



Stakeholder Engagement Plan (SEP) - Serbia Scaling Up Residential Clean

Contents

1	INTRODUCTION.....	6
1.1	Project Description and Context.....	6
1.2	Project Complementary Activities	9
1.3	Potential Social and Environmental Risks and Impacts of the Project	10
1.4	Project Implementing Agencies	10
1.5	Purpose and justification for the SEP	10
1.6	National Legislation Requirements.....	11
1.7	World Bank’s Environmental and Social Standard on Stakeholder Engagement (EES10) and Citizen Engagement	12
1.7.1	Stakeholder Engagement.....	12
1.7.2	Citizen Engagement	13
2	SUMMARY OF PREVIOUS STAKEHOLDER ENGAGEMENT ACTIVITIES.....	14
2.1	Citizen Engagement	14
3	STAKEHOLDER IDENTIFICATION AND ANALYSIS	15
3.1	Project Affected Parties	16
3.2	Other Interested Parties	17
3.3	Disadvantaged or Vulnerable Individuals or Groups	17
3.4	Proposed stakeholder classification	19
3.5	Overview of stakeholders Interest and Influence.....	19
4.	STAKEHODLER ENGAGEMENT PROGRAM	24
4.1.	Purpose and timing of stakeholder engagement program	24
4.2.	Proposed Strategy for Stakeholder Engagement activities	24
4.3.	Key Elements of the Engagement Process.....	26
4.4.	Proposed Strategy to Incorporate the Views of Vulnerable Groups	33
4.5	Methods for sharing information	33
4.6	Proposed Strategy for Disclosure	35
5.	RESOURCES AND RESPONSIBILITIES FOR IMPLEMENTING STAKEHOLDER ENGAGEMENT ACTIVITIES.....	36
5.1.	Resources.....	36
6.	GRIEVANCE MECHANISM	36
6.1.	Raising grievances.....	37
6.2.	Grievance administration	38

6.3.	Grievance log	40
6.4.	Grievance admission and process value chain	40
	Monitoring and reporting on Grievances	42
	World Bank Grievance Redress System	42
7.	MONITORING AND REPORTING.....	43
7.1.	Reporting back to stakeholder groups.....	44

List of Tables

Table 1-1	Proposed Components under the Project.. ..	7
-----------	--	---

ABBREVIATIONS

CGD	Central Grievance Desk
E&S	Environmental and Social
ESCP	Environmental and Social Commitment Plan
ESF	Environmental and Social Framework
EEA	Energy Efficiency Administration
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
ESS	Environmental and Social Standards
GM	Grievance Mechanism
GoS	Government of Serbia
GRS	Grievance Redress Service
MoME	Ministry of Energy and Mining
MoF	Ministry of Finance
NGO	Non-Governmental Organization
LSGU	Local Self Government Units
OG	Official Gazette
OIP	Other Interested Parties
PIU	Project Implementation Unit

RS	Republic of Serbia
WB	World Bank

GLOSSARY

Consultation: The process of sharing information and getting feedback and/or advice from stakeholders and taking these views into account when making project decisions and/or setting targets and defining strategies.

Environmental and Social Standards (ESSs): The 10 Environmental and Social Standards (ESSs) setting out the requirements that apply to all new World Bank investment project financing enabling the World Bank and the Borrower to manage environmental and social risks of projects.

Project Affected Parties: includes those affected or 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.

Other interested parties: 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.

Stakeholders: Collective reference to individuals or groups who: (a) are affected or likely to be affected by the project (*project-affected parties*); and (b) may have an interest in the project (*other interested parties*).

Stakeholder engagement: is the continuing and iterative process by which the Borrower identifies, communicates, and facilitates a two-way dialogue with the people affected by its decisions and activities, as well as others with an interest in the implementation and outcomes of its decisions and the project. It takes into account the different access and communication needs of various groups and individuals, especially those more disadvantaged or vulnerable, including consideration of both communication and physical accessibility challenges. Engagement begins as early as possible in project preparation because early identification of and consultation with affected and interested parties allows stakeholders views and concerns to be considered in the project design, implementation, and operation

Citizens: Citizens are understood as the ultimate client of government, development institutions’, and private sector interventions in a country. Citizens can act as individuals or organize themselves in associations and groups such as community-based groups, women’s groups, or indigenous peoples’ groups. Civil society organizations (CSOs) can represent citizens and can include organizations outside the public or for-profit sector, such as nongovernmental organizations (NGOs), charitable organizations, faith-based organizations, foundations, academia, associations, policy development and research institutes, trade unions, and social 8 movements. In this context, the term citizen is not used in a legal sense but is understood in the broad sense of referring to all people in a society or country in an inclusive and non-discriminatory way.

Citizen engagement is defined as the two-way interaction between citizens and governments or the private sector within the scope of WBG interventions—policy dialogue, programs, projects, and advisory services and analytics—that gives citizens a stake in decision-making with the objective of improving the intermediate and

final development outcomes of the intervention. The spectrum of citizen engagement includes consultation; collaboration and participation; and empowerment.

Beneficiary feedback: a subset of citizen engagement that is applicable to World Bank financed Projects, refers to engagement (consultation, collaboration, and empowerment) with those citizens who are clearly identifiable (direct) project beneficiaries during preparation, implementation, and evaluation.

Whenever citizens provide inputs or feedback, the government needs to respond or reply in some form, i.e., the government takes into account citizens' views, resolves the issues raised or publishes the response to the feedback.

Recalibrating Stakeholder engagement: Adapting activities of stakeholder engagement in the times of the COVID-19 pandemic and the need for physical distancing.

Stakeholder Engagement Plan (SEP): This Plan document prepared to guide development, and ensure effective stakeholder engagement, describing the timing and methods of engagement with stakeholders throughout the life cycle of the project as agreed between the Bank and MoME.

1 INTRODUCTION

1.1 Project Description and Context

The Government of Serbia (GoS) is scaling up green investments to spur post-COVID recovery and build resilience against future shocks, especially among its most vulnerable citizen.

The International Bank for Reconstruction and Development (IBRD) – hereinafter The World Bank is considering to support the Government of Serbia and Ministry of Energy and Mining (MEE), as the line ministry, to scale up a revised version of an existing government program financing residential energy efficiency (EE) investments.

The key objectives of the project are enhancing the uptake and affordability of energy efficiency, sustainable heating, and rooftop solar PV for households in participating local self-government units in Serbia.

The project will prioritize investments in single-family houses.¹ Priority will be given to single family houses for four main reasons:

- (i) the thermal properties of Serbian SFHs are generally worse than those of larger buildings, mainly due to the unfavourable surface-to-volume ratio and the relatively older building stock
- (ii) SFHs tend to rely more on polluting and less efficient coal and wood boilers for heating, whereas a significant share of MABs rely on district heating and electricity;²
- (iii) lower-income households are more likely to live in SFHs;³ and
- (iv) other national and donor-funded support schemes have so far only targeted public buildings and MABs. Within SFHs, additional selection and prioritization criteria will be adopted (e.g., household income, age and structural soundness of the building, number and characteristics of the residents).

Households will benefit from the program in multiple ways:

- (i) the thermal renovations and boiler replacements implemented will generate energy savings that will translate into monetary savings through lower energy bills
- (ii) the improved thermal properties of the buildings will enhance thermal comfort for households that were experiencing under-heating before the improvements were implemented;⁴
- (iii) the more efficient, cleaner heating technologies will improve indoor air quality, as well as contribute to mitigating outdoor air pollution, which is an issue seriously affecting both urban and rural areas in Serbia
- (iv) the investments implemented will increase house property values.

¹ Selected investments in individual apartments within multi-apartment buildings (MABs) will also be considered.

² While comprehensive data on the heating sources used by households living in different building types is not available, 2011 Census data supports this statement: in rural areas (dominated by SFHs), virtually all households rely on firewood or coal for heating; in urban areas, among households without access to central or district heating (mainly SFHs), 60 percent use firewood for heating, 15 percent coal, 33 percent electricity, and 12 other sources (the total adds up to more than 100 percent because some households use more than one heating source).

³ In 2019, across Serbia 89 percent of households belonging to the lowest income quintile lived in SFHs, compared to only 47 percent of households in the highest income quintile (source: EU-SILC).

⁴ According to the results the EU Survey on Income and Living Conditions (EU-SILC), in 2019 almost 10 percent of Serbian households could not keep their house adequately warm (vs. EU-27 average of 7 percent). The walk-through energy audits carried out during project preparation in several municipalities across Serbia have also highlighted that under-heating is a fairly common phenomenon among single-family houses in Serbia, with some houses being as high as 30 percent under-heated vs. a normal heating baseline.

While SFHs will be prioritized over MABs, the financing mechanisms developed and tested by the project could also be used to finance investments in other market segments, e.g., MABs and commercial buildings.

