



# **Operational Phase Stakeholder Engagement Plan**

---

February 2021

Rev D

Adjaristsqali Georgia LLC



## Issue and Revision Record

Revision N	Prepared by	Checked by	Approved by	Date	Purpose
A	Zviad Diasamidze - Social Director	Naresh Telgu - Chief Operating Officer	Prashant Joshi - CEO	April 4, 2017	For lenders approval
B	Nino Diasamidze - CSR Manager	Zviad Diasamidze Social Director	Prashant Joshi CEO	September 30, 2019	For lenders approval
C	Nino Diasamidze - CSR Manager	Zviad Diasamidze Social Director	Prashant Joshi CEO	January 29, 2020	To address lenders comments and disclose
D	Nino Diasamidze - CSR Manager	Rakesh Naik - AGL CEO	Rakesh Naik - AGL CEO	February, 2020	To reflect stakeholder engagement during COVID-19 pandemic



## Table of Contents

<b>1 Introduction and Project Description</b> .....	<b>5</b>
<b>2 Regulations and Requirements</b> .....	<b>6</b>
2.1 <i>Overview</i> .....	6
2.2 <i>Georgian Requirements</i> .....	7
2.3 <i>International Finance Corporation (IFC) Requirements</i> .....	7
2.4 <i>European Bank for Reconstruction and Development (EBRD) Requirement</i> .....	8
2.5 <i>Public Consultation Requirements under the EU</i> .....	8
2.6 <i>Asian Development Bank (ADB) Requirements</i> .....	9
<b>3. Summary of the Previous Stakeholder Engagement Activities</b> .....	<b>9</b>
3.1. <i>Preliminary Stage of the Project (2011-2012)</i> .....	9
3.2. <i>Construction Phase (2013-2016)</i> .....	10
3.3. <i>Rehabilitation Phase (2017-2019)</i> .....	11
3.4 <i>Stakeholder Engagement during COVID-19 Pandemic (early 2020 and onwards)</i> .....	13
<b>4 Stakeholder Analysis and Engagement Programme</b> .....	<b>14</b>
<b>5 Stakeholder Engagement Programme</b> .....	<b>17</b>
<b>6 Stakeholders and Corporate Social Responsibility Programmes</b> .....	<b>22</b>
<b>7 Grievance Handling Mechanism</b> .....	<b>22</b>
7.1. <i>Grievance Management under Regular Conditions</i> .....	22
7.1 <i>Grievance Management during Pandemic</i> .....	23
<b>8 Monitoring and Reporting</b> .....	<b>24</b>
<b>Appendix A: Grievance Form</b> .....	<b>25</b>
<b>Appendix B. Meeting Memo Example</b> .....	<b>26</b>
<b>Appendix C: Stakeholder Engagement Register</b> .....	<b>27</b>



## Acronyms and Abbreviations

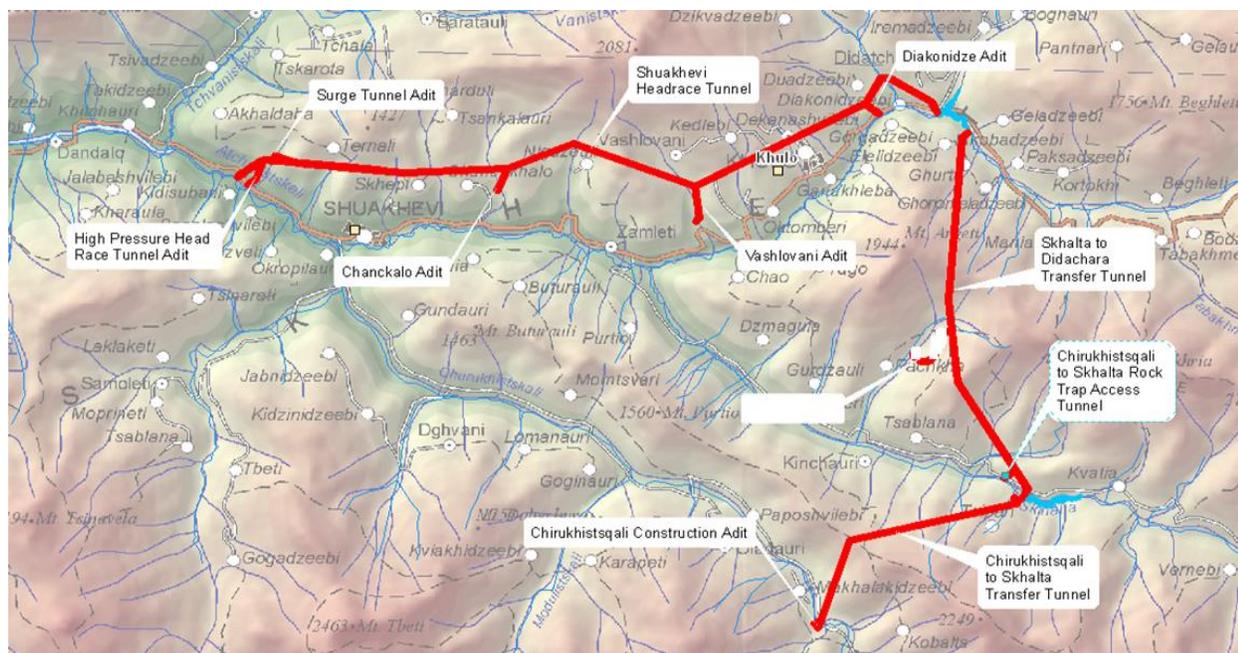
ADB	Asian Development Bank
AGL	Adjaristsqali Georgia LLC
CIO	Community Information Officer
CLO	Community Liaison Officer
CSR	Corporate Social Responsibility
EA	Emergency Agency
EBRD	European Bank for Reconstruction and Development
ESCO	Electricity Market Operator
ESIA	Environmental and Social Impact Assessment
EU	European Union
GNERC	Georgian National Energy and Water Regulatory Commission
GSE	Georgian State Electrosystem
HPP	Hydropower Plant
IFC	International Finance Corporation
km	Kilometer
kV	Kilovolt
MW	Megawatt
NGO	Non-governmental Organization
PIC	Public Information Center
SEP	Stakeholder Engagement Plan
SES	Stakeholder Engagement Specialist
TV	Television



## 1 Introduction and Project Description

Adjaristsqali Georgia LLC (AGL or 'the Company') operates the Shuakhevi Hydropower Scheme (the 'Project') on the Adjaristsqali River in the Adjara region, southwestern Georgia (Figure 1.1).

Figure 1.1 The Project Layout Map



The Project is co-owned and co-financed by Clean Energy Invest (Norway), TATA Power (India), and the International Finance Corporation (IFC). The Project is also financed by the European Bank for Reconstruction and Development (EBRD), and Asian Development Bank (ADB).

