing plan have been approved by the Board and Bank, the Fund has a minimum number of staff to operate effectively and the Bank has conducted an assessment of the Fund's technical, fiduciary and safeguards capacities.

3 DESCRIPTION OF THE ADMINISTRATIVE, POLICY AND REGULATORY FRAMEWORK

3.1 NATIONAL LEGISLATION REQUIREMENTS

According to the *Law on Environment*⁴, public disclosure and consultation activities should be carried out during the full environmental impact assessment (EIA) procedure. The relevant procedures for disclosure and consultations include the following steps:

- The public is informed about details of disclosure of the draft plan/document (where the hard copy is available for review, the dates and time when it can be reviewed) through the media; citizens/organizations are invited to send comments and/or attend public consultations;
- Public consultations are held in an appropriate local venue and the plan/document is presented;
- Comments received from all stakeholders are processed, and the plan/document has been revised to reflect them.

Throughout the **process of development and adoption of urban and spatial planning documents** (which is in line with the *Law on Urban and Spatial Planning*⁵), the public must also be informed and consulted.

According to the Law on construction (OG of RM no. 130/09, 124/10, 18/11, 36/11, 54/11, 13/12, 144/12, 25/13, 70/13, 79/13, 137/13, 150/13, 163/13, 27/14, 28/14) - Decision for Approval of the EIA Report is a precondition for approval of infrastructure projects.

Article 16 of the Constitution of Macedonia guarantees "access to information and the freedom of reception and transmission of information".

The Law on Free Access to Information of Public Character (Official Gazette of RM" No. 13/06, 86/08, 06/10, 42/14, 48/15, 55/16, 64/18) allows individuals and legal entities to obtain information from state and municipal bodies and all others who are performing public functions.

In 1999, FYR Macedonia ratified the **Aarhus Convention on Access to Information, Public Participation in Decision Making and Access to Justice in Environmental Matters**. The Aarhus Convention grants the public rights regarding access to information, public participation and access to justice, in governmental decision-making processes on matters concerning the local, national and transboundary environment. Article 2(c) of the Convention states that the Convention applies not only to government at all levels, but also to "any other natural or legal persons having public responsibilities or functions, or providing public services, in relation to the environment, under the control of [a public authority]." In line with the Convention, the Company is required to: respond to requests from the public for environmental information (any member of the public can make a request, regardless of citizenship, nationality or domicile); regularly collect and disclose environmental information to the public and notify the public that the information is available; and provide information for emergencies.

3.2 World Bank Environmental and Social Standard on Stakeholder Engagement

The World Bank developed an Environmental and Social Framework setting out the World Bank's commitment to sustainable development, through a Bank Policy and a set of Environmental and Social Standards that are designed to support Borrowers' projects, with the aim of ending extreme poverty and promoting shared prosperity. The Environmental and Social Standards (ESS) set out the mandatory requirements that apply to the Borrower and projects. They present set of obligatory

⁴ O.G. of FYR Macedonia, No. 53/2005, with the latest amendments in 99/18

⁵ O.G. of FYR Macedonia, No. 199/14, with the latest amendments in 163/16

guidelines and instructions with the main objective to foster efficient and effective identification and mitigation of potentially adverse environmental and social impacts that may occur in the development projects, with proper stakeholder engagement and sustainable management.

3.3 STAKEHOLDER ENGAGEMENT ESS10

WB has set out a comprehensive set of specific Environmental and Social Standards (ESS) that projects are expected to meet. Stakeholder engagement in line with the World Bank requirements is associated with ESS 10 which recognizes “the importance of open and transparent engagement between the Borrower and project stakeholders as an essential element of good international practice”. Specifically, the requirements set out by ESS10 are the following:

- “Borrowers will engage with stakeholders throughout the project life cycle, commencing such engagement as early as possible in the project development process and in a timeframe that enables meaningful consultations with stakeholders on project design. The nature, scope and frequency of stakeholder engagement will be proportionate to the nature and scale of the project and its potential risks and impacts.
- Borrowers will engage in meaningful consultations with all stakeholders. Borrowers will provide stakeholders with timely, relevant, understandable and accessible information, and consult with them in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation.
- The process of stakeholder engagement will involve the following, as set out in further detail in this ESS: (i) stakeholder identification and analysis; (ii) planning how the engagement with stakeholders will take place; (iii) disclosure of information; (iv) consultation with stakeholders; (v) addressing and responding to grievances; and (vi) reporting to stakeholders.
- The Borrower will maintain and disclose as part of the environmental and social assessment, a documented record of stakeholder engagement, including a description of the stakeholders consulted, a summary of the feedback received and a brief explanation of how the feedback was taken into account, or the reasons why it was not.” (World Bank, 2017: 98).

A Stakeholder Engagement Plan proportionate to the nature and scale of the project and its potential risks and impacts needs to be developed by the Borrower. It has to be disclosed as early as possible, and before project appraisal, and the Borrower needs to seek the views of stakeholders on the SEP, including on the identification of stakeholders and the proposals for future engagement. If significant changes are made to the SEP, the Borrower has to disclose the updated SEP.

4 SUMMARY OF PREVIOUS STAKEHOLDER ENGAGEMENT ACTIVITIES

The Ministry of finance/MSIP PIU during the June-Sep 2019 organized meetings in every planning region with respective municipalities to present the project and discuss their interest. Every planning region, eight regions in total, hosted a meeting whereby the Mayor and EE representative were invited. Municipalities were mainly interested about the type of sub-project activities/works eligible for financing, the procedure for application and procedures for project implementation. Also, the municipalities were interested whether incremental non-EE measures could be financed such as toilet renovation, improve the accessibility etc.