The total World Bank investment would be US\$50 million and is structured around two components:

Component 1: Financing investments in energy efficiency, sustainable heating, and rooftop solar in residential buildings (US\$45 million).

Component 2: Technical assistance and implementation support, with the overall aim to support the development of scalable financing mechanisms and remove market barriers (US\$5 million), with three subcomponents:

- a) enhancing local market capacity, improving enabling environment, and strengthening public awareness
- b) technical studies related to the design of the financing mechanisms
- c) project implementation support.

Components 1 and 2 will be implemented simultaneously. Pilot investments will be financed under Component 1 and scaled up relying on the analytical insights, institutional structures, and financing mechanisms developed under Component 2.

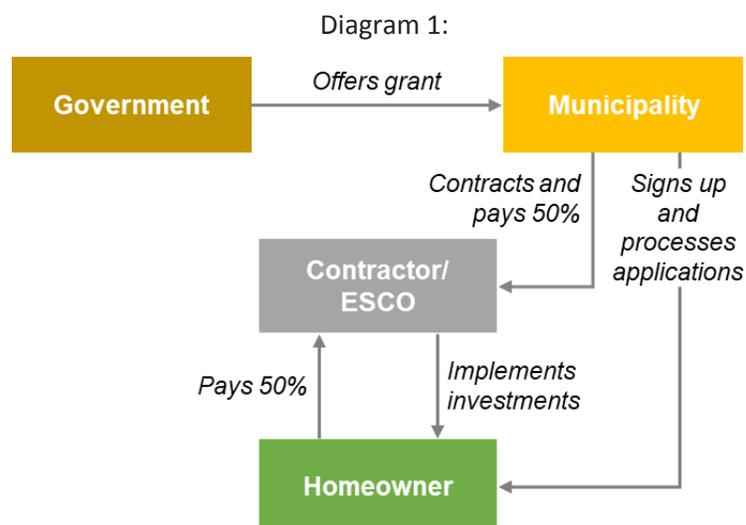
Error! Reference source not found. ble 1 summarizes the proposed components and fund allocation under the project. The detailed scope and rationale of the project components are outlined below.

TABLE 1- PROPOSED COMPONENTS UNDER THE PROJECT

Component Description
<p>Component 1: Financing energy efficiency, sustainable heating, and rooftop solar investments in residential buildings</p> <p>Partial grants for clean energy and energy efficiency investments in the residential buildings sector, e.g., investments on:</p> <ul style="list-style-type: none"> • Thermal energy efficiency (e.g., outer wall insulation, window and exterior door replacement, roof improvement, installation of thermostatic and hydraulic balance valves) • Sustainable heating (e.g., boiler replacement, fuel switching, installation of solar collectors for sanitary hot water) • Rooftop solar PV
<p>Component 2: Technical assistance and implementation support</p>
<p><i>Subcomponent 2a: Enhancing local market capacity, improving enabling environment and strengthening public awareness</i></p>
<p><i>Subcomponent 2b: Technical studies related to the design of the financing mechanisms</i></p>
<p><i>Subcomponent 2c: Project implementation support</i></p>

The project will prioritize investments based on their financial attractiveness, cost-effectiveness, contribution to decarbonization and air quality improvement, and uptake potential.

The Project is designed as a scale-up of ongoing activities implemented by the MoME. Under the existing program, households living in single-family houses (SFHs) and multi-apartment buildings (MABs) can submit an application to the Municipality for up to 50 percent grant financing (up to 25 percent provided by the EEA and up to 25 percent provided by the Municipality) for the implementation of energy efficiency measure. The diagram below illustrates the existing government program.⁵



The program was developed with SECO's support under the RELOF 2 project and two public calls⁶ have been issued so far. Due to the increasing interest expressed by LSGUs, the MoME is planning to organize another call by the end of 2021.

The implementation of the current program consists of two phases, but there are differences between renovation of public and residential buildings.

In the first phase, for EE renovations of public buildings LSGUs can apply to a public call organized by MoME.⁷ For Energy Efficiency renovations of residential buildings, there are two options:

- (i) LSGUs adopt a local EE renovation plan and apply on behalf of SFHs and MABs
- (ii) the MoME organizes a public call where MABs can apply directly for financing. The first phase ends once the tendering documents are submitted and the selection process is completed. During the second phase, the financing contracts with MoME are signed, EE measures are implemented, technical control is carried out in accordance with the construction legislation, funds are transferred, and financial control is exercised by MoME.

⁵ Source Project Appraisal Document for SURCE, December 2021

⁶ https://www.mre.gov.rs/sites/default/files/2021/04/tekst_javnog_poziva.pdf

⁷ According to the Rulebook on Conditions for Distribution and Use of Resources of the Budgetary Fund for Energy efficiency Improvement of the Republic of Serbia, funding is also available for single family households, housing associations (multi-apartment buildings).

For residential buildings financed through LSG programs, there is an additional step in the second phase. Once the financing contract is signed with MoME, selected LSGUs enter procedures for:

- (i) the selection of construction companies that will implement EE measures, and
- (ii) the selection of the SFHs and MABs that will be the final beneficiaries of the local EE program. A dedicated procedure for the financing of EE household appliances in the form of vouchers and grants also exists for households.

1.2 Project Complementary Activities

The use of affordability diagnostics as well as of household attitudes and knowledge, including among poorer and vulnerable households, will be critical for identifying barriers in transitioning towards cleaner and more efficient energy, and improve the program targeting as well as communication to its beneficiaries. In addition to the targeting embedded in the design, the project will also assess the possibility to put in place specific instruments (e.g., larger grant shares) to enable investments by the most vulnerable household. The Project will support the effort in creation of a Citizens Engagement platform to facilitate information sharing and stakeholder engagement in the situation of COVID -19.

During project preparation, a survey on air quality and energy efficiency will be conducted in several Western Balkans countries, including Serbia, to probe knowledge and attitudes towards energy efficiency and air quality, current practices regarding energy consumption and efficiency in the household, financial ability to upgrade the energy sources in the household, knowledge of subsidies and support programs available, and the most effective communication channels to reach residents. The survey will also test the effectiveness of possible messages among respondents. The gender disaggregated findings from the survey will enable the Project to develop a set of actions aimed at addressing the gender gap in knowledge and awareness of clean energy and energy efficiency, i.e., the design of an awareness campaign with dedicated messaging targeted at women, including recommendations on energy investments and behaviour changes that help save energy.

Women have strong incentives and the potential to change behaviours toward greater energy efficiency, but often don't know how to be more engaged in such efforts.

To measure the impact of these actions, the Project will monitor the following quantitative intermediate result indicator - Share of female headed households that implement energy efficiency measures (boiler, window replacement, thermal insulation) in their homes.

The interaction of complementary activities is presented in the diagram below:

Diagram 2: Interaction between complementary activities



1.3 Potential Social and Environmental Risks and Impacts of the Project

The project is not expected to have significant negative environmental impacts and risks. On the contrary, it will impose positive impacts in the long run given its overall green and energy efficiency footprint. However, it is entailing some potential short-term risks and potential adverse impacts, mostly related to infrastructure investments under Component 1. This Component envisages financing energy efficiency, sustainable heating, and rooftop solar investments in residential buildings, which will include small scale work on already existing facilities (single-family houses, multi-apartment buildings with less than five floors and multi-apartment buildings with at least five floors) and depending on the type of the facility, the project envisages what type of interventions could be entailed with chosen type of facility. In this regard, the potential environmental risks and adverse impacts that could be identified are (i) impacts on ground and surface water, soil and air contamination (dust and noise); (ii) occupational health and safety (OHS) issues and access to work sites; (iii) inadequate waste management. Component 2 should have no significant environmental impacts as it is focusing on TA, strengthening policies and practices.

The activities under component 1 involve minor civil works with no land acquisition. There will be positive social impacts for all households. The project includes specific strategies like subsidies and targeting mechanisms to ensure that poor and vulnerable households adequately benefit from the project. Component 2 is studies and TA and has minimal adverse social impacts. Hence the project is deemed to have low social risk. However, awareness raising and behaviour change is seen as central to the project PDO.

1.4 Project Implementing Agencies

The implementing agency for the operation will be the Ministry of Mining and Energy through the Energy Efficiency Administration Energy Efficiency Administration (EEA), which will house the project implementation unit (PIU). The EEA will be established as administrative authority within the ministry, a semi-independent body with a separate legal personality, managed by a civil servant (Director) directly responsible to the Minister, with clearly defined mandate for supporting energy efficiency and clean energy investments in the public and residential sectors. Local Self Government Units (LSGU) will play a pivotal role in roll-out of the project activities in particular related to Component 1.

1.5 Purpose and justification for the SEP

Operations and activities for which the World Bank's Investment Project Financing (IPF) is sought after October 1, 2018, fall under the application of the Environmental and Social Framework (ESF)⁸. The ESF comprise, inter alia, the 10 Environmental and Social Standards which set out mandatory requirements for the Borrower and the Project.