The Shuakhevi Hydropower Project is the first scheme of the Adjaristsqali hydropower cascade. The Project has been constructed in Shuakhevi and Khulo municipalities with an overall installed capacity of 187 MW (comprising of 178 MW plant at Shuakhevi and a small 9.8 MW plant on Skhalta River). The Shuakhevi scheme comprises of two dams with reservoirs and one weir on the Adjaristsqali, Skhalta and Chirukhistkali Rivers. The water is diverted to the powerhouse through underground tunnels with a total length of more than 37 km. The Shuakhevi power plant is located on the right bank of the Adjaristsqali river in the Shuakhevi municipality. The generated electricity is connected to national grid at the Shuakhevi HPP through the 220 KV Batumi-Shuakhevi -Akhaltsikhe transmission line which is being built by GSE, the Georgian State Transmission Utility. While the Batumi - Shuakhevi segment construction has been completed by GSE, the construction of the Shuakhevi – Akhaltsikhe segment is yet to be concluded. In addition, AGL is constructing a 35kV, 22.3 km single circuit overhead power line between Skhalta and Shuakhevi HPPs to evacuate power generated by the Skhalta HPP. The combined power generation of the Shuakhevi and Skhalta HPPs will then be injected into the 220 kV grid owned by GSE at the 220 kV busbars at Shuakhevi.

All major construction activities pertaining to the 187 MW Shuakhevi HPP were completed in July 2017, and commissioning activities were commenced in early August 2017. While the plant was



ready for commercial operations, some abnormalities were noticed first in the Transfer Tunnel between Skhalta and Didachara and later in the main Head Race Tunnel. As a result, commercial operations of the Shuakhevi Plant were suspended, and the tunnels were de-watered for investigation. A detailed investigation programme was commenced with extensive rock sample testing for establishing appropriate remedial and restoration works. The rehabilitation stage has progressed well, and it is envisaged that the tunnel repair works shall be completed by the end of December 2019 for recommencing commercial operations. Commissioning will be carried out in phases, by first filling up the Chirukhi-Skhalta Transfer Tunnel at the beginning of December 2019, followed by Didachara-Shuakhevi Headrace Tunnel and the commissioning of the Shuakhevi Powerhouse at the end of December 2019. The Full Commercial Operation is expected to commence at the end of the first quarter of 2020.

During the pre-construction activities AGL developed a Stakeholder Engagement Plan (SEP) for the construction period and delivered it during the construction phase accordingly. That SEP formed part of the Environmental and Social Impact Assessment (ESIA) documents. The purpose of the construction stage SEP was to maintain effective communication with all stakeholders throughout the lifecycle of the Project and to carry out stakeholder engagement in line with national laws and international best practice such as the requirements of the International Finance Institutions. Apart from the Shuakhevi construction phase SEP and in line with it, a separate SEP<sup>1</sup> was prepared and disclosed for the 35kV OTL. The 35kV line SEP covers both construction and operation of the power line.

In early 2020, prior to the commissioning, AGL developed the operations phase SEP, disclosed it on the Company's website and started implementing it. The commissioning and early operations of the Shuakhevi Hydropower Plant coincided with the spread of coronavirus in the country followed by mandatory travel and engagement restrictions, social distancing, and the lockdown. Against this background, AGL social team deployed alternative methods of communication and information sharing with different stakeholder groups in line with the requirements of the EBRD<sup>2</sup> and IFC<sup>3</sup> developed for handling stakeholder engagement during pandemic.

The present document is the updated operations phase SEP covering the alternative tools and methods used by the Company for interaction and communication with various stakeholder groups during the operations of the Shuakhevi Hydropower Plant given the COVID-19 pandemic. It also contains information about the engagement that has been undertaken during the COVID-19 pandemic. The operations phase SEP is a living document and will be regularly monitored, reviewed, and updated whenever required.

## 2 Regulations and Requirements

### 2.1 Overview

As part of AGL's on-going commitment to good corporate governance and to communicating with the Project stakeholders, this SEP is designed to meet international best practices and the laws of Georgia. Georgia has signed and ratified the United Nations Economic Commission for Europe's

---

<sup>1</sup> <http://agl.com.ge/new/wp-content/uploads/2018/09/35kV-line-SEP-Rev-C-Corrected.pdf>

<sup>2</sup> [1264-Stakeholder-engagement-covid-19-briefing-note-22-April \(1\).pdf](https://www.ebrd.com/media/1264-stakeholder-engagement-covid-19-briefing-note-22-april-1.pdf)

<sup>3</sup> [https://www.ifc.org/wps/wcm/connect/topics\\_ext\\_content/ifc\\_external\\_corporate\\_site/sustainability-at-ifc/publications/publications\\_tipsheet\\_covid-19\\_stakeholderengagement](https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/publications/publications_tipsheet_covid-19_stakeholderengagement)



Aarhus Convention on access to information, public participation in decision-making, and access to justice in environmental matters. Therefore, the laws of Georgia are broadly aligned with the lenders' stakeholder engagement requirements.

## 2.2 Georgian Requirements

The Constitution of Georgia (1995) guarantees public access to information and states the right of an individual to obtain full, unbiased, and timely information regarding his/her working and living environment.

Prior to January 1, 2018 the environmental permitting system was governed by the Law of Georgia on Environmental Impact Permit (2007); Law of Georgia on Protection of Environment (1996); Law of Georgia on Licenses and Permits (2005); and Law of Georgia on Ecological Expertise (2007). On January 1, 2018, the Laws on Environmental Impact Permit and Ecological Expertise were superseded by the Environmental Assessment Code (EAC). The new EAC sets out provisions of public participation and engagement. It provides detailed requirements and procedures for conducting public consultations and established timeframes for information disclosure and discussion. The responsibility for the public disclosure now rests with Ministry of Environmental Protection and Agriculture (MEPA) during screening, scoping, EIA preparation, and environmental decision-making stages. The MEPA is responsible for public notification, conducting public hearings, and documenting the minutes of meetings. Stakeholders are encouraged to submit their opinions and/or comments, and MEPA is obliged to consider public opinions and comments.

The Shuakhevi Hydropower Project obtained its environmental permit on June 30, 2013. As per the Law on Environmental Impact Permit applicable at that time, the Project developer prepared the Environmental Impact Assessment (EIA) and carried out public consultations according to the national requirements. The Georgian legislation requires stakeholder engagement activities only during the environmental permitting process (there are no requirements applicable to the construction and operation phases). Thus, none of the above mentioned laws applies to the Project operations.

