

ELEKTROKRAJINA GRID REHABILITATION AND UPGRADE PROJECT

TECHNICAL, ENVIRONMENTAL AND SOCIAL
ASSESSMENT

Stakeholder Engagement Plan

July 2026



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ABBREVIATIONS

E&S	Environmental and Social
EBRD	European Bank for Reconstruction and Development
ESMP	Environmental and Social Management Plan
NTS	Non-technical Summary
PIU	Project Implementation Unit
RS	Republika Srpska
SEP	Stakeholder Engagement Plan

1 EXECUTIVE SUMMARY

The European Bank for Reconstruction and Development (EBRD) is considering financing the Elektrokrajina Grid Rehabilitation and Upgrade Project, which involves rehabilitation and reconstruction of existing medium-voltage and low-voltage electricity distribution infrastructure within the service area of Elektrokrajina a.d. Banja Luka. This will include interventions on around 30,000 LV and 13,000 MV poles distributed across 16 municipalities and 5 cities in Republika Srpska. The works will include replacement of poles, conductors or both, depending on the condition of individual network sections. No works on transformers or transformer substations are included in the Project.

This Stakeholder Engagement Plan (SEP) defines how Elektrokrajina will disclose Project information, communicate with affected and interested stakeholders, and receive and respond to Project-related grievances. The SEP has been prepared in line with EBRD's Environmental and Social Requirement 10 on Stakeholder Engagement. The SEP will remain a live document and will be updated as needed during Project implementation.

The main Project stakeholders include households, businesses and public institutions served by the distribution network, sensitive consumers who may be more affected by temporary electricity interruptions, landowners who may be affected by temporary access to land, local communities near work sites, contractors and Elektrokrajina employees involved in Project implementation.

Elektrokrajina will disclose key Project documents, including this SEP, Public Grievance Form, Non-Technical Summary and Environmental and Social Management Plan. These documents will be made available through Elektrokrajina's website, the EBRD website and, upon request, in hard copy at Elektrokrajina's headquarters and ten field units. Stakeholders will be given one month to provide comments on the disclosed documents.

Before work starts in a specific area, Elektrokrajina will inform local communities about the expected timing and duration of works and the availability of the grievance mechanism. Notices on planned electricity supply interruptions will be provided in line with legal requirements and Elektrokrajina's existing practices. Where works may affect sensitive consumers, such as hospitals or persons who depend on electricity for medical reasons, Elektrokrajina will communicate with them in advance so that they can prepare for interruptions and arrange backup power where needed.

A Project-level grievance mechanism will be established and managed by the PIU. Grievances may be submitted verbally or in writing, including anonymously, and may also be submitted through contractors or the supervision engineer during construction. Grievances will be acknowledged within five calendar days, and the complainant will be informed of proposed actions within ten calendar days after acknowledgement.

The PIU will monitor implementation of the SEP and report on stakeholder engagement activities and grievances to EBRD.

2 INTRODUCTION

2.1 Project Context

The European Bank for Reconstruction and Development (EBRD) is considering providing financing to Elektrokrajina a.d. Banja Luka, for the rehabilitation and reconstruction of deteriorated medium-voltage (MV) and low-voltage (LV) electricity distribution infrastructure within the service area of Elektrokrajina (the Project).

The planned investments will include rehabilitation and replacement works on up to 700 km of MV network and up to 2,000 km of LV network¹. This will include interventions on around 30,000 LV and 13,000 MV poles distributed across 16 municipalities and 5 cities in Republika Srpska (RS). Depending on the condition and technical characteristics of individual network sections, the works may include replacement of poles, replacement of conductors or replacement of both. No works on transformers/transformer substations are included in the Project.