Under the ESS10, a Stakeholder Engagement Plan (SEP) should be developed prior to Project appraisal that sets out the principles and procedures for stakeholder engagement in a manner that is consistent with ESS10.

In addition, the WB particularly emphasizes **effective, inclusive and genuine citizen engagement** through disclosure of project-related information, consultation and effective feedback. Projects must include in the design activities which engage citizens/beneficiaries. The interaction between the government and citizens must be two-way – meaning that citizens must be involved in the process of decision-making. When citizens

⁸ The ESF is accessible at - <https://www.worldbank.org/en/projects-operations/environmental-and-social-framework>. Last accessed on December 10, 2021

provide inputs or feedback, the government needs to take these views into account, resolve the issues raised and respond to the citizens (i.e., provide feedback). Empowering citizens to participate in the development process and integrating citizen voice in development programs is the key to achieving positive results.

The purpose of the present Stakeholder Engagement Plan (SEP) is to identify target groups and methods of stakeholder engagement and the responsibilities in the implementation of stakeholder engagement activities. The intention of the SEP is to activate the engagement of stakeholders in a timely manner during project preparation and implementation including closing the feedback loop.

Specifically, SEP serves the following purposes:

- (i) stakeholder identification and analysis
- (ii) planning engagement modalities and effective communication tools for consultations and disclosure
- (iii) defining role and responsibilities of different actors in implementing the SEP
- (iv) defining the Project's Grievance Mechanism (GM)
- (v) providing feedback to stakeholders
- (vi) monitoring and reporting of the SEP

The stakeholder engagement will be integrated into project's environmental and social performance and project design and implementation. The adequacy of the engagement methods shall be part of the Monitoring & Evaluation (M&E) segment of the Project.

1.6 National Legislation Requirements

The commitments and requirements of the Republic of Serbia to stakeholder and citizen engagement are not residing under a single self-standing law or regulation. However, the recognition of importance of citizen engagement is infused in the legal system and clearly recognized by mandatory procedures provided under individual laws. Serbia having acquired the EU candidate country for membership status, is taking a huge effort to reach environmental standards in line with the EU acquis which extends to issues of stakeholder and citizen engagement as well.

From the highest legal act down to an ample normative framework comprising the Serbian legal system, a strong commitment and openness to stakeholder engagement is evident. Key laws governing the stakeholder and citizen engagement activities include, but are not limited to:

The Constitution of the Republic of Serbia (2006) proclaims the rule of law and social justice, principles of civil democracy, human and minority rights and freedoms, and commitment to European principles and values. The Article 74 proclaims the right to healthy environment and grants the right to timely and comprehensive information on the state of the environment.

The Law on free access to information of public interest (2004) states that governmental agencies, social associations and officials are required to provide each person with the possibility of receiving and becoming acquainted with documents of public interest, except in cases anticipated by law, shall govern the rights of access to information of public importance held by public authorities, with a view to exercising and protecting the public interest to know and attaining a free democratic order and an open society. By virtue of this Law access to information shall be granted to all stakeholders, including every natural person or legal entity upon written request unless otherwise regulated by the Law. Within 15 days of receipt of a request at the latest, the authority shall inform the applicant whether the requested information is held and grant him/her access to the document containing the requested information or issue or send to the applicant a copy of the document, as the case may be.

Law on Public Information and Media (2014) stipulates that public information is free and is not subject to censorship, that the public has the right and the interest to be informed on issues of public interest, that monopoly in the media is not allowed, that information on the media is public.

The Law on Environmental Impact Assessment (2004 as amended in 2009) provides categorization of industries and projects and identifies types of environmental assessment required against respective categories of industries or projects and provides procedures for disclosure, presentation and consultation requirements, and sets these as mandatory with a disclosure minimum of a minimum of 20 days.

The Republic of Serbia ratified **the Aarhus Convention on Access to information, public participation in decision-making and access to justice in environmental matters** and it links environmental and human rights and is based on the belief that it is a basic right of present and future generations to live in an environment

adequate to health and wellbeing. The convention is focused on achieving this through the implementation of three pillars: rights of access to information, access to decision-making, and access to justice.

Other stakeholder engagement, disclosure and transparency requirements within certain topics and sectors are embedded in the applicable laws regulating each of the treated subject. They are broadly compliant to the requirements of ESS10 but have certain shortcomings when it comes to active outreach and continuous engagement strategies.

The Law on e-Government (2018) aims to facilitate communication between the Citizen and the State. The Law is meant to enable a simpler, more transparent and more efficient operation of electronic public services.

1.7 World Bank's Environmental and Social Standard on Stakeholder Engagement (EES10) and Citizen Engagement

1.7.1 Stakeholder Engagement

The project will be the first in Serbia's energy sector to apply the new Environmental and Social Framework (ESF) and associated standards.

The World Bank's ESS 10, "Stakeholder Engagement and Information Disclosure", recognizes "the importance of open and transparent engagement between the Borrower and project stakeholders as an essential element of good international practice". Specifically, the ESS10 requires 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:
 - (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).

1.7.2 Citizen Engagement

The WB emphasizes **effective, inclusive and genuine citizen engagement**. Projects must include in the design activities which engage citizens/beneficiaries. The interaction between the government and citizens must be two-way – meaning that citizens must be involved in the process of decision-making. When citizens provide inputs or feedback, the government needs to take these views into account, resolve the issues raised and respond to the citizens (i.e., provide feedback). Empowering citizens to participate in the development process and integrating citizen voice in development programs is the key to achieving positive results.

Prior to introduction of ESS10, in 2014, the World Bank Group (WBG) developed a Strategic Framework for Mainstreaming Citizen Engagement in WBG Operations to systematically mainstream citizen engagement in WBG-supported operations. *The Strategic Framework defines citizen engagement as the two-way interaction between citizens and governments or the private sector within the scope of WBG interventions.* This approach gives citizens a stake in decision-making in order to improve intermediate and final development outcomes.

In practical terms, the World Bank’s citizen engagement commitment means that all Investment Project Financing (IPF) operations financed with IBRD loans or IDA credits must meet three requirements:

- Project design must be citizen-oriented, i.e., having at least one mechanism to engage with beneficiaries in the specific context of the project.
- Projects’ results frameworks must include at least one beneficiary feedback indicator to monitor citizen engagement throughout project implementation. The indicator must demonstrate two-way citizen engagement (“close the feedback loop”) – when citizens provide inputs or feedback, the government needs to respond or reply in some form, i.e., the government takes into account citizens’ views, resolves the issues raised or publishes the response to the feedback.
- Projects must report on the beneficiary feedback indicator(s) by the third year of implementation.

FIGURE 1: OVERVIEW OF KEY DIFFERENCES BETWEEN STAKEHOLDER ENGAGEMENT AND CITIZENS ENGAGEMENT

CE and Stakeholder Engagement: Key differences	
Citizen Engagement	Stakeholder Engagement (ESS10)
1. Corporate commitment with targets(not a policy)	1. Policy with legal implications (i.e. mandatory)
2. CE Framework applies to all Bank instruments; targets apply to IPFs	2. Applies only to IPFs
3. Emphasis on development outcomes	3. Emphasis on managing social/env risks and impacts
4. Focus on beneficiaries and non-state actors	4. Stakeholders may include national and local authorities
5. Range of/simultaneous use of approaches and tools encouraged. Consultations by itself not considered strong CE.	5. Emphasis on consultations and GRMs.
6. Emphasizes <u>iterative two-way communication and closing the feedback loop</u> . Information/ one-way communication not sufficient to meet requirement	6. Strong focus on information disclosure/ communication about project information/ESF instruments. <u>No explicit reference to closing the feedback loop.</u>
7. Requirement to include indicator in Results Frameworks.	7. No requirement to include related indicators in Results Frameworks.

19

2 SUMMARY OF PREVIOUS STAKEHOLDER ENGAGEMENT ACTIVITIES

The specific nature of the Project required a broad engagement with various project stakeholders with main discussions between the World Bank and the Government, institutional and sector specific institutional Stakeholders. The preparation of the Project was affected by the unparalleled constrains the global COVID-19 pandemic imposed to travels and face-to-face meetings.

The Stakeholder engagement with relevant Ministries, coupled with Citizens Engagement, is a continuation of the outreach activities already under way under the **existing government program financing residential energy efficiency (EE) investments**.

Walk-through energy audits (WTEAs) were carried out by energy efficiency experts between October 25 and November 4, 2021, in several municipalities across Serbia to gather first-hand data on building performance, energy efficiency needs, and household affordability, in order to inform project design. The WTEAs involved 30 households in 9 Serbian municipalities (Nova Crnja, Vrbas, Jagodina, Žabari, Sečanj, Bojnik, Leskovac, Vlasotince, and Kuršumlija).