## 2.3 International Finance Corporation (IFC) Requirements

Public consultation, disclosure and stakeholder engagement are key requirements of the IFC's Policy on Social and Environmental Sustainability (2012) embodied within the Performance Standards (PS). The requirements for stakeholder engagement in projects are:

- Start as early as possible in the project cycle;
- Continue throughout the life of the project;
- Be free of external manipulation, interference, coercion, or intimidation;
- Where applicable enable meaningful community participation; and
- Be conducted on the basis of timely, relevant, understandable, and accessible information in a culturally appropriate format.

IFC seeks to provide accurate and timely information regarding its investment and advisory activities as well as more general institutional information in accordance with its Access to Information Policy. IFC's Access to Information Policy states that for all Category A projects, such as this one, a summary of its review findings and recommendations will be disclosed and include as a minimum the following information:



- Reference to the performance standards and any applicable grievance mechanisms, including the compliance advisor/ombudsman;
- The rationale for IFC's categorization of the project;
- A description of the main social and environmental risks and impacts of the project;
- Key measures identified to mitigate those risks and impacts, specifying any supplemental measures and actions that will need to be implemented to undertake the project in a manner consistent with the Performance Standards.
- Electronic copies or web links to any relevant environmental and social impact assessment documents prepared by the developer
- Any additional documents such as Action Plans, Stakeholder engagement plans, Resettlement action plans, etc.

## **2.4 European Bank for Reconstruction and Development (EBRD) Requirement**

The Environmental and Social Policy (2008) and Public Information Policy (2008) documents outline EBRD's key policies with regards to information disclosure and stakeholder engagement. Similarly to the IFC, EBRD requires the project sponsor to provide the public, including NGOs, with information about the project commencing from the scoping stage and to prepare an SEP. The 2008 EBRD policy requires project sponsors to engage with stakeholders from the earliest stages of the project throughout the life of the project. Stakeholder engagement must be open, meaningful, and in an appropriate manner acceptable to the potentially affected communities. The engagement program must actively address the needs of vulnerable populations who may be affected by the project. The EIA documents must remain in the public domain for the life of the project, and if changes to project plans are necessary, these have to be made public as well.

## **2.5 Public Consultation Requirements under the EU**

The European Union's EIA Directive 85/337/EEC, as superseded by Directive 2011/92/EU of the European Parliament and of the Council of 13 December 2011 on the assessment of the effects of certain public and private projects on the environment, describes the impact assessment process that their member states must follow. The EIA Directive requires significant public consultation throughout project development, impact assessment, and project implementation. It also includes the tenets for public participation that are incorporated in the Aarhus Convention on Access to Information, Public Participation in Decision- Making and Access to Justice in Environmental Matters.

The Directive requires that public participation for projects, which may have environmental and/or social impacts, take place early in the decision-making process and alternatives are presented. As the project develops, the public is to be provided with relevant information. Public comments must be taken into account and any rejection or disregard of the comments needs to be clearly justified. The public is to be notified of decisions made and the reasons for the decisions. The Directive provides members of the public with the right to challenge decisions or actions based on substantive or procedural legality. EU Directive 2003/4/EC on Public Access to Environmental Information also grants right to the public to access information either held by public authorities or for public authorities and incorporates the provisions and requirements of the Aarhus Convention, with a wider remit than that applicable under the EIA Directive.



The EAC applicable as of January 1, 2018 harmonizes Georgia's EIA system with the European legislation as was committed by Georgia under the EU-Georgia Association Agreement (2014).

## 2.6 Asian Development Bank (ADB) Requirements

ADB has similar requirements to EBRD and IFC with regards to consultation and disclosure for category A projects such as this. The ADB's 2018 Access to Information Policy outlines the need to disclose impact assessment results and allow stakeholders to provide comments during a disclosure period. The Policy supports the right of people to seek, receive, and impart information and ideas about ADB-assisted activities. Through the Policy, ADB seeks to provide information in a timely, clear, and relevant manner and to share information with project-affected people early enough to allow them to provide meaningful inputs into project design.

The requirements are reaffirmed in the ADB's Safeguard Policy Statement (SPS) of 2009, which defines 'meaningful consultation' in the following way:

"A process that (i) begins early in the project preparation stage and is carried out on an ongoing basis throughout the project cycle; (ii) provides timely disclosure of relevant and adequate information that is understandable and readily accessible to affected people; (iii) is undertaken in an atmosphere free of intimidation or coercion; (iv) is gender inclusive and responsive, and tailored to the needs of disadvantaged and vulnerable groups; and (v) enables the incorporation of all relevant views of affected people and other stakeholders into decision making, such as project design, mitigation measures, the sharing of development benefits and opportunities, and implementation issues".

Within the SPS, the Safeguard Requirements requires borrower/client will carry out meaningful consultation with affected people and other concerned stakeholders, including civil society, and facilitate their informed participation in project development, mitigation measures, the sharing of development benefits and opportunities, and implementation issues. Safeguard Requirements 2: Involuntary resettlement requires the borrower/client to provide relevant resettlement information, including information resettlement plans in a timely manner, in an accessible place and in a form and language(s) understandable to affected persons and other stakeholders. For illiterate people, suitable other communication methods will be used.

ADB's policies apply to the Shuakhevi HPP scheme, which was approved by ADB's Board of Directors on 19 May 2014.

## 3. Summary of the Previous Stakeholder Engagement Activities

### 3.1. Preliminary Stage of the Project (2011-2012)

AGL started the stakeholder engagement activities in the Shuakhevi and Khulo municipalities at the earliest stage of the Project development, in 2011. During the preparation of the Inception (Scoping) Report, four stakeholder consultation meetings were carried out in the four main centers of Keda, Shuakhevi, Khulo and Khelvachauri as well as six other smaller villages in the assessment area as part of the Inception (scoping) site visit. The ten consultation meetings were arranged so that they spanned the length of the assessment area and so that all affected stakeholders would have the chance to attend a meeting.



In 2012, prior to beginning the construction activities, AGL held a number of meetings with different stakeholders in both municipalities, including community leaders, local authorities, NGOs and media representatives. The objective of these meetings was to provide general updates on the Project's preliminary studies, as well as details about the Project implementation and planned construction activities such as environmental and social impacts (the ESIA and the local Environment Impact Assessment), land acquisition procedure and future employment perspectives. The ESIA package was disclosed to communities during the meetings and via the website.

Until the opening of AGL Public Information Centers (PIC) in 2013, AGL Community Liaison Officer (CLO) acted as a point of contact for written and verbal comments and grievances concerning the Project. CLO was also in charge of disclosing all relevant information, meeting with stakeholders and documenting all interactions.