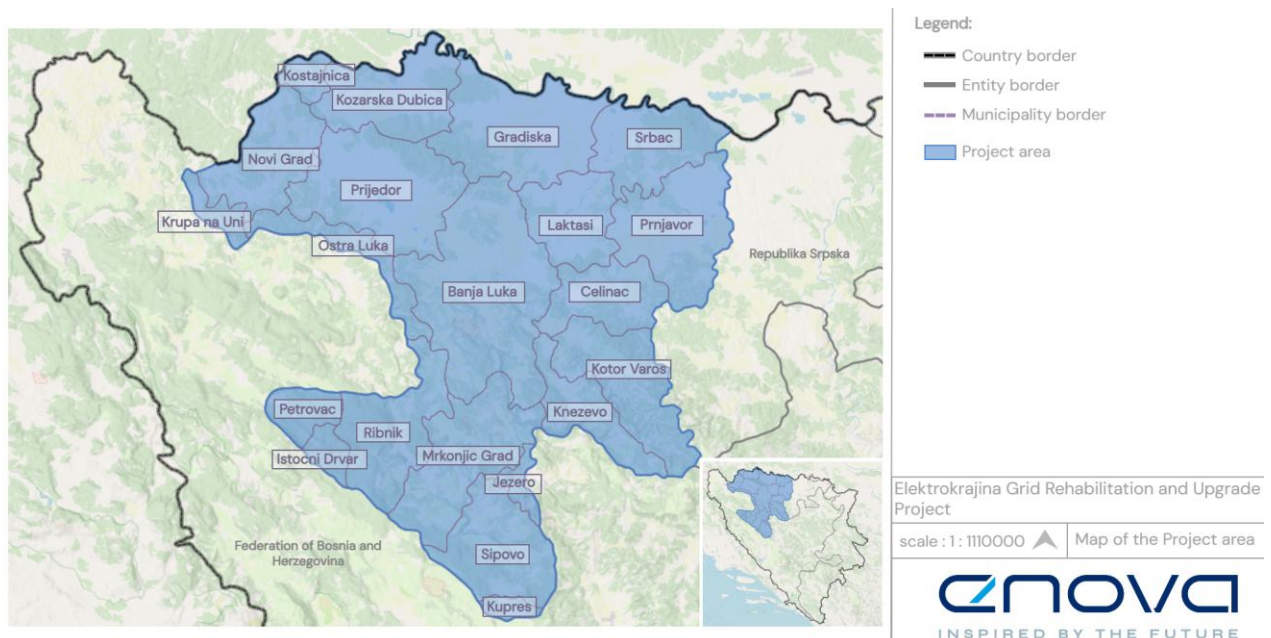


Figure 2-1: Map of Project area

The need for the Project arises from prolonged underinvestment in the electricity distribution network, resulting in ageing infrastructure, increased maintenance requirements, technical losses and reduced reliability of electricity supply in certain areas. In addition, the Project responds to the growing need to strengthen the existing distribution network to support the integration of distributed renewable energy generation facilities and accommodate future increases in electricity demand. The rehabilitation of the network is therefore expected to improve operational flexibility, network stability and connection capacity for new users and renewable energy sources.

Elektrokrajina will establish a dedicated Project Implementation Unit (PIU) to coordinate Project preparation and implementation.

¹ The stated network lengths are indicative. The final length of the rehabilitated network will depend on market prices for construction works and materials at the time of implementation.

The construction works will be carried out by external contractors selected through a public procurement procedure.

Since the planned works involve replacement of equipment, installations and network components of the same capacity, no construction-related permits are required.

A detailed description of the planned works is provided in the **Non-technical Summary** which is part of the Project's disclosure package along with this Stakeholder Engagement Plan and the Environmental and Social Management Plan.

2.2 Objectives and Scope of this Stakeholder Engagement Plan

This Stakeholder Engagement Plan (SEP) was developed to outline how Elektrokrajina will engage with interested and affected parties throughout the Project. The main goal of this SEP is to support informed decision-making and ensure that all stakeholders have timely opportunities to participate, express their views and raise any concerns that could influence Project outcomes.

This SEP is a live document that will be periodically updated by the PIU as necessary to reflect key changes in Project activities or any new developments in the Project scope.

Note: At this stage, no specific stakeholder engagement activities have yet been conducted by Elektrokrajina. All future engagement will follow the framework set out in this SEP.

3 REGULATORY REQUIREMENTS FOR STAKEHOLDER ENGAGEMENT

3.1 Local Legislation Requirements

Local legislation requires Elektrokrajina to provide access to relevant information and communicate with the public in a transparent manner.

The *Law on Free Access to Information in RS* gives individuals and legal entities the right to request information from public bodies and public enterprises. As a public enterprise, Elektrokrajina is required to support access to information and make relevant information on its operations, organisation and financial management publicly available.

Bosnia and Herzegovina has also ratified the Aarhus Convention, which requires access to environmental information, public participation in environmental decision-making and access to justice in environmental matters. As a company providing a public service, Elektrokrajina is required to provide access to environmental information and respond to relevant information requests from the public.