2.1 Citizen Engagement

The MoME has engaged the public extensively during the ongoing reform process and the development of the ongoing program of investments in the residential sector. The engagement includes the newly established National Coalition on Energy Poverty as well as feedback processes for each legislative and regulatory measure, including the decrees establishing the design and implementation arrangements of the ongoing investment program.

The citizens engagement interfaces in MoME's regulatory decision making and call-for-proposal processes will be utilized and strengthened to the scale up activities under the Project to ensure that beneficiaries, the public

and stakeholders are engaged in a systematic and structured manner using publicly available information, feedback mechanisms and consultative processes.

2.1.1. Planned activities

Citizen engagement will be carried out through:

- (i) an intensive communication effort about the investment program;
- (ii) consultation of current and potential beneficiaries; and
- (iii) monitoring of impacts through annual program surveys.

To facilitate this process the Project will support development of an online civic engagement platform. The design of the Platform is currently under advisement of the MoME and the WB Team. Nevertheless, the final layout will display three key windows: Information sharing, Stakeholder/ Citizen Engagement and Monitoring Window which will facilitate overall Stakeholder engagement activities to bridge COVID-19 impediments to face to face meetings.

In more details the Platform will allow:

- Direct and transparent communication between the Ministry and beneficiaries,
- Provision of standardized materials to all Municipalities involved,
- Dissemination and promotion of project benefits on a large scale.

The LSGU play an important part of the foundational infrastructure to implement the regulatory frameworks for including the online service currently available and the scaled-up engagement activity within the Platform.

3 STAKEHOLDER IDENTIFICATION AND ANALYSIS

ESS 10 recognizes the following categories of stakeholders:

1) Project Affected Parties. These includes those likely to be affected by the project because of actual impacts or potential risks to their physical environment, health, security, cultural practices, wellbeing, or livelihoods. These stakeholders may include individuals or groups, including direct project beneficiaries and local communities. They are the individuals or households most likely to observe/feel changes from environmental and social impacts of the project.

2) 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. The stakeholder identification has been expanding to a wider area than the project will affect, since the locations have not all been identified and important details of project activities are still under development.

3) Disadvantaged/Vulnerable Individual or Groups. Includes those who may be more likely to be adversely affected by the project impacts and/or more limited than others in their ability to take advantage of a project's benefits. Such an individual/group is also more likely to be excluded from/unable to participate fully in the mainstream consultation process and as such may require specific measures and/ or assistance to do so. This will take into account considerations relating to age, including the elderly and minors, and including in

circumstances where they may be separated from their family, the community or other individuals upon whom they depend.

The scope of the Project and intended objectives and the results have actually broaden the criteria of vulnerability. The Decree on Energy Vulnerable Customers in force stipulates that the beneficiaries of financial social assistance, child allowances and other low-income households can receive discounts on their electricity and natural gas bills, thanks to a subsidy financed from the state budget. The recently updated Energy Law has extended this subsidy to vulnerable households connected to district heating systems.

The Project has multiple stakeholders from government, private sector, research sector and donor organizations involved in Serbia and relevant to the Project.

The primary project beneficiaries will be the:

- **Ministry of Energy and Mining**, will benefit from the increased capacity through additional technical and advisory hires
- **Ministry of Finance**, Borrower to the Loan Agreement,
- **Energy Efficiency Administration (EEA)**, will benefit from the increased capacity through additional technical and advisory hires and
- **Local Municipalities**, will benefit from increased capacity through administration and implementation of energy efficiency and clean energy grants
- **Households** (including low income and women lead) receiving partial grants for the implementation of clean energy and energy efficiency measures

3.1 Project Affected Parties

Although the specific combination of stakeholders varies depending on the competencies, the stakeholder analysis showed that the audience most concerned about access to data will be municipalities and households that apply for and receive partial grants to implement clean energy and energy efficiency measures. As mentioned in the description of Component 1, the project will prioritize investments in single-family houses (SFHs), which tend to have worse thermal properties than multi-apartment buildings (MABs) and rely on more polluting and inefficient heating sources. In addition, the project will seek to ensure that lower-income households can also participate in the program and implement clean energy and energy efficiency improvements in their homes.



Single Family home owners/ multi-apartment building

Who are they? Property owners, and potentially facilities managers.

What is their interest? To receive all information on time to enable them access to project benefits. (Project information, eligibility criteria, procedures for application duration of construction works etc) Particularly the most vulnerable single-family homeowners who might challenge by the drivers of their vulnerability such as low income, job insecurity, unemployment or self-employment.

What do they bring to the stakeholder engagement process? They will strengthen understanding of the context in which the project operates. They will also help Identify unintended consequences that are impacting negatively on some stakeholders. Therefore, remedial action can then be taken so that these do not become a risk to the project's success.

Local Self Government Units play a pivotal role in implementation of the Project and in efficient and effective Stakeholder and Citizen engagement.



Local government officials/policymakers

Who are they? Mayor's offices, city and county sustainability officials, regional planning commissions, city councils, etc.

What is their interest? Support local energy efficiency policy and program objectives by ensuring that building owners have the information they need to access project benefits.

What do they bring to the stakeholder engagement process? Help to clearly articulate and establish the policy context for access, and to convene multiple stakeholder groups around the issue. Ability to work collectively with utilities, state utility regulators, local governments, and industry stakeholders to overcome obstacles to data access.

3.2 Other Interested Parties

'Other Interested Parties' constitute individuals, groups, entities that may not experience direct impacts from the project but who consider or perceive their interests as being affected by the project and/or who could affect the project and the process of its implementation in some way. Accordingly, there are a number of other stakeholders who have a stake, have expressed, or may express interest due to a variety of reasons. They include project implementing agencies, project partners, political institutions, service providers, host communities, civil society organizations, NGOs, religious institutions, political authorities, academic institutions, and project beneficiaries.

Secondary beneficiaries of the project will be the broader financial sector participants, commercial banks, and non-bank financial institutions, local construction companies. Construction companies, equipment suppliers and ESCOs will benefit from the enlarged clean energy and energy efficiency markets and the subsequent increased demand for their products and services. Commercial banks will benefit from an increased number of customers and loan volume.

3.3 Disadvantaged or Vulnerable Individuals or Groups

Project design will place a specific emphasis on the most vulnerable households. Some of the groups identified in this SEP are listed below.

-Low-income households have fewer resources available to finance clean energy and energy efficiency investments and find it more difficult to access financing due to their lower creditworthiness. On the other hand, evidence suggests that the penetration of clean energy and energy efficiency investments in households

is lower for lower-income households.⁹ Ongoing efforts to frame the issue of energy poverty in Serbia will feed into the project by supporting the identification of the target beneficiaries of the program. The use of diagnostics of household attitudes, knowledge and affordability, including among poorer and vulnerable households, will be critical for identifying barriers in transitioning towards cleaner and more efficient energy, and improve the program targeting as well as communication to its beneficiaries. In addition to the targeting embedded in the design, the project will also assess the possibility to put in place specific instruments (e.g., larger grant shares) to enable investments by the most vulnerable household. According to the Income and Living Conditions Survey (EU-SILC), about 16% of households in the Republic of Serbia face multiple housing deprivation. Such households live in an apartment with a number of shortcomings, including poor energy efficiency. It is assumed that these households either have insufficient or no funds at their disposal to improve the energy efficiency of their apartment / building. In addition, a quarter of all households and three-quarters of households whose incomes are below the relative poverty line spend more than 40% of their income on housing costs, while more than half of households at risk of poverty have utility debts (National Housing Strategy, p. 13).

-Roma is mentioned in almost all documents as a particularly vulnerable group in the housing sector. According to the 2011 Census, the official number of Roma was 147,604, but almost all estimates indicate that the number is much higher. Within the framework of the IPA-funded project in 2012, a GIS database of substandard Roma settlements was created, which includes 594 substandard settlements, mostly inhabited by Roma. Data from the database indicate that over 80% of buildings in these enclaves are built of poor construction material, i.e., that they are completely energy inefficient. In addition, a tour of Roma enclaves shows that even luxuriously built large buildings made of solid construction materials (brick, concrete...) do not have a facade finish, which indicates their low energy efficiency.