Representatives of Ministry of finance/MSIP PIU organized several meetings with representatives of Ministry of health to discuss the eligibility criteria for the selection of buildings for the retrofitting. Biggest potential for energy savings is in the healthcare facilities. The Ministry of health identified list of 30 priority buildings that should be subject to energy efficient reconstructions. After the seismic screening, 18 buildings were positively assessed to continue the process for EE reconstruction. During the preparation of the complete technical documentation for reconstruction, 2 crucial consultative meetings were conducted with the User Committees in 2023 that were established by the users of the health-care buildings. During these meetings, the key issues for EE reconstruction were discussed aiming to understand the reconstruction works, benefits and achievements, as well as to prepare acceptable workplans for the medical personnel to provide continuity in the healthcare for the patients and mitigate potential impacts. Finally, the ESMPs for all 18 buildings were publicly disclosed on the website of the Ministry of Finance and Ministry of Health. Two public hearing events were conducted in June and July 2023 providing opportunity for a wider public participation in this consultation process.

The PIU in September had meetings with the Ministry of Environment and Spatial Planning and national and regional chambers of commerce as well as energy related CSO.

During the process of development the technical documentation (legal, institutional, economic and financial feasibility) for establishment of the EE Fund, the representatives from the MoF organized stakeholder consultation meeting in September 2022 with all the actors working in the area of energy efficiency, in order to present all the possible options for establishment of the EE Fund. After the consultation, the Government decided to go forward with option number 2, establishment of the EE Fund within the DBNM. During 2023 and 2024 the necessary documents for implementation of this concept were developed (Business Plan, Strategy and Operation Manual) and it was done in consultation with all the key stakeholders, relevant institutions (Ministry of economy, DBNM, Ministry of finance).

5 STAKEHOLDER IDENTIFICATION AND ANALYSIS

The WB ESS 10 recognizes two broad categories of stakeholders:

- Project Affected Parties and
- Other Interested parties
- Disadvantaged / vulnerable individuals or groups.

Project-affected parties include those likely to be affected by the project because of actual impacts or potential risks to their physical environment, health, security, cultural practices, well-being, or livelihoods. These stakeholders may include individuals or groups, including local communities. They are the individuals or households most likely to observe/feel changes from environmental and social impacts of the project.

The term “Other interested parties” (OIPs) refers to: individuals, groups, or organizations with an interest in the project, which may be because of the project location, its characteristics, its impacts, or matters related to public interest. For example, these parties may include regulators, government officials, the private sector, the scientific community, academics, unions, women’s organizations, other civil society organizations, and cultural groups.

It is particularly important to understand project impacts and whether they may disproportionately fall on disadvantaged or vulnerable individuals or groups, who often do not have a voice to express their concerns or understand the impacts of a project.

Vulnerable individuals or groups for PSEEP - (people with low social standard – unemployed persons, single parents; people with disabilities, old people, Roma people, individual farmers) from the affected Municipalities and surrounding settlements. This group of people for project activities are usually informed by representatives of their settlements in municipal or local councils, local communities and municipalities. Regarding the presence on the public hearing events may have difficulty in summer because for most of the population in rural areas agriculture is the main activity and income generator. It is necessary to make an analysis for each municipality separately regarding the representation of vulnerable groups, the existence of NGOs, medical professionals working with people with disabilities, and then to apply appropriate measures according to the needs of the vulnerable people in each municipality and to get their opinion on the project activities.

5.1 STAKEHOLDER MAPPING

Stakeholder is defined as an individual/ institution (agency)/organization that can impact upon or get impacted by the PSEE project.

In order to define a communication process with the stakeholders, several groups that may be interested and/or affected by the project implementation have been identified and they are presented on Table 1.

The reason being that there are various issues that are likely to concern different stakeholders and so different types of stakeholder have been grouped based on their influences to the project.

Early understanding of the influences or connections of a stakeholder group to the project assists in the identification of the key objectives in engagement. In this regard a stakeholder mapping exercise was undertaken to identify the importance of each stakeholder, assesses the influence that

stakeholders have over a project and/or the way project activities will potentially affect stakeholders. As the project evolves, other stakeholder groups may be identified and engaged.

Stakeholders have their responsibilities according to which they are divided into separate groups, different responsibilities are described for each group in the same table 1.

Table 1 Relevant stakeholders and their responsibilities for the PSEEP

Stakeholder Category		Sub group/ Department Sector	Responsibilities
Affected parties	Governments and regulatory bodies and public companies	Ministry of Finance,	- Project Coordination and Implementation
		Ministry of Health,	- Participate in consultation for sub-component implementation
		Ministry of Local self-government,	- Participate in the advisory board
		Ministry of Economy,	- Participate in consultation for sub-component implementation
		Ministry of Energy, Mining and Raw minerals	- Participate in consultation for sub-component implementation
		Ministry of Environment and physical planning,	- Participate in the advisory board
		Ministry of Labor and Social Policy,	Participate in the advisory board
		State Labor Inspectorate,	Support Enforcing the Standards for Labor and Working Conditions
		State Environmental inspectorate,	Support Enforcing national legislation related EMP
		Energy Agency,	Participate in the Project advisory board and support in the component two and three
		ZELS	Participate in the Project advisory board
		Development Bank of North Macedonia	<ul style="list-style-type: none"> - Establish and manage the EE Fund - Prepare documents for Energy Efficiency Committee - Implementation of good construction practice, OH&S measures and environmental protection, - Quick intervention and elimination of consequences from adverse incidents, - Efficient and timely execution of construction work. - Participation in necessary trainings