3.2 EBRD Requirements

The Project is also required to comply with EBRD Environmental and Social Requirement 10 on *Stakeholder Engagement*. In summary, EBRD requires that:

- > Stakeholders should be identified and engaged from the early stages of the Project and throughout Project implementation.
- > Project information should be disclosed in a timely, clear and understandable way, in the local language and through accessible communication channels.
- > Consultation should be meaningful and proportionate to the nature and scale of Project impacts and stakeholder interest. Particular attention should be given to persons or groups who may be more vulnerable or who may have specific information needs.
- > A grievance mechanism should be established to receive, record and respond to stakeholder concerns and complaints.
- > The Stakeholder Engagement Plan for each project should describe how information disclosure, consultation and grievance management will be carried out, including responsibilities, methods and timing.

4 PROJECT STAKEHOLDERS

The key Project stakeholders are listed below. Any stakeholder not identified at this stage may contact Elektrokrajina to request information or be included in future Project communication activities.

1) Households, businesses and public institutions served by the distribution network

This group includes households, businesses, public institutions and other electricity users located within Elektrokrajina's service area where rehabilitation works will be carried out. Their main interests are ensuring continuity of electricity supply and maintaining the quality of voltage.

This group also includes sensitive consumers that may be more affected by temporary electricity interruptions, such as persons using medical equipment at home, elderly persons, chronically ill persons, hospitals, health centres and other sensitive public service users. Their main interest is to receive timely and understandable information about planned interruptions and, where necessary, coordination with Elektrokrajina to support continuity of electricity supply through available backup arrangements.

2) Landowners affected by temporary access to land

This group includes owners and users of private land where temporary access may be needed for pole replacement, conductor replacement, movement of workers and equipment or temporary positioning of machinery.

There will be no expropriation under the Project. Works will be carried out on the existing distribution network, at or near existing pole locations. The main interests of this group relate to prior notification, agreement on access arrangements, prevention of damage to land, yards, crops or property and compensation if any damage occurs during works.

3) Local communities near work sites

This group includes residents and community members living near locations where works will be carried out. Their interests relate to safe movement around work sites, temporary traffic management, protection from unauthorised access to work areas, minimisation of short-term nuisances and timely information about planned works.

4) Contractors

Contractors will be responsible for carrying out the works safely and in accordance with contractual requirements, applicable legislation, Elektrokrajina procedures and EBRD requirements. Their interests relate to clear communication of Project requirements, work planning, occupational and community safety and labour requirements.

5) Employees of Elektrokrajina involved in the Project

Elektrokrajina employees involved in Project preparation, supervision, operation and maintenance include technical departments, field units, OHS staff, customer relations staff and the PIU. Their interests relate to clear roles and responsibilities, safe working conditions, coordination with contractors, implementation of E&S requirements and future operation and maintenance of the rehabilitated network.

5 STAKEHOLDER ENGAGEMENT PROGRAM

5.1 Responsibility for SEP Implementation

The PIU for this Project established by Elektrokrajina will be tasked with overseeing Project implementation, including the implementation of this SEP.

5.2 Disclosure of Project Documents

Elektrokrajina will disclose the following Project documents:

- This **Stakeholder Engagement Plan (SEP)** and the **Public Grievance Form** (which is an appendix to this SEP),
- The **Non-technical Summary (NTS)** of the Project,
- The **Environmental and Social Management Plan (ESMP)** for the Project,
- **Other relevant Project information** as needed during Project implementation, including notices on planned works and planned electricity supply interruptions.

The documents will be available in local language (and English where available) on Elektrokrajina's website (www.elektrokrajina.com) and the EBRD website (www.ebrd.com). Hard copies of the documents will be available upon request at Elektrokrajina headquarters in Banja Luka and the ten field units.

After the disclosure of the documents, stakeholders will have a period of 1 month to provide feedback about the Project. To encourage feedback, the PIU will (in parallel with disclosure):

- publish on Company's website a notification with the contact persons responsible for receiving and processing comments, as well as the timeframe for submitting comments
- announce the availability of the disclosure package in local media

All comments and proposals will be reviewed by the PIU. A brief report ("comments matrix") on comments/proposals received and responses from the PIU will be published on the Company's website following the public review period. Relevant comments will be considered in finalising or updating the above listed Project documents, where appropriate.

In addition, individual consultation meetings for specific issues may be organised at the initiative of the PIU or by any stakeholder groups/individuals.

5.3 Informing the Public About Construction Works and the Grievance Mechanism

Elektrokrajina will provide timely information to local communities before the start of Project works in a particular area, as soon as the local work schedule is known. Information will include:

- the expected timing and duration of works and
- that a grievance mechanism is available, including contact details and channels for submitting questions or concerns.