Women and gender related vulnerabilities. Qualitative findings indicate that gender-related vulnerabilities in energy reforms occur for the following reasons:

- a) the relative economic vulnerability of women and female headed households
- b) intra-household roles related to energy use, and to procurement of energy sources and appliances;
- c) impacts of household coping strategies on the well-being of both women and men
- d) behavioural differences in how women and men interact with relevant institutions such as energy providers and social assistance offices

Elderly women are increasingly vulnerable due to their lower pensions and higher life expectancy. The World Bank ECA Gender Brief (World Bank, 2013a) notes that the demographic trends in the ECA region to which Serbia belongs, may result in its elderly population being predominantly female. At the same time, the gender gap in pensions and the fact that more women may fall outside the pension system contributes to a higher poverty risk for older women. Male focus group respondents often voluntarily mention that women are generally more vulnerable to rising energy costs because they are less able to find additional employment. They think women have fewer such opportunities to supplement their income. Often are vacant jobs requiring heavy physical labour as well as flexibility with time, which women may not have due to childcare, elderly care or other household responsibilities. In addition to already mentioned, the evidence demonstrates presence of gender gap in knowledge and awareness of clean energy and energy efficiency. Reducing the gender gap in awareness, knowledge, voice and agency, one of the four pillars of the World Bank Group Gender Strategy 2016-2023. Men are generally better informed about topics related to energy efficiency investments and are consequently more involved in making decisions about which energy sources to use. This gap puts women,

⁹ For example, it is estimated that only 5 percent of households with a monthly income below €300 have undertaken energy efficiency improvements, compared to 80 percent of households with a monthly income above €1,700.

particularly those in female-headed households, at a disadvantage, as they are less likely to apply and benefit from government programs. Furthermore, as women are typically more likely to spend extensive periods in the domestic environment, which includes performing household activities related to maintaining the heat source, they are more exposed to harmful pollutants and poor indoor air quality. Having the knowledge about the investment options available will enable female-headed households to purchase cleaner, more energy-efficient heating technologies.

3.4. Proposed stakeholder classification

For the purpose of effective and tailored engagement, stakeholders of the proposed project are divided into “affected parties” and other interested parties as described above. These 2 groups are further subclassified into a) citizens/citizens groups (including informal community groups, civil society organisations (CSOs) and non-governmental organisations (NGO’s), and b) government/state actors and other institutions whereas “vulnerable persons/ groups” always fall under category of citizens/ citizens groups.

3.5 Overview of stakeholders Interest and Influence

Identified stakeholder groups and their level of influence cross-referenced with the interest they may have in the project will determine the type and frequency of engagement activities necessary for each group. Using the colour coding of interest and influence matrix below will help determine where to concentrate stakeholder engagement efforts and why.

The table below identifies the key stakeholder groups and categories, the nature of their interest in the project and their level of interest in and influence over the project and is based on the colour code in the matrix below

TABLE 2: INFLUENCE AND INTEREST MATRIX

Level of Influence

High	Involve/engage	Involve/Engage	Partner
Medium	Inform	Consult	Consult
Low	Inform	Inform	Consult
	Low	Medium	High

Level of Interest

TABLE 3: LEVEL OF STAKEHOLDER ENGAGEMENT BASED ON THEIR LEVEL OF INTEREST AND LEVEL OF INFLUENCE

Specific Stakeholders Identified	Interests in the Project	Level of interest	Level of Influence	Level of engagement
AFFECTED PARTIES				
CITIZENS AND CITIZENS GROUPS	✓ Homeowners of single-family houses Satisfying the criteria for receiving grants. Reducing energy consumption for heating and increasing heating efficiency by replacing and purchasing more efficient heating stoves. Savings in household budget through reduction of expenditures from the household budget for electricity and heating Improving household wellbeing. Improving the quality of housing and property value. Reduction of health risks due to indoor pollution. Reduction of environmental pollution due to reduced firewood volume. Saving energy. Reducing work time invested in firewood preparation and Improving quality time with household members.	HIGH	LOW	INVOLVE/ENGAGE
	✓ Residents and apartment owners in multi apartment buildings Satisfying the criteria for receiving grants. Reducing energy consumption for heating and increasing heating efficiency by replacing and purchasing more efficient heating stoves. Savings in household budget through reduction of expenditures for electricity and heating. Improving household wellbeing. Improving the quality of housing and property value. Reduction of health risks due to indoor pollution. Reduction of environmental pollution due to reduced firewood volume. Saving energy. Reducing work time invested in firewood preparation and Improving quality time with household members.	HIGH	LOW	INVOLVE/ENGAGE

SCALING UP RESIDENTIAL CLEAN ENERGY (SURCE) PROJECT (P176770)
STAKEHOLDER ENGAGEMENT PLAN

	✓ Workers hired for minor construction works	Occupational health and safety issues Labor and Working conditions	HIGH	LOW	INVOLVE/ ENGAGE
	✓ Identified vulnerable homeowners of single-family houses and apartments.	Satisfying the criteria for receiving grants. Receiving Technical Assistance for grant application. Reducing energy consumption for heating and increasing heating efficiency by replacing and purchasing more efficient heating stoves. Reduction of expenditures from the household budget for electricity and heat. Improving household wellbeing. Poverty reduction. Reducing the work overload for both women and men in the house and the risk of illness Improving the housing quality and property value Reduction of health risks due to indoor pollution.	HIGH	LOW	INVOLVE/ENGAGE
GOVERNMENT ACTORS	✓ Local Self Government Units and Community Centres	Interest in being selected to participate in the Project Interested in the grant distribution and implementation Interested in improving air quality and energy efficiency in local community	HIGH	HIGH	PARTNER
	✓ PIU established by EEA of the MoME	Coordination, Implementation and monitoring of project activities	HIGH	HIGH	PARTNER
	✓ Ministry of Finance	Loan Agreement and disbursement Improved financial management of energy service provision	HIGH	HIGH	PARTNER
PRIVATE BUSINIES	✓ Commercial banks	Potential partners	HIGH	MEDIUM	INFORM

SCALING UP RESIDENTIAL CLEAN ENERGY (SURCE) PROJECT (P176770)
STAKEHOLDER ENGAGEMENT PLAN

	✓ Contractors/ Suppliers/ Service providers/	Interest in satisfying public call requirements and arranging construction works and business opportunity	HIGH	MEDIM	INFORM
INTERNATIONAL ORGANISATIONS	✓ World Bank	Interested in achievement of Project Development Objectives and compliance with E&S Standards of the Project	HIGH	HIGH	PARTNER
OTHER INTERESTED PARTIES					
CITIZEN/CITIZENS GROUPS	✓ CSOs and NGOs that pursue clean environment interest ✓ CSOs promoting poverty reduction healthier living conditions for specific vulnerable groups	Promoting the public interest and a highly developed relationship of responsibility towards the public interest and the rights of citizens to a healthy environment. Contribution to improving the quality of the environment and mitigating risks of continuing negative climate change Equitable access to project benefits by vulnerable groups and public at large	HIGH	MEDIUM	CONSULT
	✓ Local Communities	Reduction of pollution. Improving local air quality. Reducing poverty in the local community due to reduced heating costs Improving the health of citizens. Reducing the impact of pollution on the economy (food production, etc.);	HIGH	MEDIUM	CONSULT

SCALING UP RESIDENTIAL CLEAN ENERGY (SURCE) PROJECT (P176770)
STAKEHOLDER ENGAGEMENT PLAN

	✓ Citizens who suffer the consequences of environmental pollution	Health related concerns	HIGH	MEDIUM	CONSULT
	✓ Traditional media and social media	Informing the wider public about project planned activities and outcomes	HIGH	MEDIUM	INVOLVE/ ENGAGE
	✓ Public general	Environmental sector improvements, air quality improvement including increased accountability by providers	HIGH	MEDIUM	CONSULT
GOVERNMENT	✓ Ministry of Health, Environmental protection Agency -SEPA	Information about pollutants and influence on public health Long term positive impacts from the Project	MEDIUM	HIGH	INFORM

4. STAKEHODLER ENGAGEMENT PROGRAM

4.1. Purpose and timing of stakeholder engagement program

The main goals of the stakeholder engagement program are to inform, disclose and consult on various project documents and activities early on to establish a dialogue with Project Stakeholders from the project planning stage through implementation and operation. All safeguard documents prepared in anticipation and in expectation of the financing agreement from the World Bank will be disclosed at least 15 days before Public Consultations on the websites of the MoME and Local Self Governments. The disclosure packages will include:

- Project announcements,
- Brief description of Project,
- Description of public consultation arrangements (time, place...),
- Information on comments and feedback avenue,
- Key deadlines,
- The respective draft of ESF documents (Environmental and Social Commitment Plan (ESCP), ESMF) Environmental and social Management Framework (ESMF), this Stakeholder Engagement Plan (SEP) and Labour Management Procedures).

Project information and schedule of activities, decisions to be undertaken on which people's comments and concerns can be submitted. If decisions on public meetings, locations, and timing of meetings have not yet been made, specific information on how people will be made aware of forthcoming opportunities to review information and provide their views will be included in the announcement brief.

4.2. Proposed Strategy for Stakeholder Engagement activities

Three activities or directions of action are in principle of importance for the success:

- Preparation, training and readiness of local governments for the implementation of the Project,
- Media campaign, stakeholder engagement and citizen engagement on scope, objectives, expected results and actual achievements of the Project,
- Objective and reliable Project and public reporting inclusive of a sensitized, localized and relevant feedback mechanism.