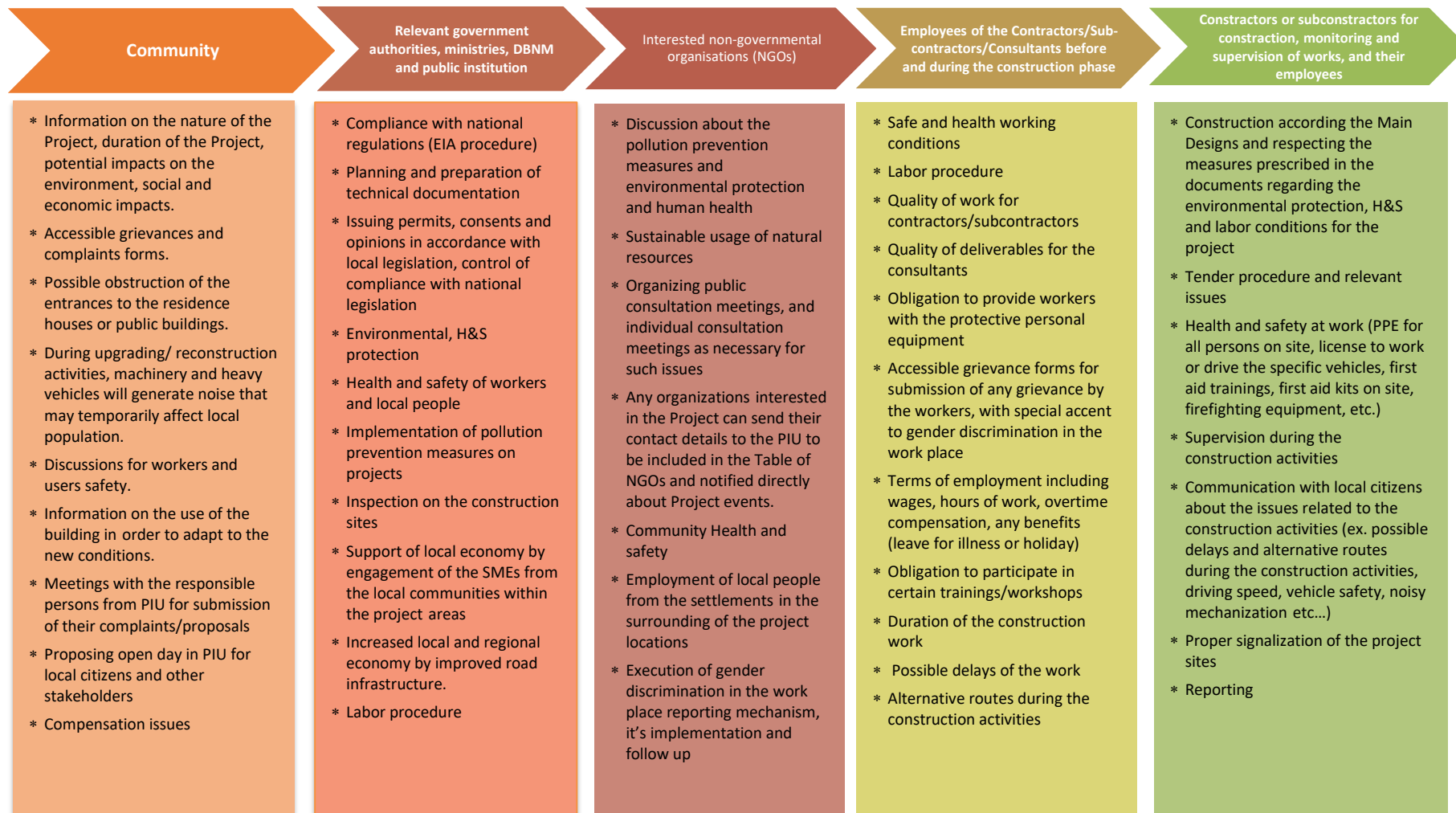
Stakeholder Category		Sub group/ Department Sector	Responsibilities
Affected parties	Community	Residents of Municipalities/Settlements where the project activities will be performed Users of the public buildings on daily basis (students, teachers, hospital staff, patients, administration workers etc) Contractors for construction /reconstruction activities Suppliers of goods and services People with disabilities/vulnerable groups (people with low social standard – unemployed persons, single parents; people with disabilities, old people, Roma people, individual farmers)	<ul style="list-style-type: none"> - Participation as relevant in the MoF for efficient implementation of the PSEEP, - Active participation during the project preparation and implementation. <hr/> <ul style="list-style-type: none"> - Implementation of good construction practice, OH&S measures and environmental protection, - Quick intervention and elimination of consequences from adverse incidents, - Efficient and timely execution of construction work. - Participation in necessary trainings <hr/> <ul style="list-style-type: none"> - Expressing their opinions, suggestions and specific proposals during the preparation and implementation of sub-project activities <p>As users the technical designs and proposal of the activities will be shared with the group, Provide feedback. i.e. physical access issues</p>
	Local and regional authorities	ZELS Municipalities Local Communities Public Enterprises Healthcare facilities	<ul style="list-style-type: none"> - Support the MoF and PIU to implement the PSEEP, - Adoption of the technical documentation for implementation of the project, - Issuing the Decision for approval of the EIA Report/Elaborate, - Providing necessary permits - Supervision of the construction activities, - Ensuring the proper access of the population to their homes, - Providing alternative solutions while performing the project activities, - Ensuring the full implementation of the OH&S and environmental standards during the construction activities.
Affected parties	Financial institutions and private companies	World Bank Financial Institutions EVN Macedonia (Electricity distribution company) Mobile Operators Network Suppliers of equipment Transporters Contractors/Providers of consultancy services	<ul style="list-style-type: none"> - Providing financial support for realization of the project, - Following the implementation of the OH&S and environmental standards in all project phases, - Public participation according to the WB ESS 10, - Implementation of the OH&S and environmental standards in all project phases.
Other interested	Non governmental organizations and	National and local environmental and social NGOs	<ul style="list-style-type: none"> - Following the implementation of the PSEEP and raising concerns regarding the environmental and social issues that needs to be overcome, with focus on gender issues.