This information will be disclosed through notices on Elektrokrajina's website and public media. For works affecting specific local areas, information may also be communicated through local channels,

field units or direct communication with affected users, depending on the nature and location of the works.

5.4 Informing the Public About Electricity Supply Interruptions

Notices on planned electricity supply interruptions will be provided in line with the *Law on Electricity of RS* and Elektrokraina's existing practices. This means that households and small businesses will be informed at least 24 hours in advance, while other final customers will be informed at least seven days in advance, where applicable.

Where works may affect sensitive consumers, such as hospitals or persons who depend on electricity for medical reasons, Elektrokraina will communicate with them in advance so that they can prepare for the interruption and arrange backup power where needed.

5.5 Engagement Objectives and Methods

The table below lists the identified stakeholders and the proposed communication methods. Stakeholders who are not included at this stage may contact the PIU to request information, share comments or ask to be included in future Project communication.

Table 5-1: Engagement objectives and methods

Identified stakeholder	Specific issues or interests	Communication and engagement methods	Information to be disclosed
Households, businesses and public institutions served by the distribution network	> Continuity and reliability of electricity supply > Timely information on planned interruptions and timing of works > Ability to submit questions or complaints	> Access to Project documents online and in printed form > Notices on planned interruptions and works > Direct communication with sensitive consumers where needed > Communication through customer/contact centres as needed > Responding to inquiries/grievances through the Project grievance mechanism	> Project disclosure package (SEP, NTS, ESMP) and comments matrix > Information on planned works and electricity interruptions > Information on grievance mechanism
Landowners affected by temporary access to land	> Temporary access arrangements > Prevention of damage to land, crops, yards or property > Compensation if damage occurs	> Direct communication between Elektrokraina/ Contractors and landowners before works > Agreement on timing and duration of access > Responding to inquiries/grievances through the Project grievance mechanism	> Information on planned access needs, timing and duration of works, damage prevention measures > Compensation process in case of damage > Information on grievance mechanism
Local communities near work sites	> Safe movement near work areas > Temporary traffic management > Minimisation of short-term nuisances	> Access to Project documents online and in printed form > Notices on planned interruptions and works > Responding to inquiries/grievances through the Project grievance mechanism	> Project disclosure package (SEP, NTS, ESMP) and comments matrix > Information on planned works > Information on grievance mechanism

Identified stakeholder	Specific issues or interests	Communication and engagement methods	Information to be disclosed
Contractors	> Clear Project requirements > Safe execution of works > Labour and working conditions	> Contractual requirements > Pre-construction meetings/toolbox talks > Responding to grievances through the worker grievance mechanism	> ESMP requirements > Worker grievance mechanism.
Employees of Elektrokrajina involved in the Project	> Coordination with contractors > Safe working conditions > Implementation of E&S requirements > Operation and maintenance of rehabilitated network.	> PIU coordination > Internal meetings and other communication channels	> Project responsibilities > ESMP and SEP requirements



6 GRIEVANCE MANAGEMENT

Overview. The PIU will set up a Project-level grievance mechanism for receiving and addressing grievances. The mechanism will address concerns promptly and effectively in a transparent manner, free from manipulation, interference, coercion, discrimination, intimidation and retaliation, and it will be accessible to all affected parties, at no cost.

This chapter includes the following two supporting appendices:

- > Project Grievance Form (Appendix A in section 8)
- > Template of the Grievance Registry (Appendix B in section 8).

The following sections of this chapter elaborate the Project grievance procedure and steps. A separate grievance mechanism is available for workers.

Submitting grievances. Any concern can be brought to the attention of the PIU verbally (personally or by telephone) or in writing by filling in the Project Grievance Form (by personal delivery, post or e-mail to the address/number given below). Grievances may also be submitted anonymously or without the use of the form if preferred.

After the start of construction works, the Project Grievance Form may also be submitted directly to the contractor (e.g. construction site manager) and/or supervision engineer.

Any grievances received by the contractor/supervision engineer will be forwarded to the PIU without delay (within 24 hours) to allow PIU to further process the grievance/comment (i.e., record, acknowledge and respond to the grievance in the timeframes defined below).