To this end, the project will support the MoME in the implementation of a centralized civic platform. The platform functionality will be adapted to the current needs of the MoME and LSGU's and will be targeted at two-ways information sharing between government and stakeholders/citizens. The platform will have dedicated windows for information sharing, consultation, and monitoring. It will also include centralized email address for submitting feedback and queries, beneficiary corner with linked guidelines to support application submission managed by each LSGU with contact forms that allow for the submission of feedback or questions as well as dedicated hotlines. The final Platform model will be defined in later stage.

Given the decentralized implementation structure of the Project the LSGUs will play a key role in sound stakeholder engagement in local communities.

There is much experience present with the LSGUs as they are already implementing **an existing government program financing residential energy efficiency (EE) investment**. However, they will

receive training from the MoME and the EEA to implement Project activities. This includes the development of an Annual Local Community Training and Stakeholder engagement program for the implementation of the Project, and should include at least include:

- a. Selection and training of a project implementation team in each local government
- b. Involvement of non-governmental sector (green movements and actions, local civil society organizations in the field of environment, human rights protection, etc. in the project implementation teams at the local government level
- c. local municipal offices (Mesne zajednice) in the preparation, operationalization and implementation of the Project
- d. consideration of mobile teams for the implementation of the Project in rural settlements outside the municipal centre and training of team members (if feasible).

Engage and cooperate with local media that will disseminate reliable and objective information about the Project and make it available to as many citizens as possible. Provide two-way communication: from media to citizens and from citizens to media. Use the Internet and online communication, as an increasing number of rural residents use the Internet and mobile telephones.

Targeted messaging will encourage the participation of women and highlight Project characteristics that are designed to respond to their needs and increase their access to Project benefits.

Different engagement methods are proposed but driven by the COVID-19 considerations and restrictions the Project will adapt virtual communication and consultation methods taking into account social distancing requirements. Hence, alternative ways will be adopted in accordance with the local laws, policies and new social norms in effect to mitigate the virus transmission, as well as relevant WHO guidelines and the Banks' Technical Note: Public Consultations and Stakeholder Engagement in WB-supported operations when there are constraints on conducting public meetings.¹⁰ The alternative approaches to be practiced for stakeholder engagement will include:

- (i) small groups consultations if smaller meetings are permitted, or making reasonable efforts to conduct meetings through online channels (e.g., WebEx, zoom, skype etc.); Where possible and appropriate, create dedicated online platforms and chatgroups appropriate for the purpose, based on the type and category of stakeholders;
- (ii) diversifying means of communication and relying more on social media, chat groups, dedicated online platforms & mobile Apps (e.g., Facebook, Twitter, WhatsApp groups, ViberApp groups, project weblinks/websites etc.);
- (iii) employing traditional channels of communications such TV, radio, dedicated phone-lines, SMS broadcasting, public announcements when stakeholders do not have access to online channels or do not use them frequently
- (iv) Chose venues carefully based on hygiene and sanitation standards that can be achieved during the meetings
- (v) Employ traditional channels of communications (TV, newspaper, radio, dedicated phone-lines, and mail) when stakeholders do not have access to online channels or do not use them frequently. Traditional channels can also be highly effective in conveying relevant information to stakeholders, and allow them to provide their feedback and suggestions
- (vi) Where direct engagement with project affected people or beneficiaries is necessary, identify channels for direct communication with each affected household via a context

¹⁰

<https://worldbankgroup.sharepoint.com/sites/wbunits/opcs/Knowledge%20Base/Public%20Consultations%20in%20WB%20Operations.pdf>

specific combination of email messages, mail, online platforms, dedicated phone lines with knowledgeable operators

- (vii) Training of associates for communication with citizens on possibilities and modalities of energy efficiency improvement
- (viii) Mobile teams of trained associates who will visit rural settlements and inform citizens at small group meetings about the possibilities and conditions for improving the energy efficiency of their facilities

Each of the proposed channels of engagement will clearly specify how feedback and suggestions can be provided by stakeholders.

4.3. Key Elements of the Engagement Process

Once the stakeholder engagement process begins, the bulk of the activity will involve conversations and working meetings between different stakeholder groups. The progression of meetings may range from large, informational, public meetings to smaller, tactical, working groups or targeted discussions. Most successful stakeholder engagement approaches proposed have incorporated one or more of the following elements:

Capable and Respected Convener



The convener serves as a “champion of ceremonies,” responsible for recognizing and communicating the importance of data access, identifying and bringing together interested parties, helping to articulate key issues across participating groups and define a working agenda, coordinating logistics, and maintaining group momentum over time. The Convener should hold a credible reputation among stakeholders, demonstrate willingness and ability to invite multiple points of view, takes responsibility for tracking where various issues and discussions stand, where solutions/agreements have been reached, and which issues still remain unresolved. The Convener should also ensure that all stakeholders are kept apprised of next steps, action items, and timelines.

Diversity of meeting formats



Large-group, in-person meetings can be extremely useful in the stakeholder engagement process, but it is important to recognize that other formats may also be effective. The use of smaller, less formal working group sessions may be valuable for working through finer details or providing a venue for a limited number of parties.

Covid-19 Considerations



Whatever specific engagement activity is planned, people’s wellbeing and health will be observed at all times. Recommendation of national health authorities will be guiding and refining the specific localized engagement activities.



Centralized webpage with program announcements and information materials, a centralized email address for submitting feedback and queries, beneficiary portals with linked guidelines to support application submission managed by each LSGU with contact forms that allow for the submission of feedback or questions as well as dedicated hotlines.

Based on the above the following Strategy for stakeholder and citizen engagement has been adopted for the Project.

Table 4: Proposed Strategy of stakeholder and citizen engagement

Draft

SPECIFIC IDENTIFIED	STAKEHOLDER	TOPIC	METHOD	TIMEFRAME	RESPONSIBILITY
INDUCTION PHASE: Project affected parties (CITIZEN AND CITIZENS GROUPS)					
<ul style="list-style-type: none"> ✓ Homeowners of single-family houses. ✓ Residents and apartment owners in multi-apartment buildings 		<p>Project scope and rationale Detailed information on the eligible investments the Project is supporting Detailed information on eligibility criteria, application and selection process.</p> <p>Detailed timeline of the project key phases.</p> <p>Explaining the Role of LSGUs</p> <p>Project E&S principles</p> <p>Grievance mechanism in general.</p> <p>Energy Efficiency awareness raising</p>	<p>Traditional and Social Media Communication. Public meetings/trainings/workshops. Separate meetings specifically for women and vulnerable groups.</p> <p>Disclosure of written information / Brochures, posters, flyers, website</p> <p>Information desks / In municipalities and local communities (mesne zajednice)</p> <p>Dedicated web-platform (to be established)</p> <p>Grievance mechanism</p> <p>Needs assessment and collecting feedback on the topics of engagement.</p> <p>Information on the Project Grievance Mechanism</p>	<p>Project launch meetings in municipalities beginning with public consultation on the SEP and within the first 6 months afterwards</p> <p>Targeted messages through LSGU</p> <p>Monthly meetings in affected municipalities and local communities.</p> <p>Communication through social media (as needed)</p> <p>Information desks with brochures/posters in affected municipalities (continuous)</p>	<p>MoME</p> <p>EEA through PIU</p> <p>Supported by the LSGU</p>
<ul style="list-style-type: none"> ✓ Homeowners of single-family houses. ✓ Residents and apartment owners in multi-apartment buildings 		<p>Information on the eligible investments the Project is supporting, timing, structure of the Project. Detailed information on eligibility criteria, application and selection process.</p> <p>Explaining the Role of LSGUs</p> <p>Information on local focal points</p> <p>Grievance mechanism awareness and information on access points</p>	<p>Public meetings/trainings/workshops, Social Media Communication</p> <p>Disclosure of written information / Brochures, posters, flyers, website</p> <p>Information desks / In municipalities and local communities (mesne zajednice)</p> <p>Dedicated web-platform (to be established)</p> <p>Grievance mechanism</p> <p>Needs assessment and collecting feedback on the topics of engagement.</p> <p>Reporting back through regular semi-annual reports on results achieved</p>	<p>Project launch meetings in municipalities beginning with public consultation on the SEP and within the first 6 months afterwards.</p> <p>Targeted campaign at least two months before launching the first call for proposals under the Project</p>	<p>LSGUs taking the Lead with oversight from MoME and the EEA through PIU</p>