### 3.2. Construction Phase (2013-2016)

AGL received the construction permit for the Shuakhevi HPP on 31 July 2013. The groundbreaking ceremony of the 187MW Shuakhevi HPP Project was held on 16 September 2013 and was attended by national and local government officials and representatives from shareholder and owner companies. Locals from key communities attended the event as well. Local, national and international news channels covered the event.

At this time, AGL opened the PICs in the Shuakhevi and Khulo municipalities and appointed Information and Community Officers with a goal of having them involved in a daily communication with key stakeholders.

After beginning the construction in June 2013, the main topics of the meetings with the key stakeholders were the Project's progress, problems and challenges encountered during construction period, land acquisition and environmental issues, social responsibility issues, and employment.

Since 2013 AGL has been actively collaborating with the major media outlets in both municipalities. AGL has strived to effectively share information with media organizations such as the Adjara TV and TV 25 television stations and the *Adjara*, *Khulo*, and *Shuakhevi* regional newspapers.

Recognizing the positive impact of the PICs in communication with the local communities and government representatives, AGL opened an additional PIC in the Skhalta area (Khulo municipality) in 2014. The new PIC hosted a CIO and a CLO for Skhalta area.

At the same time, the AGL social team began conducting information meetings with community leaders and local government representatives on a regular basis in all PICs.

In 2014, both the AGL social team and AGE (the construction contractor) social officers took a more active role in engaging with the local communities and local governmental representatives. The active participation of AGE's social team ensured the active involvement of the contractor company and contributed to establishing productive communication among key stakeholders and the contractor.

In 2015, AGL further intensified communication with the key communities by communicating with the community leaders on a regular basis. AGL's Information and Community Officers played a crucial role through their daily contacts with the representatives of the communities and regular field visits to the key communities that are located close to working areas. Informational meetings were held



with the representatives of the local government, such as village heads and representatives of the mayors' offices, in the key communities.

It is important to note that during 2015 AGE social team members continued to work alongside AGL's own social team and took a more active role in engaging with the local communities and local governmental representatives.

In the final stage of construction activities (September 2016 – March 2017) AGL and AGE, as well all sub-contractor companies (catering, maintenance, etc.), implemented a demobilization procedure that included a range of good practice measures (timely notification, grievance mechanism, etc.) and offered assistance in financial counseling for the local workers.

Overall, an active engagement with the key communities in the identification and management of the impacts that negatively and positively affected them during the construction activities contributed to building mutual trust, increase the credibility of the Project and achieve a greater local support.

During the stakeholder engagement process AGL disclosed all relevant documents related to the Project such as the ESIA report, Land Acquisition and Livelihood Restoration Plan (LALRP), Detailed Livelihood Restoration Plan (DLRP), Biodiversity Action Plan (BAP) and others.

### 3.3. Rehabilitation Phase (2017-2019)

After the beginning of the rehabilitation activities in November 2017 (see Section 1), AGL adjusted its stakeholder engagement strategy to the new working environment while continuing to follow the guidelines of the construction SEP approved by the lenders. Specifically:

- The PIC was re-opened in the Didachara camp to cover Khulo Municipality;
- AGL closed the PIC in Skhalta; however, the Company kept a CLO in this area as a member of the AGL social team and primary contact for the local communities in this area of Khulo Municipality;
- The Khichauri main camp served as another PIC for Shuakhevi Municipality;
- Informational meetings were held on daily and weekly bases with all stakeholder groups (such as the local authorities, affected villages, workers, media etc.). Along with the AGL and AGE social teams, the representatives of the Project's technical and safety teams were actively involved in daily communication with the local stakeholder groups;
- AGL kept publishing an informational page in the regional Newspaper Ajara, which provided the Project news, updates and information to the local communities on a monthly basis. In addition, the Company held briefings for major media outlets at the Khichauri main camp regularly.
- AGL continued registering and addressing the grievances in the Community Grievance Log-Book;
- The Workers Grievance Log-Book was continued to be maintained by the Contractor AGE Batumi;
- AGL operated according to the construction stage labour management policies;
- AGL revised and updated the demobilization plan prepared in 2017 according to the lay-off schedule provided by AGE in October-December 2019. Consequently, the Project follows the principles and guidelines from the updated demobilization plan. The demobilization plan was developed by AGL and AGE Batumi to mitigate the adverse impacts of the contractor's layoff process on the local and Turkish workers. The document was drafted through the consultations undertaken with the local and Turkish workers and with active involvement of the affected communities and the local governmental officials.



- Prior to beginning the commissioning phase and entering the operation stage, AGL has organized informational meetings with all stakeholder groups to provide information on commissioning dates, schedule, safety measures and operation procedure. Informational sessions were conducted from November 2019 throughout January 2020 and targeted all major stakeholders. Importantly, AGL reached out also to all vulnerable groups in the affected locations, among them the local women and disabled, to ensure that these were consulted in an informed, meaningful, and culturally appropriate manner. A Table 1 below lists the meetings on operational safety and awareness raising conducted prior to the commissioning phase:

**Table 1 Pre-commissioning meetings**

<b>Date</b>	<b>Location</b>	<b>Stakeholder groups</b>
October 11, 2019	Khulo office	Correspondent of a local newspaper
October 17, 2019	Shuakhevi Mayor's office	Local authorities of the Shuakhevi Mayor's Office
October 18, 2019	Khulo Mayor office	Local authorities of the Khulo Mayor's Office
October 28, 2019	Makhalakidzeebi village	Makhalkidzeebi villagers, community leaders
October 30, 2019	Kinchauri village, Khulo	Kinchauri villagers, community leaders
November 1, 2019	Emergency Management Agency of Ajara	Deputy Head of the Emergency Management Agency of Ajara
November 12, 2019	Emergency Management Agency of Ajara	Head of the Emergency Management Agency of Ajara
November 20, 2019	Shuakhevi Mayor's Office (Shuakhevi)	Shuakhevi Deputy mayor/ Shuakhevi Mayor Representatives (in Nigazeuli, Makhalakidzeebi, Paposhvilebi, Khichauri)/ Shuakhevi mayor and his staff / The representatives of the local mayor in the communities within the Project's area of influence in the operation phase/Representative of Shuakhevi Police/Local Correspondent of a local newspaper / Local Emergency Management Service Representatives
November 20, 2019	Khichauri village (Shuakhevi)	Shuakhevi Mayor Representatives/ Khichauri community/Correspondent of a local newspaper
November 22, 2019	Shuakhevi HPP	Emergency Management Service Representative of Georgia / Head of Adjara Emergency Management
November 25, 2019	Khichauri camp (Shuakhevi)	Shuakhevi Deputy Mayor, Makhalakidzeebi (Rabati) community
November 27, 2019	Makhalakidzeebi public school (Shuakhevi)	School children and teachers
November 28, 2019	Women's Room (Shuakhevi)	Local women's representatives at the mayor's office
December 2, 2019	Kinchauri village (Khulo)	Khulo Mayor Representatives/ Kinchauri community/Cheri community/Zmagula community/kvatia community