Recording and acknowledging grievances. PIU will record all grievances in the Grievance Registry. Written and non-anonymous grievances will be acknowledged within 5 calendar days. To enable proper monitoring and evaluation, each grievance will be recorded in the registry with the following information:

- > description of grievance, including an indication of the type (topic) of the grievance to enable timely detection of most frequent incidents, ascertain trends and manage risks – such as grievances related to:
 - o access to private land or damage to land, crops or property
 - o construction nuisances such as improper waste management, noise or dust
 - o contractor behaviour
- > details about the **complainant profile**, to understand who and where is most affected by negative impacts of the Project (*note: this information will be considered confidential and only disclosed to PIU staff working on grievances*)
- > **date of receipt** of grievance and **date of acknowledgement** returned to the complainant
- > **description of actions** taken (investigation, corrective measures, preventive measures)
- > **date of resolution and closure**/provision of feedback to the complainant

Assisting complainants. If the grievance is vague and not clear enough, the PIU will assist and provide counsel in formulating/redrafting the submission, in order for the grievance to become clearer, for purposes of an informed decision by the PIU, in the best interests of persons affected by the Project and in consideration of the preferred resolution steps of the complainant.

Grievance resolution. The PIU will make all reasonable efforts to address the complaint upon the acknowledgement of grievance. If the PIU is not able to address the issues raised by immediate corrective action, a long-term corrective action may be identified if relevant. The complainant will be informed about the proposed immediate action or any long-term action within 10 calendar days upon the acknowledgement of grievance. Preventive actions will be identified and implemented with the aim of preventing recurrence of the same issue in the future; these will also be communicated to the complainant. The PIU will make reasonable efforts to follow-up with the complainant to verify successful implementation of the action.

If the PIU is not able to address the particular issue raised 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, if relevant, an explanation on how the person/organisation 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 local legislation, including formal judicial appeal.

Project Implementation Unit – Elektrokrajina Grid Rehabilitation and Upgrade Project

Project Grievance Contact: Coordinator for Technical Affairs

Email: vladimir.arnaut@elektrokrajina.com

Tel: +387(0)51 246-329

Address: Kralja Petra I Karađorđevića 95, Banja Luka

EBRD's Independent Project Accountability Mechanism. In addition to the Project-level mechanism managed by the PIU, the EBRD has an Independent Project Accountability Mechanism (IPAM)², as a tool which aims to facilitate the resolution of social, environmental and public disclosure issues raised by Project-affected people and civil society organisations about EBRD-financed projects.

7 MONITORING AND REPORTING

The results of the stakeholder engagement process will be included in annual **Environmental and Social Reports to EBRD** which will be prepared by the PIU. The reports will include, in particular, the following information:

- > **Number and types (topics) of received grievances** raised in the reporting period,
- > **Number and types of information disclosure and engagement activities**, with information on issues and concerns raised and information on how the issues raised were taken into consideration by the PIU.

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

² Information about the IPAM process can be found at: <https://www.ebrd.com/what-we-do/independent-project-accountability-mechanism.html>

8 APPENDICES

8.1 Appendix A: Project Grievance Form

Reference Number	
Full name (optional) ☐ I wish to raise my grievance anonymously. ☐ I request that you do not disclose my identity without my consent.	
Contact information Please mark how you wish to be contacted (mail, telephone, e-mail).	By Post: Please provide mailing address: _____ _____ By Telephone: _____ By E-mail: _____
Preferred language of communication	- Bosnian/Croatian/Serbian - English (if possible) - Other _____
Description of Incident for Grievance	What happened? Where did it happen? Who did it happen to? What is the result of the problem?
Date of Incident / Grievance	
	☐ One-time incident/grievance (date _____) ☐ Happened more than once (how many times? _____) ☐ On-going (currently experiencing problem)
What would you like to see happen?	

Signature: _____

Date: _____

Please return this form to:

Project Implementation Unit – Elektrokrajina Grid Rehabilitation and Upgrade Project

Project Grievance Contact: Coordinator for Technical Affairs

Email: vladimir.arnaut@elektrokrajina.com

Tel: +387(0)51 246-329

Address: Kralja Petra I Karađorđevića 95, Banja Luka

8.2 Appendix B: Grievance Registry – Template

	Name of complainant	Complainant profile	Contact information	Date received	Date acknowledged	Type (topic) of problem	Grievance description	Proposed corrective action (immediate or long-term)	Due date for action	Results of action	Date of closure	Grievance follow-up	Recurrence (Y/N)	Notes
1.	<i>Enter name or 'anonymous'</i>					<i>E.g., damage to land/ crops</i>								
2.														
3.														
4.														
5.														