		Information on the Project Grievance Mechanism		
<ul style="list-style-type: none"> ✓ Homeowners of single-family houses. ✓ Residents and apartment owners in multi-apartment buildings 	<p>Information on the eligible investments the Project is supporting, timing, structure of the Project. Detailed information on eligibility criteria, application and selection process.</p> <p>Explaining the Role of LSGUs</p> <p>Information that the Project will prioritize investments in single-family houses</p> <p>Information on local focal points</p> <p>Grievance mechanism awareness and information on access points</p>	<p>Public meetings/trainings/workshops, Social Media Communication</p> <p>Disclosure of written information / Brochures, posters, flyers, website</p> <p>Information desks / In municipalities and local communities (mesne zajednice)</p> <p>Dedicated web-platform (to be established)</p> <p>Grievance mechanism</p> <p>Needs assessment and collecting feedback on the topics of engagement.</p> <p>Reporting back through regular semi-annual reports on results achieved</p> <p>Information on the Project Grievance Mechanism</p>	<p>Project launch meetings in municipalities beginning with public consultation on the SEP and within the first 6 months afterwards.</p> <p>Targeted campaign at least two months before launching the first call for proposals under the Project</p>	<p>LSGUs taking the Lead with oversight from MoME and the EEA through PIU</p>
<ul style="list-style-type: none"> ✓ Vulnerable groups ✓ Low-income households ✓ Women households ✓ Households with disabled members ✓ Roma households ✓ Elderly headed single household 	<p>Providing detailed information on the eligible investments the Project is supporting, timing, structure of the Project.</p> <p>Providing detailed information on eligibility criteria and application process.</p> <p>Explaining the Role of LSGUs</p> <p>Information on the detailed implementation arrangements and timing of next steps.</p> <p>Providing advice and assistance in collating documents and evidence required under the call for proposals.</p> <p>Information on local focal points</p> <p>Grievance mechanism awareness and information on access points</p>	<p>Separate meetings/home visits</p> <p>Disclosure of written information / Brochures, posters, flyers, website</p> <p>Information desks / In municipalities,</p> <p>Sharing information through Centre for social work and local communities</p> <p>Dedicated web-platform (to be established)</p> <p>Information on the Project Grievance Mechanism</p> <p>Needs assessment and collecting feedback on the topics of engagement.</p>	<p>Project launch meetings in municipalities beginning with public consultation on the SEP and within the first 6 months afterwards</p> <p>Targeted messages through LSGU</p> <p>Monthly meetings in affected municipalities and villages</p> <p>Communication through social media (as needed);</p> <p>Information desks with brochures/posters in affected municipalities (continuous).</p>	<p>LSGUs taking the Lead with oversight from MoME and the EEA through PIU</p>

			Targeted campaign at least two months before launching the first call for proposals under the Project	
INDUCTION PHASE: Project affected parties Government stakeholders				
✓ Local Self Government Units and Local Community Centres (Mesne zajednice)	Project Scope and rationale Role of LSGU in overall Project World Bank E&S and fiduciary requirements. Information on eligibility criteria for LSGU	Increasing interest to participate in existing government program, with the municipality playing a pivotal role and interest in the scaled-up program Development of local EE renovation plan and apply on behalf of SFHs and MABs	Project launch meetings Coordination meetings	MoME EEA through PIU
INDUCTION PHASE: Other interested Parties PRIVATE BUSINESS PROVIDERS				
✓ Contractors/ Suppliers/ Service providers/	Project information - scope and rationale and E&S principles Training on sub-management plans Workers Grievance mechanism process Health and Safety and SEA/SH	Face-to-face meetings Trainings/workshops for Labor Grievances, OHS and SEA/SH Invitations to public/community meetings	Accommodating project timeline	MoME EEA through PIU
INDUCTION PHASE OF THE PROJECT: Other Interested Parties CITIZENS AND CITIZENS GROUPS				
✓ Public at large and Local communities	Project Scope and rationale Reduction of health risks due to reduction of pollution; Awareness raising	Dedicated web platform Face-to-face meetings Joint public/community meetings to understand main concerns. Targeted discussions	At early stages of project (first months)	MoME EEA through PIU
✓ CSOs / NGOs Traditional media and social media	Project information - scope and rationale and E&S principles Scale up effects of the Project Relation to overall strategy and Government efforts in Energy Efficiency and advancing the Green Agenda	Public meetings, trainings/workshops Social Media Communication Press conferences Disclosure of written information / Brochures, posters, flyers, website Information desks / In municipalities and PIU Information on the Project Grievance Mechanism	Project launch meetings Monthly meetings in affected municipalities and villages Communication through social media (as needed) Information desks with brochures /posters in	MoME EEA through PIU

SCALING UP RESIDENTIAL CLEAN ENERGY (SURCE) PROJECT (P176770)
STAKEHOLDER ENGAGEMENT PLAN

			affected municipalities (continuous)	
INDUCTION PHASE OF THE PROJECT: Other Interested Parties GOVERNMENT AND OTHER GROUPS				
<ul style="list-style-type: none"> ✓ National Government Ministries (Ministry of Health) ✓ Other Government Departments from which permissions/clearances are required ✓ Service providers ✓ International organisations and Donors ✓ Academic Institutions 	<p>Project information - scope and rationale and E&S principles</p> <p>Scale up effects of the Project</p> <p>Relation to overall strategy and Government efforts in Energy Efficiency and advancing the Green Agenda</p>	<p>Public meetings, trainings/workshops</p> <p>Social Media Communication</p> <p>Disclosure of written information / Brochures, posters, flyers, website</p> <p>Information desks / In municipalities and PIU</p> <p>Grievance mechanism;</p>	<p>Project launch meetings</p> <p>Monthly meetings in affected municipalities and villages</p> <p>Communication through social media (as needed)</p> <p>Information desks with brochures /posters in affected municipalities (continuous)</p>	<p>MoME</p> <p>EEA through PIU</p>
<ul style="list-style-type: none"> ✓ Commercial Banks 	<p>Project Scope and rationale</p> <p>Viable options to include local commercial banks in the financing mechanisms under the program</p> <p>Capacity building</p> <p>Exploring establishment of partnerships modalities</p>	<p>Disclosure of written information / Brochures, posters, flyers, website</p> <p>Information desks / In municipalities</p> <p>Dedicated web-platform (to be established)</p>	<p>Project meetings (as needed)</p>	<p>MoME</p> <p>EEA through PIU</p>
IMPLEMENTATION AND OPERATION PHASE OF THE PROJECT: Affected parties (CITIZENS AND CITIZENS GROUPS)				
<ul style="list-style-type: none"> ✓ Homeowners of single-family houses. ✓ Residents and apartment owners in multi-apartment buildings ✓ Vulnerable groups ✓ Engaged Workers 	<p>Satisfaction with engagement activities and GM</p> <p>Grievance mechanism process</p> <p>Community health and safety measures during operation;</p>	<p>Public meetings, trainings/workshops, individual outreach to PAPs</p> <p>Social Media Communication</p> <p>Disclosure of written information / Brochures, posters, flyers, website</p> <p>Information desks / In Municipalities and PIU;</p> <p>Dedicated web-platform</p> <p>Grievance mechanism</p> <p>Reporting back through regular semi-annual reports on results achieved</p>	<p>Community meetings (six-months into implementation);</p> <p>Survey of citizens/PAPs at end of each public call</p> <p>Communication through social media (as needed);</p> <p>Information desks with brochures/posters in affected municipalities (continuous)</p>	<p>MoME</p> <p>EEA through PIU</p>

SCALING UP RESIDENTIAL CLEAN ENERGY (SURCE) PROJECT (P176770)
STAKEHOLDER ENGAGEMENT PLAN

		Satisfaction surveys for program beneficiaries to collect information on their demographics (age, gender, income level, and location), their satisfaction with the program, the positive impacts of the program (e.g., cleaner indoor air, better indoor temperature, improved health, and lower energy bills), as well as any adverse impacts and feedback		
IMPLEMENTATION AND OPERATION PHASE: Affected Parties GOVERNMENT				
✓ <i>Local Governments</i>	<i>Self-</i> Opportunity for scaling up LGSUs participation in the Project	Direct communication	AT the end of each call for proposal	MoME EEA through PIU
IMPLEMENTATION AND OPERATION PHASE OF THE PROJECT: Other interested parties CITIZENS/ CITIZENS GROUPS				
✓ <i>CSOs / NGOs</i> ✓ <i>Traditional media and social media</i> ✓ <i>General public</i>	Grievance mechanism process Overall progress of the Project Community health and safety measures during operation Project contribution to reduction of pollution	Mass/Social Media Communication Disclosure of written information Disclosure of activities on dedicated platform and website and of relevant LSGUs	Semi-annually Continuous through the dedicated platform	MoME EEA through PIU
IMPLEMENTATION AND OPERATION PHASE OF THE PROJECT: Other interested parties GOVERNMENT AND OTHER GROUPS				
✓ <i>Academic institutions</i> ✓ <i>National Government Ministry of Health</i> ✓ <i>Environmental Protection Agency SEPA</i>	Project contribution to reduction of pollution Scale up effects of the Project Relation to overall strategy and Government efforts in Energy Efficiency and advancing the Green Agenda	Mass/Social Media Communication Disclosure of written information Disclosure of activities on the MCTI website and of relevant LSGUs	Communication through social media (as needed);	MoME EEA through PIU