December 5, 2019	Khulo Mayor's office	Local women's representatives at the mayor's office
December 12, 2019	Paposhvilebi village (Shuakhevi)	Shuakhevi Mayor Representatives/ Paposhvilebi community/ School children and teachers
December 23, 2019	Khulo Mayor's office	Khulo Mayor Representatives / Khulo mayor and his staff/The representatives of the local mayor in the communities within the Project's area of influence in the operation phase / Local Emergency Management Service Representatives
December 26, 2019	Shuakhevi Emergency Management Agency	Employees of Shuakhevi Emergency Management Service
December 26, 2019	Keda Mayor's office	Keda Mayor Representatives / Keda mayor and his staff/The representatives of the local mayor in the communities within the Project's area of influence in the operation phase / Local Emergency Management Service Representatives
December 30, 2019	Khulo Emergency Management Agency	Employees of Khulo Emergency Management Service
December 30, 2019	Elelidzeebi village (Khulo municipality)	Elelidzeebi villagers / Khulo mayor's representatives in the community
January 22, 2020	Khulo mayor office	Didachara villagers / Khulo mayor's representatives in the community
January 22, 2020	Khulo mayor office	Khulo mayor's representatives in the communities located close to Didachara dam

### 3.4 Stakeholder Engagement during COVID-19 Pandemic (early 2020 and onwards)

To reduce the risk to local communities and the Company employees AGL tailored its interaction and communication methods and tools. AGL followed the restrictions and regulations adopted by the World Health Organization (WHO) and the Government of Georgia (GoG) and applied safe interaction practices with various stakeholder groups.

Operations of the Shuakhevi Hydropower Project coincided with the spread of the virus and lockdown in the country in March 2020. AGL took precautionary measures at Batumi office and Shuakhevi powerhouse, as well as in other project sites, such as Didachara dam, Skhalta HPP and Chirukhi weir in terms of maintaining safe workplace for all employees.

- the Company developed Infectious Disease Preparedness & Response Plan outlining recommendations and actions against COVID-19 for all employees.
- Most of the employees were shifted to remote mode of working except essential O&M staff. Meetings & reviews were carried out via phone and virtual meeting platforms.
- All AGL employees were requested to undertake regular checks (thermo-screening, hygiene rules, social distancing, keeping clean and safe work area, etc.) Besides, site doctor conducted weekly



examinations of health condition of AGL employees at the Khichauri camp and the powerhouse including Headworks areas at Didachara, Chiruki & Skhalta.

AGL identified preferred methods of communication and information sharing based on the consultations with the stakeholder groups. The local communities preferred non-digital engagement methods, such as phone calls, as most of the residents do not have access to the Internet, or to receive information through local actors, such as CLOs, community heads, while local authorities, including Mayors' representatives in addition to phone calls preferred digital engagement through different online platforms, such as Zoom and text-based messaging (Viber, WhatsApp).

AGL did not stop community engagement due to the lockdown. The Company maintained its interaction via alternative communications tools. In response to the exceptional situation created by COVID-19, AGL adopted and revised its engagement program. An updated **Error! Reference source not found.** below summarizes key stakeholder groups and ways of communication the Company applies to them.

In the context of COVID-19 pandemic, it was essential to resume physical interaction with communities once the restrictions in the country have been lifted and an Emergency Situation declared as ended. In May 2020, AGL social staff resumed field trips and community meetings. The meetings were held in open space, the Company representatives followed all safety recommendations as prescribed by the healthcare authorities and urged the community members to follow the same. AGL was in a daily communication and coordination with the regional as well as the central government in terms of epidemic situation in the region/country. It also participated in social initiatives launched by the government and supported the most vulnerable groups of the valley by providing "food baskets" during the lockdown.

From September 2020 COVID-19 situation in Georgia, especially in Ajara region again showed an increasing trend. The Government of Ajara announced the closure of schools and universities, restricted social gatherings, public and private companies were recommended to shift to the distance mode of working. AGL followed the recommendations of the Government, most of workers were shifted distance regime, only essential E&M staff was traveling to site. At the beginning of February 2021, the GoG started lifting the restrictions gradually. All AGL employees will resume office work as per the guidelines issued by the GoG from time to time.

## 4 Stakeholder Analysis and Engagement Programme

Stakeholders are persons or groups who are directly or indirectly affected by a project as well as those who may have interests in a project or the ability to influence its outcome, either positively or negatively.

The communities that were affected by the construction activities differ from these that might be affected by or be interested in the operation. Therefore, at the latest stage of the construction activities the AGL social team began the process of identification of key stakeholders for the operation phase. The operational phase SEP covers the communities that are located within the Shuakhevi power project Area of Influence.



Table 1 below includes the main stakeholder groups and their relation to the Project.

**Table 2 Key Stakeholder Groups and Relevance to the Project**

Stakeholders Groups	Stakeholder Bodies	Relevance to the Project
<b>Internal Stakeholders</b>		
Project Company employees at HPP site once operational	Operational staff	Will benefit from employment opportunities but also face potential health and safety risks The Company will safeguard the welfare and rights of workers.
<b>External Stakeholder</b>		
Communities located upstream the reservoirs	Khulo municipality: Didachara, Paksadzeebi, Gurta, Geladzeebi (Didachara dam)	Communities will be interested in the public safety issues and should be aware of the community health and safety restrictions related to the Project operation. They may also benefit from employment and indirect economic opportunities, as well as the Project's CSR activities. Grievance receiving/resolving
	Kvatia (Skhalta dam)	
Communities located downstream the reservoirs, HPPs and weir	Khulo municipality: Diakonidzeebi, Elelidzeebi, Ganachleba, Okruashvilebi (Didachara dam)	Interested in dam safety, flushing activities and environmental flow, low flow conditions, flash floods, they should be aware of community health and safety restrictions. They may also benefit from employment and indirect economic opportunities, as well as the Project's Corporate Social Responsibility (CSR) activities Grievance receiving/resolving
	Tsablana, Kinchauri, Cheri (Skhalta dam)	
	Shuakhevi municipality: Makhalakidzeebi, Paposhvilebi (Chirukhi weir) Khichauri (Shuakhevi HPP) Keda municipality: Jalabashvilebi/Mosiashvilebi (Dandalo bridge)	
Communities affected by the 35kV transmission line	Shuakhevi municipality: Okropilauri, Dabadzveli, Daba Shuakhevi, Nenia, Furtio, Beselashvilebi, Nigazeuli, Chanchkhalo	Interested in E&S impact of the transmission line. Grievance receiving/resolving
	Khulo municipality: Tsablana, Kinchauri, Cheri, Gurdzauli, Dzmagula	
Economically Displaced Project Affected People (PAPs)	Landowners and land users whose lands were affected by the construction of the power plant and 35kV transmission line	Will be engaged in the completion audit
Vulnerable groups / persons (especially, in the above listed affected communities)	Pensioners, female headed households, people with disabilities, people living under the poverty level, single-parent	They might have difficulties in accessing the Project related information. Interested in Project activities in general. Might need to be reached at their residences to