Stakeholder Category		Sub group/ Department Sector	Responsibilities
Other interested parties	professional organizations		
	Other interested stakeholders	Media	- Publicity of the project through TV station, radio station, social media, newspaper
		General public	- Providing information on the dynamics of performing the project activities,
		Workers and their unions	- Providing information about delays on certain sub-projects during the execution of project activities,
		Chambers of RNM	- Professional and efficient execution of the project activities in accordance with the Dynamic Plan.

List of stakeholders during the project implementation will be continuously updated and they will be incorporated in the SEP document.

MoF and DBNM will discuss different issues with each group of stakeholders depending on their role, responsibility and importance as stakeholder. The following table contains the main issues that will be discussed with different stakeholders.

Figure 1 Key issues to be discussed with different groups of stakeholders



A variety of communication methods will be used as appropriate for each set of stakeholders. In general, these include: a) Public and individual meetings, b) Announcements in media, c) Provision of general information on notice-boards at public locations, d) Regular mail and email correspondence and Publication of relevant project information on the website of the Ministry of finance and DBNM.

For different stakeholder groups different techniques will be use in all project phases and they are detailed described in Table 2.

Table 2 SEP Techniques for each stakeholder group

Stakeholder group	Engagement Technique	Project phase
Community	<ul style="list-style-type: none"> Publishing information on the extent, timing and duration of planned works and any expected disruptions and inconveniences on the central bulletin board in the branch offices of the Municipalities or Healthcare facilities at least two weeks prior to the start of any construction works, 	<ul style="list-style-type: none"> Before starting with implementation of the sub-project activities
	<ul style="list-style-type: none"> Public consultation meeting, and individual meetings as necessary, 	<ul style="list-style-type: none"> Before starting with implementation of the sub-project activities During the construction works
	<ul style="list-style-type: none"> Informing through the media – radio/TV/social media (announcements), 	<ul style="list-style-type: none"> Before starting with implementation of the project activities During the construction works
	<ul style="list-style-type: none"> Direct information through the local authorities Communication through bulletin boards (placed in appropriate places) and posting project information/notices there 	<ul style="list-style-type: none"> Before starting with implementation of the project activities During the construction works During the operation of the reconstructed building
	<ul style="list-style-type: none"> Group meetings with residents/employees or other groups using the buildings on daily basis 	<ul style="list-style-type: none"> Before starting with implementation of the project activities During the construction works During the operation of the reconstructed building
	<ul style="list-style-type: none"> Direct communication with residents, companies, employees or other groups using the buildings on daily basis etc., 	<ul style="list-style-type: none"> Before starting with implementation of the project activities During the construction works During the operation of the reconstructed building
	<ul style="list-style-type: none"> Direct information via a contact person or person responsible for the implementation of the SEP. 	<ul style="list-style-type: none"> Before starting with implementation of the project activities During the construction works During the operation of the reconstructed building
Relevant government authorities, ministries and public institutions	<ul style="list-style-type: none"> Official correspondence 	<ul style="list-style-type: none"> Before starting with implementation of the project activities

Stakeholder group	Engagement Technique	Project phase
		<ul style="list-style-type: none"> During the construction works During the operation of the reconstructed building
	<ul style="list-style-type: none"> Meetings, public hearings 	<ul style="list-style-type: none"> Before starting with implementation of the project activities During the construction works
	<ul style="list-style-type: none"> One on one meetings. 	<ul style="list-style-type: none"> Before starting with implementation of the project activities During the construction works
Interested non-governmental organisations (NGOs)	<ul style="list-style-type: none"> Public consultation meetings, and individual consultation, meetings as necessary 	<ul style="list-style-type: none"> Before starting with implementation of the project activities During the construction works During the operation of the reconstructed building
	<ul style="list-style-type: none"> Direct email communication 	
	<ul style="list-style-type: none"> Media/ press releases. 	
Employees of the Company and the Trade Union	<ul style="list-style-type: none"> The Company's internal communication channels, Trainings as necessary. 	<ul style="list-style-type: none"> Before starting with implementation of the project activities During the construction works
Contractors subcontractors or for construction, monitoring and supervision of works, and their employees	<ul style="list-style-type: none"> Information through tender procedure and Contracts 	<ul style="list-style-type: none"> Before starting with implementation of the project activities
	<ul style="list-style-type: none"> Communication via supervising engineers 	<ul style="list-style-type: none"> During the construction works
	<ul style="list-style-type: none"> Toolbox talks at construction sites on health and safety topics 	<ul style="list-style-type: none"> During the construction works
	<ul style="list-style-type: none"> Monthly reports on progress of works to be submitted by contractors during construction works 	<ul style="list-style-type: none"> During the construction works
	<ul style="list-style-type: none"> Trainings. 	<ul style="list-style-type: none"> During the construction works

During the whole life of the project, gender, ethnic and cultural diversity of the citizens should be taken into consideration, especially for their engagement on the project and organizing meetings and public hearing events.