Stakeholders Groups	Stakeholder Bodies	Relevance to the Project
	families, families with multi-children. <sup>4</sup>	receive the relevant information. Including on safety.
Former Workers	Local villagers who worked during the construction activities	Affected by the demobilization process.
Industry and Business	Atsi HPP – JSC “Energo Pro Georgia”	Possible impact on the operating regime of the existing HPPs during the operation of the Project
	Sanalia HPP	Located upstream the Chirukhi weir, possible cooperation
Financial Institutions	IFC, EBRD, ADB	Financiers and regulators Interested in the Project’s / Company’s compliance with E&S requirements
National Governmental Entities	Ministry of Economy and Sustainable Development / Energy Department	Interested in the Company’s compliance with the national legislation and regulation Expectation for an increased energy security in the country.
	Ministry of Environmental Protection and Agriculture	
	Georgian State Electro System (GSE)	
	Georgian National Energy and Water Regulatory Commission (GNERC)	
	Electricity Market Operator (ESCO)	
Regional and Local Government	Adjara Government	Expectations for improved socio-economic conditions of the municipalities.
	Khulo Municipality	
	Shuakhevi Municipality	
	Keda Municipality	
	Ministry of Finances and Economy of Ajara	
	Ministry of Agriculture	
	Forestry Agency of Ajara	
	Emergency Agency of Adjara	Coordination and joint actions in relation to emergency response planning and management
Civil Society, NGOs, research bodies	Institute of Democracy	Protection of rights of the residents of the local communities and the environment during the HPP operation
	Biological Farming Association “Elkana”	
	Black See Eco Academy	
	Environmental association “PSOVI”	
	Association “Flora and Fauna”	
	Association “Mta-Bari”	
	Green Alternative	
	Greens Movement	
Media	Television of Ajara	

<sup>4</sup> Only those multi-children families who are registered in the united database of disadvantaged families are considered as vulnerable.



Stakeholders Groups	Stakeholder Bodies	Relevance to the Project
	Television “TV25”	Covering HPP operation, informing the population about the planned Project activities. Promoting and informing about the Project’s CSR activities.
	Newspaper “Ajara”	
	Newspaper “Batumelebi”	
	Newspaper “Shuakhevi”	
	Newspaper “Khulo”	

## 5 Stakeholder Engagement Programme

AGL’s Social Department continues its operations with the CSR Manager taking over the lead for managing social issues and stakeholder engagement in March 2020. AGL retained two Community Liaison Officers (CLOs) working in Didachara and Skhlata valleys (Khulo municipality), a Stakeholder Engagement Specialist (SES) responsible for registering and managing grievances, as well as working with the stakeholders around the Shuakhevi HPP and Chirukhi weir in Shuakhevi municipality. Shuakhevi Powerhouse serves as the only ‘PIC’ during the operations phase.

Social team structure, roles and responsibilities are provided in Table 3 below:

**Table 3 Social Team Roles and Responsibilities**

Title	Roles and responsibilities
Head of CSR	<ul style="list-style-type: none"> <li>Ensuring that Company’s operation is in line with IFIs social compliance requirements</li> <li>Day-to-day responsibility for the delivery of Environmental and Social Action Plan</li> <li>Developing and ensuring implementation of relevant plans (Operational SEP, Annexes to LALRP, DLRP both for Shuakhevi + 35kV OTL, ESMS, CSR)</li> <li>Working with SES and CLOs to ensure effective engagement and consultation with stakeholders; maintain good community relations and address community concerns and agree measures to respond to grievances</li> <li>Undertaking field trips to communities, participating in meetings, focus group discussions</li> <li>Liaison with the Mayors’ Offices of municipalities, community heads, lenders, NGOs, and other state agencies;</li> <li>Supervising development and implementation of the CSR activities</li> <li>Monitoring, evaluating and reporting on social performance to AGL management and lenders</li> </ul>
Stakeholder Engagement Specialist	<ul style="list-style-type: none"> <li>Carrying out regular field trips to communities and holding meetings with local residents and focus groups, prepare minutes of meetings;</li> <li>Providing stakeholders with project related information; participating in safety awareness raising activities for the operational phase;</li> <li>Administering and managing community grievance log (Shuakhevi project + 35kV OTL), registering grievances and ensuring timely response and solution to the complaints;</li> </ul>



	<ul style="list-style-type: none"> <li>• Conducting field trips based on received grievances, studying problem and preparing letter of notification for the management;</li> <li>• Assisting social team to organize different events related to CSR activities;</li> <li>• Developing monthly reports to the CSR Manager.</li> <li>• Registering community and municipality applications/requests on infrastructural projects and/or other requests;</li> </ul>
<p>Community Liaison Officers (Didachara / Skhalta areas)</p>	<ul style="list-style-type: none"> <li>• Undertaking field trips communities and holding meetings with local residents and focus groups, preparing minutes of meetings;</li> <li>• Providing stakeholders (communities, Khulo Mayor's office) with project related information; participating in awareness raising activities during pre-commissioning briefings and operational phase;</li> <li>• Providing written and/or verbal complaints to the Stakeholder Engagement Specialist for registration;</li> <li>• Conducting field trips based on received grievances, studying the problem and preparing letter of notification;</li> <li>• Assisting social team to organize different events related to CSR activities;</li> <li>• Developing monthly reports to the CSR Manager.</li> </ul>

During pandemic AGL in addition to Company's CLOs engage local actors such as community/village heads to communicate certain messages/ information to communities. Every meeting is documented, and Minutes of Meetings are prepared which are kept in AGL office. After communication with local actors AGL makes a follow up calls with them to ensure that the message has been delivered to communities.

AGL ensures that the stakeholders are well informed about the Project throughout its operation and decommissioning. The stakeholders have an opportunity to express their opinion, including complaints, about the Project and about AGL's performance. Table below shows the information to be disclosed to the stakeholders and authorities and the methods for communication including pandemic.

Following the outbreak of the Coronavirus, AGL re-assessed the engagement needs and preferable engagement tools and methods of its stakeholder groups given their vulnerability to COVID-19. The results of this analysis allowed AGL to better adjust the below Stakeholder Engagement Programme and add the alternative communication methods to it. These methods have been in use since March – April 2020.



**Table 3 Stakeholder Engagement Programme**

Stakeholder Groups	Information to be disclosed	Timeframe	Communication tool	Alternative methods of communication during Pandemic
<b>Internal Stakeholder Engagement</b>				
Company employees, workers at the power plants, operational staff	Ongoing operation activities	Prior to the commencement of operational activities throughout their employment at the power plant	Meetings / group workshops E-mail	Online platforms (Microsoft teams, Skype, Zoom, Messenger) Video conferences
	Status and implementation of labour policies, employment terms and conditions		Included in contracts	
	Human resources and Health and Safety Procedures and Policies		Meetings Safety trainings	
	E&S Procedures and Policies	Prior to the commencement of employment and throughout their employment term	Meetings Workshops Trainings	
<b>External Stakeholders</b>				
Communities located upstream the reservoirs	Provision of information about the operational activities.	Prior to the commencement of operational activities and onwards	Meetings, presentations, Informational leaflets Memorandums Grievance receiving/resolving Safety awareness raising campaigns Website	Phone calls Engagement through local actors (CLOs, community heads, local councils, local self-government)
	Awareness raising community health and safety	Meetings will be held once in a month per village and on a need basis.		
	Ongoing operational activities CSR activities			
Communities located downstream of the reservoirs	Provision of information about the operational activities.	Prior to the commencement of operational activities and onwards	Meetings, presentations, Informational leaflets Memorandums Grievance receiving/resolving Safety signings Safety awareness raising campaigns School visits Website	Phone calls Engagement through local actors
	Awareness raising community health and safety CSR activities	Meetings will be held once in a month per village and on a need basis.		
	Information about the schedule for reservoir flushing,	Prior to the commencement of operational		



Stakeholder Groups	Information to be disclosed	Timeframe	Communication tool	Alternative methods of communication during Pandemic
	information about the environmental flow. Information about community safety and emergency response activities	activities prior to reservoir first flushing (April-June 2020)	Outreach to households, with particular attention to delivering briefings to women and children (and other potentially vulnerable groups, such as pensioners and persons with disabilities)	people, socially disadvantaged, etc.) Phones calls
Economically Displaced PAPs	Monitoring results of the livelihood restoration activities	During the first full year of operation	Field visits Phone calls Interviews/surveys Grievance receiving /resolution	Phone calls Online platforms (mainly Messenger) Text-based messaging (Viber) Engagement through local actors
	Engagement in the Completion Audit	Prior to the commencement of the audit	Field visits Phone calls Surveys	Online platforms Online questionnaires Survey software <sup>5</sup>
	Engagement with PAPs to discuss details of the land re-allocation.	Following the completion of construction activities	Field visits Community meetings	Phone calls Engagement through local actors
Vulnerable groups	Awareness raising community health and safety	Prior to the commencement of operational activities	House visits Informational leaflets	Phone calls
Former Workers	Follow up about employment	Following the demobilization process	Meetings	Phone calls Online platforms, such as (Zoom, Messenger, Viber)
Industry and Businesses	Operational activities	Prior to the commencement of operational activities	Meetings Website	Phone calls E-mails
Financial Institutions	E&S commitments	Sharing E&S monitoring reports	E&S semi-annual Reports Site audit visits E-mails Website	Online platforms such as Microsoft teams, WhatsApp, Viber, Zoom, Skype

<sup>5</sup> The preferable method both for the Company and communities is face-to-face interview. However, if due to pandemic situation field visits will not be allowed, APs will be interviewed by phone, only those who have access to internet will be interviewed via software survey.



Stakeholder Groups	Information to be disclosed	Timeframe	Communication tool	Alternative methods of communication during Pandemic
National and local governmental entities	Ongoing operational activities E&S commitments Results of the CSR projects Land re-allocation issues	Prior to the commencement of operational activities and onwards	Reports Site visits Personal communication on specific issues Website	Phone calls E-mails Letters Social media (Linkedin <sup>6</sup> , Instagram <sup>7</sup> )
Ajara Emergency Agency	Ongoing operational activities, including dam flushing, joint emergency drills	Prior to commissioning, operations, flushing and onwards	Action plans Joint site inspections Letters E-mails Personal communication	Phone calls Online platforms Video conference
Civil Society, NGOs, research bodies	Ongoing operational activities	One-time and as needed onwards	Seminars Workshops Power plant tours Website	Phone calls Online platforms Social media
Media	Ongoing operational activities E&S commitments CSR projects	Prior to the commencement of operational activities and onwards	Meetings Media Tours Interviews Leaflets Press releases Newspaper articles Website	Phone calls Online platforms for interviews Social media

AGL social team will continue keeping a record of questions, comments and suggestions following the construction stage practice. To track closely interaction with various stakeholder groups and commitments AGL has developed a Stakeholder Engagement Register (Appendix C: Stakeholder Engagement Register). This register is a live document and is maintained by the SES, it sets out timeframes for action and assigns responsibility for fulfilling such commitments to appropriate stakeholder groups or individuals.

AGL will issue various publications such as brochures, informational leaflets, and newspaper articles when some information needs to be communicated to the communities. AGL will continue running the Company website [www.agl.com.ge](http://www.agl.com.ge), which will be updated regularly to ensure that the operation related documentation is available to the public. The website discloses all public documentation, such as the ESIA, LALRP with its addendums, DLRP, SEPs, BAP, geological reports, Environmental Flow information (weekly disclosure of data during commissioning and monthly disclosure during operations), etc. prepared according to the national and international requirements both in English and Georgian languages. Local residents can access brochures and newsletters not only via website, but also at the PIC and they will also be displayed in municipality administrative buildings. In addition

<sup>6</sup> <https://www.linkedin.com/company/3007933/admin/>

<sup>7</sup> <https://www.instagram.com/shuakhevihpp/>



to that, Batumi office is maintained where project related documentation is available for all stakeholders.

## 6 Stakeholders and Corporate Social Responsibility Programmes

AGL's CSR strategy for the operation phase puts its emphasis on the programmes that can ensure long-term socio-economic development for the mountainous districts of Adjara.

AGL's CSR programmes aim to have a comprehensive and strategic approach to the needs and concerns of all communities located within the Project's operational area of influence by maximizing opportunities, managing expectations, and avoiding risks during the operational phase.