Prior to any engagement event the following actions will occur:

- Selection of individual stakeholders with whom engagement will occur;
- Selection of methods for disclosure of information (including such topics as format, language, and timing);
- Selection of location and timing for engagement event (avoiding busy work times, which may be seasonal, and days/times when special events may be occurring due to ethnic and cultural issues);
- Agreeing mechanisms for ensuring stakeholder attendance at engagement event;
- Identification and implementation of feedback mechanisms to be employed.

6 STAKEHOLDER ENGAGEMENT PROGRAM

Stakeholder engagement activities will be ongoing through the whole life cycle of the Project, (Project's preparation, construction and operation).

For the PSEEP and EE Fund, stakeholders will be engaged as early as possible and will continue the engagement throughout the planning, implementation until the project is finished.

The nature and frequency of follow up consultations will be different depending on the subprojects will develop.

Before starting of the PSEEP, all affected parties will be informed about the Project's scope and contact information which they can address for further information. They also will be informed about the availability of the publicly available information on the MoF website as well as at the Municipalities Information boards, websites or social media.

Key communication principles are to:

- Keep the community and key stakeholders informed in advance of project progress.
- Encourage community participation.
- Ensure 'no surprises' to key stakeholders and the community.
- Listen to feedback, investigate suggestions and adopt them where possible.
- Transparency.

The PSEEP team recognize that being open, listening to the community, and ensuring that the community understands proposed construction methods and timelines is the best approach to building effective relationships with the community to assist minimize project impacts.

Productive relationships with Municipalities and the Environmental and Social Specialists will assist the PSEEP team to minimize impacts associated with the project. The PSEEP team will regularly contact with Municipalities (Borrowers) to discuss works that will impact employee and users access, daily work flows, urban design and other items that may be of interest or impact to the local community.

6.1 RESPONSIBILITY FOR SEP IMPLEMENTATION

The current PSEEP PIU in the Ministry of finance will be responsible for overall PSEEP implementation, including the implementation of this SEP. The Energy Efficiency Fund in the Development Bank of North Macedonia will be responsible for the implementation of Component 3. The PIU will consist of Project Lead Coordinator and PIU officers.

The PIU Environmental and Social Specialists shall be the responsible persons for implementation the SEP document during the entire Project cycle, and in charge of communicating with the communities.

The EE Fund PIU/Department within DBNM will be responsible for the implementation of the SEP document during the disbursement of component 3 of PSEEP.

All contractors in charge of carrying out specific Project activities will also be required to implement the relevant provisions of SEP. The grievance mechanism requirements will be laid out in the tender documentation and contracts signed with the Contractors.

6.2 PROPOSED STRATEGY FOR INFORMATION DISCLOSURE

The Ministry of Finance intends to provide all relevant information for the PSEEP to the public (social media, national and local TV and radio stations). All interested and affected parties will be able to find the following documents on the MoF website (www.finance.gov.mk) and the Municipality (Borrower) website:

- ***Environmental and Social Management Framework (ESMF) for PSEEP;***
- ***Resettlement Policy Framework (RPF) for PSEEP;***
- ***Stakeholder Engagement Plan (SEP) for PSEEP including grievance mechanism;***
- ***Environmental and Social Due Diligence instruments that will be developed for each sub-project (Initial Limited Environmental and Social Impact Assessment - LESIA /Environmental and Social Management Check Lists – ESMP Check Lists);***
- ***Environmental and Social Commitment Plan (ESCP)***
- ***Project Operational Manual.***

These documents will remain in the public domain for the duration of the Project. The SEP will be periodically updated.

All information regarding PSEEP project an EE Fund shall be available on the MoF website and DBNM website, also on Municipalities Information Boards, website and social media that will serve as a media tool/channel for communications with the local residents. Information in relation to the Grievance Mechanism will also be included (see below). Stakeholders, including the public, will also be able to use the Grievance Mechanism. Furthermore, information regarding the Grievance Procedure will also be widely disseminated to affected municipalities and affected local communities.

Information prior and during project implementation will be made available through brochures or leaflets, in the Municipalities and regions where activities will be conducted. Most of the Municipalities have local community radio stations, therefore, information will be transmitted through these radio stations.

The MoF and DBNM through the Municipalities will be responsible for disclosure of commencement of the project, SEP and GRM so that the community is made aware of channels to bring out their complaints.

Regarding the WB requirements for environmental protection for the project that are classified with **substantial risk** LESIA document will be prepared, while for the projects that are classified in **moderate risk ESMP Checklist** will be prepared.

Prepared documents regarding the environmental protection ESMF and RPF and LESIA/ESMP Checklist will be publicly available on the MoF website for submitting comments within 14 days.

Public hearing event will be organized for ESMF and RPF and for the sub-projects with substantial risks/impacts, the prepared LESIA will be presented on public hearing event. The announcement for organization of public hearing event for draft version of ESMF and RPF will be published in two newspapers (Macedonian and Albanian languages).

The event will be organized during the 14-day period specified for the availability of the ESMF and RPF or LESIA document. If necessary, separate meetings will be held to ensure that the stakeholder engagement is gender responsive.

The PIU from MoF will carry out public consultations' through organizing public hearing events. For that purpose, Project disclosure package should be prepared and should contain following documents:

Disclosure package for draft versions of ESMF and RPF:

- Public Announcement for organization of the public hearing events for prepared ESMF and RPF (published in two newspapers in Macedonian and Albanian languages, on the web site of the MoF and DBNM);
- Draft version of ESMF and RPF documents;
- Agenda for public hearing events;
- Minutes of Meeting from the organized public hearing event;
- Final version of the ESMF and RPF including the MoM for the public hearing event, List of participants and public announcements.

Disclosure package for draft versions of Initial Limited Environmental and Social Impact Assessment (LESIA) document for sub-projects with substation risks/impacts:

- Public Announcement for organization of the public hearing events for prepared LESIA document;
- Draft version of Initial Limited Environmental and Social Impact Assessment (LESIA) document developed for each sub-project;
- Form for submitting comments and suggestions site specific LESIA document;
- Agenda for public hearing events;
- Minutes of Meeting from the organized public hearing event;
- Final version of the LESIA document including the MoM for the public hearing event, List of participants and public announcement.
- Grievance form to be used during the construction of the sub-project.

Disclosure package for draft versions of ESMP Checklist for project with moderate risks/impacts:

- Draft version of ESMP Check List document developed for each sub-project;
- Form for submitting comments and suggestions site specific ESMP Check List;
- Final version of the ESMP Check List based on received comments by the stakeholders
- Grievance form to be used during the construction of the sub-project;

The disclosure package will be publicly available in Macedonian and for some sub-projects in Albanian language immediately upon its availability, on the websites of the relevant Municipalities (on the which territory the Project will be implemented), the DBNM (www.mbdp.com.mk) and the MoF (www.finance.gov.mk).

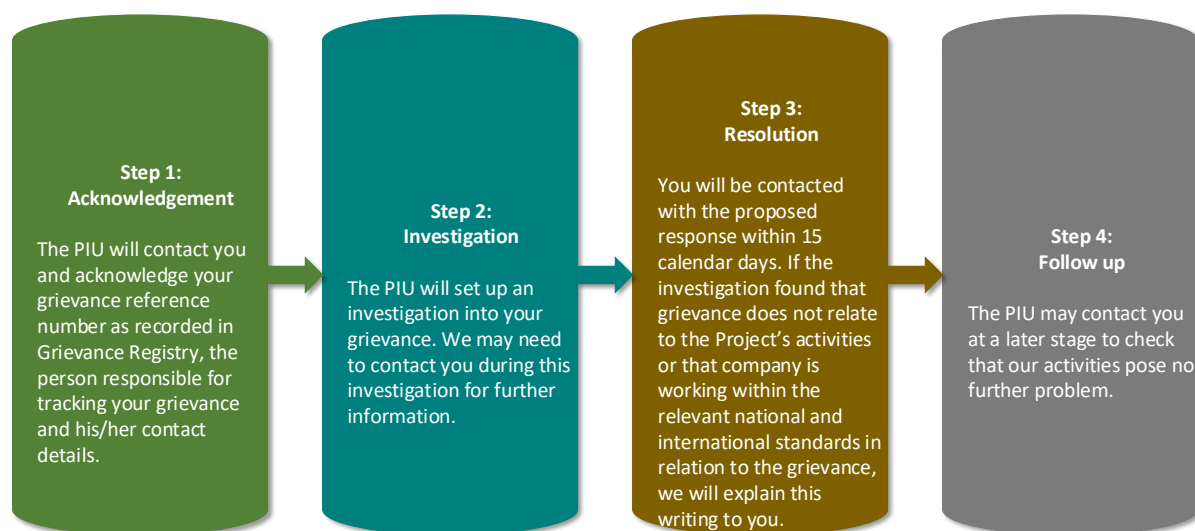
After the 14-day period for submitting comments for the prepared documents (ESMF and RPF/LESIA/ESMP Checklist) and after the conducted public hearing event for ESMF and RPF and LESIA, the submitted comments will be included in the final version of the relevant document and they will be posted on the MoF web site.

7 GRIEVANCE MECHANISM

In compliance with the World Bank's ESS10 requirement, a specific grievance mechanism will be set-up for the project. Dedicated communication materials (GRM pamphlets, posters) will be created to help local residents familiarize themselves with the grievance redress channels and procedures. A GRM guidebook/manual will also be developed and suggestion boxes installed in each affected municipality. In order to capture and track grievances received under the project, a dedicated GRM Management Information System/database/ register is planned. The MoF and DBNM websites will include clear information on how feedback, questions, comments, concerns and grievances can be submitted by any stakeholder and will include the possibility to submit grievances electronically. It will also provide information on the way the GRM committee works, both in terms of process and deadlines.

PIU within the MoF, as well as EE Fund PIU/Department in DBNM will implement a Grievance Mechanism to ensure that it is responsive to any concerns and complaints particularly from affected stakeholders and communities. A grievance mechanism will be implemented to ensure that the PIU/Contractor is responsive to any concerns and complaints particularly from affected stakeholders and communities.

The PIU will go through the following steps to deal with the grievance:



Any comments or concerns can be brought to the attention of the company verbally or in writing (by post or e-mail) or by filling in a grievance form. The grievance form will be made available in the Municipalities offices that are easily accessible for all relevant stakeholders, alongside a description of the grievance mechanism as well as on the construction sites.

The following timeframe will be used:

- ✓ Written acknowledgement of receipt of the grievance: within 5 days of receiving the grievance;
- ✓ Proposed resolution: within 15 days of receiving the grievance.

Specifically, nominated and trained members of staff will record grievance information in a grievance log. This will include:

- Stakeholder name and contact details;

- Details of the grievance and how and when it was submitted, acknowledged, responded to and closed out.

For each Initial Limited Impact Assessment and ESMP Checklist PIU within the MLSP will establish **Form for submitting comments and suggestions on the LESIA/ESMP Checklist** (Annex 1) and Form will be published together with the prepared LESIA document for each Municipality.