There are the following priority areas for CSR activities during the operation stage:

- Local Small and Medium Business Development
- Education support
- Livelihood Sustainability

During the COVID-19 pandemics and the related lockdown in mid-2020 AGL extended its CSR activities to support to the local hospitals and socially unsecured people. AGL provided "food baskets" to 140 socially vulnerable families in the project affected villages both in Khulo and Shuakhevi, apart from it the Company purchased respiratory equipment (2) for the newly opened Batumi Republican Hospital, primary healthcare equipment (face masks, gloves, antiseptic liquids) were contributed to the Skhalta Ambulatory.

## 7 Grievance Handling Mechanism

### 7.1. Grievance Management under Regular Conditions

The Company established a grievance mechanism early in the preparatory stage prior to construction activities (2011), and AGL social team members have been effectively applying it. The grievance mechanism will continue to be maintained by AGL during the whole operation stage.

A grievance can be defined as an actual or perceived problem that might give grounds for complaint. As a general policy, AGL works proactively towards preventing grievances through the implementation of impact mitigation measures and community liaison. In particular, Stakeholder Engagement Specialist (SES) will be working primarily to keep the grievance log updated, to receive grievances / inquiries and respond to them, as well as to ensure that AGL's responses are delivered in a timely manner to the complainants. Anyone can submit a grievance to the Company if they believe the operation activity is having a detrimental impact on the community, the environment, or their quality of life. Anyone may also submit comments and suggestions.

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 (Appendix A: Grievance Form). Grievance forms can then be submitted to the Company representative whose contact details are provided below.

All grievances will be acknowledged within 10 days. If immediate corrective action is available, it will be taken in the shortest period. If no immediate corrective action is required, a written response will be provided within 21 days.



The SES will explain in writing (or verbally if needed) the manner in which the review of a grievance / issue was carried out, the results of the review, any changes to the activities that will be undertaken to address the grievance and how the issue is being managed in line with the Project's environmental and social management systems and requirements. Grievance information will be recorded in the grievance log. This information will include:

- Stakeholder name and contact details (unless requesting anonymity)
- Details of the nature of the grievance
- Date received, responded to and closed out

The Company aims to protect a person's confidentiality when requested and will guarantee anonymity. If a complainant prefers to submit a grievance anonymously or through a third-party, this will be accepted, and the Company will respond to the extent feasible.

It is important to note that this mechanism does not replace the legal rights that people have. Even if a person submits a grievance, he or she may use other legal avenues to achieve his/her goals.

AGL's SES will be the point of contact for grievances and comments during the operation phase. SES is responsible for registering the grievances. As for CLOs once they receive grievances, they transfer them to the SES for recording.

Grievances and comments should be sent to AGL using the contact details below:

**Name:** Inguli Davitadze

**Address:** Shuakhevi HPP (Shuakhevi municipality) 1, Rustaveli street

**E-mail:** [inguli.davitadze@agl.com.ge](mailto:inguli.davitadze@agl.com.ge); [info@agl.com.ge](mailto:info@agl.com.ge)

**Mob:** + 995 577 20 34 15

**Website:** [www.agl.com.ge](http://www.agl.com.ge)

Or can be submitted by mail to the following mailing address:

Adjaristsqali Georgia LLC (AGL)

129, Bagrationi Street

Batumi 6010, Georgia

Grievance log is monitored through the KPI tracker where number of grievances received and responded, number of days needed to resolve them, etc. are being logged, and AGL undertakes periodic assessment to evaluate the effectiveness and efficiency of the grievance system.

## 7.1 Grievance Management during Pandemic

Access to the grievance mechanism and timely resolution of complaints is an important part of maintaining proactive engagement with communities especially during pandemic. AGL's contact points (Stakeholder Engagement Specialist and Community Liaison Officers) are well known to community representatives, therefore, AGL did not consider adopting alternative grievance management channels. Most of the complaints were registered via phone calls and letters as done in the previous years. Thus, pandemic did not affect AGL's grievance handling mechanism; in case



of need AGL social team (together with technical team) undertakes site visits taking all the precaution and sanitary-epidemiological measures prescribed by the national regulations.

## 8 Monitoring and Reporting

To understand how effective the SEP implementation is, AGL will undertake regular monitoring and reporting. In particular, AGL will perform the following:

- Keep the operation-stage SEP in place, up to date and disclosed to the public;
- Document the events held by the CLOs and SES: minutes of meetings (Appendix B. Meeting Memo Example) are produced and all original written consultation correspondence are retained as evidence of the process and outcomes;
- Maintaining grievance logging and tracking: each grievance is logged by the SES, given an identification number and followed through by recording details and timing for its resolution and closing out;
- Annually reporting to the EBRD, IFC and ADB on the delivery of this SEP.
- Update the SEP when needed (tentatively, in about two years following the commissioning and then in case of any changes to the Project operational regime or structure).

Monitoring, evaluation, and reporting are key components of the stakeholder engagement. Ops SEP activities are subject to internal monitoring which is conducted by AGL. The Company social staff comprises of four full-time members who follow the effectiveness and progress on:

- Information disclosure and consultation with stakeholders;
- Grievance recording and resolution
- Engagement with local communities on various topics of concern/interest.

Internal monitoring to assess the effectiveness of AGL interaction will be conducted on a semi-annual basis (performance of SEP implementation, CLO activities, effectiveness of grievance closure, etc.) and be reported to the AGL management. Internal monitoring reports will also be included in reports to lenders.

As for the third-party verification, social monitoring will be the part of the overall ESMS audit.



## Appendix A: Grievance Form

### Grievance Form

Grievance reference number (to be filled by AGL)

Contact details:	Name:
	Address:
	Telephone:
	E-mail:

Please state whether you wish for your details to remain confidential:

[Note that we may need to contact you regarding your grievance but will not share your details with a third party without your permission.]

How would you prefer To be contacted Please tick a box	By Post	By Phone	By E-mail
--	---------	----------	-----------

Name and identification information (from the identity card).  
[This field is not mandatory]

Please provide details of your grievance, include description of the problem, who it happened to, when, where and how many times, as relevant.

What is your suggested resolution for the grievance, if you have one?

How to submit this form to AGL	By post to: AGL Batumi Office 129, Bagrationi street; Batumi 6010; Georgia
	By hand: Shuakhevi Powerhouse 1, Rustaveli street
	by e-mail: please email your grievance, suggested resolution and preferred contact details to: <a href="mailto:inguli.davidadze@agl.com.ge">inguli.davidadze@agl.com.ge</a> or <a href="mailto:info@agl.com.ge">info@agl.com.ge</a>
Signature	Date



## Appendix B. Meeting Memo Example

Date	
Location	
Attendees	
Issue	
Brief Description	
Resolution	-
	-
	-
	-
	-
	-
Signature	