For the purposes of receiving comments from the stakeholders PIU will establish **Grievance Form for the construction phase of the project** that will be available in printed and electronic form. Printed version will be available at the construction site in each Municipality where the construction activities will be performed.

The Grievance Form for the construction phase of the project (Annex 2) will be revealed on the:

- Websites of the Ministry of Finance (<http://www.finance.gov.mk/>), DBNM and relevant Municipalities, where the project activities will be implemented; and
- Available printed copies in the premises of the relevant Municipalities (when the construction work activities will start) and the premises of the local communities, located near the project areas;

The grievance can also be submitted directly to the Contractor that will forward any such received concerns/comments to the EE Fund PIU/Department in DBNM and PSEEP PIU without postponement to allow them to further process the concerns/comment (i.e. verify, acknowledge and respond to the grievance in the timeframes defined below). The Contractor is obliged to hand out the Project Grievance - explain the grievance mechanism to the concerned citizen(s)/local population and forward the filled-in Grievance Form to the PIU, but also, to undertake all proposed corrective actions to react on received grievance.

All complaints will be verified by the EE Fund PIU/Department in DBNM and PSEEP PIU in the Grievance Registry and assigned a number, and acknowledged within 15 calendar days. The Registry will have all necessary elements to disaggregate the grievance by gender of the person submitting it as well as by type of grievance. Each grievance will be verified in the registry with the following information: a) description of grievance, b) date of receipt of grievance and when acknowledgement returned to the complainant; c) description of actions taken (investigation, corrective measures, and preventive measures); d) date of resolution and closure provision of feedback to the complainant.

In cases when the grievance/complaint is indefinite or not clear enough, the PIU will assist and provide advice in formulating/redrafting the submission, in order for the grievance/complaint to become clear, for purposes of an informed decision by the PIU, in the best interests of persons affected by the Project.

If the PIU is not able to address the issues raised by immediate corrective action, a long-term corrective action will be identified. The complainant will be informed about the proposed corrective action and follow-up of corrective action within 25 calendar days upon the acknowledgement of grievance. In situation when the PIU is not able to address the particular issue verified through the grievance mechanism or if action is not required, it will provide a detailed explanation/ justification on why the issue was not addressed. The response will also contain an explanation on how the person/ organization that raised the complaint can proceed with the grievance in case the outcome is not

satisfactory. At all times, complainants may seek other legal remedies in accordance with the legal framework of Republic of North Macedonia, including formal judicial appeal.

For the workers, which will be engaged for the implementation of the project activities, a separate grievance mechanism will be available.

Separate grievance mechanism will be available for the workers, through which they will be able to report gender-based discrimination in the workplace, with special attention to sexual harassment. Specifically building awareness and a GRM hotline for gender based violence and abuse in the workplace for female workers (both at the construction site and in the buildings under the project) will be emphasised. There will be a hotline for reporting GB harassment displayed at the construction sites and in areas like bathrooms. There will also be awareness raising discussions with both men and women regarding appropriate work place behaviour

Information Boards at Municipalities and construction sites

Information boards in each Municipality will provide local residents/workers with information on stakeholder engagement activities, construction updates, contact details for the Contractors etc. The Contractors will set up information desks/boxes, on the construction sites on visible and easily accessible places where they can meet and share information about the project and receiving grievances.

7.1 GRIEVANCE LOG

The Grievance Focal Points will maintain local grievance logs to ensure that each complaint has an individual reference number and is appropriately tracked and recorded actions are completed. When receiving feedback, including grievances, the following is defined:

- Type of appeal;
- Category of appeal;
- People responsible for the execution of the appeal;
- Deadline of resolving the appeal;
- Agreed action plan.

The PIU Environmental and Social Specialists and focal points will ensure that each complaint has an individual reference number and is appropriately tracked and recorded actions are completed. The log should contain the following information:

- Name of the PAP, his/her location and details of his / her complaint;
- Date of reporting by the complainant;
- Date when the Grievance Log was uploaded onto the project database;
- Details of corrective action proposed, name of the approval authority;
- Date when the proposed corrective action was sent to the complainant (if appropriate);
- Details of the Grievance Committee meeting (if appropriate);
- Date when the complaint was closed out;
- Date when the response was sent to the complainant.

7.2 MONITORING AND REPORTING ON GRIEVANCES

Monitoring and evaluation of the stakeholder process is important to ensure DBNM and MoF is able to respond to identified issues and alter the schedule and nature of engagement activities to make them more effective. The following characteristics/commitments/activities will assist in achieving successful engagement:

- Sufficient resources to undertake the engagement;
- Inclusivity (inclusion of key groups) of interactions with stakeholders;
- Promotion of stakeholder involvement;
- Sense of trust in MoF shown by all stakeholders;
- Clearly defined approaches; and
- Transparency in all activities.

PIU has an obligation to prepare Monitoring Reports.

The first report will be Semi Annual Report for environmental and social aspects and reports from the public hearings events

Field Coordinators will be responsible for:

- Collecting data from the construction sites on the number, substance and status of complaints and uploading them into the single regional database;
- Maintaining the grievance logs on the complaints received at the regional level;
- Monitoring outstanding issues and proposing measures to resolve them;
- Submitting quarterly reports on GRM mechanisms to the PIU Environmental and Social Specialist.

The PIU Environmental and Social Specialists will be responsible for:

- Summarizing and analyzing the qualitative data received from the Field Coordinators on the number, substance and status of complaints and uploading them into the single project database;
- Monitoring outstanding issues and proposing measures to resolve them;

PIU within the MoF will submit biannually Reports to the WB, based on reports received from EE Fund PIU/Department in DBNM, which shall include Section related to GRM which provides updated information on the following:

- Status of GRM implementation (procedures, training, public awareness campaigns, budgeting etc.);
- Qualitative data on number of received grievances \ (applications, suggestions, complaints, requests, positive feedback), highlighting those grievances related to the WB ESS 2 and 5 and number of resolved grievances;
- Quantitative data on the type of grievances and responses, issues provided and grievances that remain unresolved;
- Level of satisfaction by the measures (response) taken;
- Any correction measures taken.

Community Relations/Liaisons Manager, if engaged, would be responsible for:

- Establishes good relationship with all identified stakeholders;
- Organize the public hearing events for sub – projects
- Notice the stakeholder’s comments on sub-projects and records their appeals
- Prepare Semi Annual Reports and submit to the Project Director.

The PIU will be responsible for monitoring of all Project related stakeholder engagement activities, ensuring the fulfilment and updating of this SEP, and reporting to the stakeholders.

7.3 WORLD BANK GRIEVANCE REDRESS SYSTEM

Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB’s Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB’s independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank’s attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank’s corporate Grievance Redress Service (GRS), please visit <http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org

8 IMPLEMENTATION ARRANGEMENTS FOR STAKEHOLDER ENGAGEMENT

8.1 IMPLEMENTATION ARRANGEMENTS

Implementation of the SEP will be conducted through the Project Implementation Unit (PIU). The PIU is headed by the Project Director who is the responsible person for the overall PSEEP implementation. The PIU Environmental and Social Specialists are the responsible persons for implementation of the SEP during the entire Project cycle, and in charge of communicating with the communities. A responsible person Community Relations/Liaisons Manager has to be appointed, if needed, to assist the PIU Environmental and Social Specialists in charge of communicating with the stakeholders.

All contractors in charge of carrying out specific Project activities will also be required to implement the relevant provisions of SEP. The grievance mechanism requirements will be laid out in the tender documentation and contracts signed with the contractors.

8.2 ROLES AND RESPONSIBILITIES

The management, coordination and implementation of the SEP and its integral tasks will be the responsibility of the PIU Environmental and Social Specialists.

9 MANAGEMENT FUNCTIONS

The Ministry of finance of the Republic of North Macedonia is the main responsible institution for implementation of the Public Sector Energy Efficiency Project, while DBNM is the responsible institution for implementation of Component 3.

The Project Implementation Unit (PIU) is established for the purpose of MSIP/MSIP2 implementation and will continue PSEEP implementation. It is located in the premises of the Ministry of finance, staffed with experts/specialist as the following: civil engineers, safeguard experts to provide assistance on environmental and social safeguards issues, fiduciary staff (procurement and financial experts), administrative assistant, translator/office manager etc. The PIU is responsible for the overall PSEEP implementation, project planning and coordination, procurement, monitoring of the project activities and reporting. DBNM will establish a separate EE Fund PIU/ Department that will be responsible for implementing the Component 3 of PSEEP.

Annex 1 Form for submitting comments for the documents

Form for submitting comments and suggestions for (Initial Limited Impact Assessment/ESMP Checklist)	
Main description of the project	
Electronic version and hard copy of (Name of the Document) are available on:	
<ul style="list-style-type: none"> ➤ Sub-project Proponent (web page) ➤ Sub-project Proponent Notice Board <ul style="list-style-type: none"> Contact Person: Address: Phone number: e-mail: ➤ Project Office WB (web page) <ul style="list-style-type: none"> Contact Person: Address: Phone number: e-mail: 	
<p style="text-align: center;">If you have any comments/suggestions or amendments to the proposed measures of (Name of the Document), please submit it to the responsible persons from the List in the 14 days period after the announcement of (Name of the Document) (date of announcement:)</p>	
Please, submit your comments (grey fields) for improvement of (Name of the Document) submit it on the mentioned e-mail addresses of the responsible persons for the project implementation (PIU responsible person for communication with the stakeholders)	
Referent number: _____ (fulfilled by the responsible persons for the project implementation)	
Name and surname of the person who provides comment*	
Contact information*	E-mail: _____ Phone: _____
Comment: 	
Signature _____	Date _____

Annex 2 Grievance Form for construction phase of the project

Reference Number	
Full name (optional) <input type="checkbox"/> I wish to raise my grievance anonymously. <input type="checkbox"/> I request not to disclose my identity without my consent.	
Contact information Please mark how you wish to be contacted (mail, telephone, e-mail).	<input type="checkbox"/> By Post: <i>Please provide mailing address:</i> _____ _____ _____ <input type="checkbox"/> By telephone: _____ <input type="checkbox"/> By E-mail
Preferred language of communication	<input type="checkbox"/> Macedonian <input type="checkbox"/> Albanian <input type="checkbox"/> Other: _____
Gender	<input type="checkbox"/> Female <input type="checkbox"/> Male
Description of Incident for Grievance	What happened? Where did it happen? Whom did it happen to? What is the result of the problem?
Date of Incident / Grievance	
	<input type="checkbox"/> One-time incident/grievance (date _____) <input type="checkbox"/> Happened more than once (how many times? _____) <input type="checkbox"/> On-going (currently experiencing problem)
What would you like to see happen?	

Signature: _____

Date: _____

Please return this form to:

Attention: _____

E-mail: _____

Public Sector Energy Efficiency Project / DBNM

Ministry of finance

St. Dame Gruev 12, 1000 Skopje, R. N. Macedonia / ul. Dimitrie Chupovski br. 26, 1000 Skopje, North Macedonia