4.4. Proposed Strategy to Incorporate the Views of Vulnerable Groups

1. The project will take special measures to ensure that disadvantaged and vulnerable groups have equal opportunity to access information, provide feedback, or submit grievances. To the extent possible, project indicators will be tracked and disaggregated by gender and vulnerable groups. The consultation activities will be based on the principle of inclusiveness, i.e., engaging all segments of the local society, including vulnerable individuals.
2. Some of the strategies that will be adopted to effectively engage with vulnerable groups and individuals will be:
 - communicate and partner with community-based organizations providing support to vulnerable and marginalized groups (such as the Centre for Social Work, the Roma Information Center, disability associations etc.) to develop messaging and communication strategies to reach these groups
 - provide information to people who have specific communication needs in accessible formats, such as braille or large print
 - text captioning or signed videos (including news and press conferences) for the hearing impaired, online materials for people who use assistive technology
 - share messages in understandable ways for people with intellectual, cognitive and psychosocial disabilities.
 - For the Roma population, share information in Romani
 - For women and women headed households organize special online and offline meetings and/or viber/platform groups to inform and address their concerns.
 - In the case of multiethnic communities share information in official languages spoken in the municipality
 - Regularly hold separate small group discussions with vulnerable groups/their representatives to consult with these groups (women, elderly associations etc.)
 - use adequate communication channels tailored to the needs of vulnerable groups (e.g., TV/radio for the elderly and rural/distanced communities)

4.5 Methods for sharing information

The methods for sharing information in engagement process will include:

- Physical - signboards, posters, pamphlets, pictures, newspapers
- Digital – social media, TV, radio, information sharing platforms PC and mobile
- Events – community or individual meetings / workshops/webinars
- Individual - phone calls, messages, individual meetings

At a very early stage the MoME through the PIU housed under EEA will facilitate **Project Launch Webinars/Seminars**. Such engagement will then continue whenever new public calls are about to issued. Launch meetings shall be the first step in the grant scheme activities. The Project will include targeted outreach to women and underserved households ahead of these meetings to ensure their integration in the engagement activities.

Visibility/Informational materials – to build awareness of the Project: visual identity, roll-up, back drop, name tags, leaflets, notebooks, posters, brochures, agendas, e-invitation and cover pages for social networks, video clips etc. Visibility materials are intended for potential applicants and wider audience attending **events**.

Mass media Communication - In its communication with the relevant audiences, the **MoME, EEA, and the LSGUs will** use a variety of mass media - electronic, print and social, national and local - with which it will generate opportunities for meaningful and regular coverage.

Press release – MoME/EEA PIU/LSGU communicates about major project achievements on website and Facebook/ Twitter/ and tries to get stories in relevant media, such as national media, local media. Specific media will be identified **at later stage**. The **PIU might** produce **blogs and success stories** about successful initiatives supported via the project. These will be published on the **MoME** website and social media.

Websites – the MoME and LSGUs websites will have a section where information about the project as well as press releases and other relevant project material are stored. The website will contain information about the opportunities and calls for participation in the grant schemes for Partial grants for clean energy and energy efficiency investments in the residential buildings sector, e.g., investments on:

- Thermal energy efficiency (e.g., outer wall insulation, window and exterior door replacement, roof improvement, installation of thermostatic and hydraulic balance valves)
- Sustainable heating (e.g., boiler replacement, fuel switching, installation of solar collectors for sanitary hot water)
- Rooftop solar PV.

as well as information from promotion events, workshops and other public events. The MoME and LSGU will also include information about the project and all major milestones on its website.

Civic platform - with program announcements and information materials, a centralized email address for submitting feedback and queries, beneficiary portals with linked guidelines to support application submission managed by each LSGU with contact forms that allow for the submission of feedback or questions as well as dedicated phone line.

Social media – MoME may use Twitter, Facebook or similar to provide short updates about project and also use it as a platform for both the regular and special communication activities. The social media will be used to promote its program activities, as well as to promote Calls for Expression of interest for Peer Reviewers, respectively.

Awareness raising events – to increase target group knowledge about the project’s opportunities and impact.

Beneficiary survey after its first year of implementation. This survey will offer opportunities to the participants (both successful and unsuccessful) to provide feedback on the satisfaction with the programs. Feedback from the survey will be used to further improve the design of the programs and services offered in the latter years of its implementation.

The satisfaction surveys shall be conducted to collect feedback on:

- i) application process and the quality and effectiveness of stakeholder engagement sessions,
- ii) level of gender-equity in the selection process

The survey results will be soliciting feedback on the effectiveness of the project activities (both financial and technical). This will allow the LSGUs and EEA PIU to identify potential design issues related to access and implementation of the program and the effectiveness stakeholder engagement and make the necessary adjustments to improve access and relevance of the program for different applicants.

Survey results and follow-up actions will be sent to relevant stakeholders and discussed at annual Stakeholder progress meetings. CE indicators will include:

- Satisfaction survey results of Partial grant schemes

Grievance mechanism: In compliance with the World Bank's ESS10 requirement, a specific grievance mechanism will be set-up for the project. Details on the GM are presented in chapter 6. Dedicated communication materials (GM pamphlets, posters) will be created to help residents familiarize themselves with the grievance redress channels and procedures. A GM guidebook/manual will also be developed and suggestion boxes installed in each LSGU. In order to capture and track grievances received under the project, a dedicated GM Management Information System/database is planned. The LSGUs website 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 GM committee works, both in terms of process and deadlines.

Feedback

Feedback providing opportunities for stakeholders and citizens to give feedback is vital since it can help you better understand how well the project is running and whether it is relevant to the context in which is operating. It also allows those who may be negatively affected by project to voice their concerns.

To ensure that all the different social groupings of beneficiaries are reached, more than one method of feedback will need to be used. For a feedback system to be effective it should:

- a) Provide appropriate mechanisms for beneficiaries to give their feedback.
- b) Trigger a response / action at the appropriate level
- c) Communicate the response back to the original provider and if appropriate the wider beneficiary community

Methods for giving feedback: In meetings, In participatory monitoring, reflection and evaluation processes, 'Post box' where communities / beneficiaries can submit written complaints, dedicated phone number which people can phone and/or to which texts be sent, Help desks in certain locations and on certain days where complaints can be either addressed verbally or written complaints submitted and similar.

4.6 Proposed Strategy for Disclosure

ESF and project documents will be disclosed electronically on the websites of the PIU and Local Self Governments Units. The ESF documents shall be available in Serbian and English, while other project documents, public calls, decisions, instructions and guidance will be available only in Serbian.

- the website of the MoME (<http://www.mre.gov.rs/>)
- the websites of Local Self Governments who will be participating in the energy efficiency grant schemes,
- through social media campaigns,
- through the civic platform with program announcements and information materials, a centralized email address for submitting feedback and queries.

5. RESOURCES AND RESPONSIBILITIES FOR IMPLEMENTING STAKEHOLDER ENGAGEMENT ACTIVITIES

5.1. Budget Resources

Detailed budgets will be further specified as the project preparation advances and may include budget categories listed in table below. The Budget will include a fair and accurate estimation on the required budget to ensure implementation of the engagement strategies.

TABLE 5: TENTATIVE BUDGET CATEGORIES FOR EFFECTIVE IMPLEMENTATION OF ENGAGEMENT ACTIVITIES

Budget categories	
1. Staff salaries and related expenses	4. Beneficiary surveys
1a EEA	4a. One year into implementation perception survey
1b. E.g., Travel costs for EEA staff	6. Grievance Mechanism
2. Events	6a. Training of GM committees
2a. Project launch meetings	6b Constitution admission points
2b. Organization of focus groups	6c. GM communication materials
2c Conducting surveys	7. Other expenses
3. Communication campaigns	As needed
3a. Posters, flyers	
3b. Social media campaign	
3c Workshops	

5.2 Human resources planning

Human resource planning for execution of all CE and SE activities is currently ongoing. The aim is to ensure adequate staffing to meet MoME operational goals, for the efficient execution of the project. Within the PIU, the Ministry plans to hire a full-time social expert as well as IT person to take care of the maintenance of the platform. These two persons will be in charge of the implementation of CE and SE Activities. Municipalities will also designate persons to deal with these issues at the local level. These personnel will be in direct contact with the staff of the Ministry to ensure coordinated action

6. GRIEVANCE MECHANISM

Establishment of the Project level Grievance Mechanism (GM) shall be the responsibility of the MoME i.e., the PIU housed under the EEA. Given the specific decentralized and geographically dispersed activities it has been decided that the GM would best serve the stakeholders interest through a Central Feedback Desk (CFD) administered by the PIU and sub-project specific Local Grievance Admission

Desks (LGAD) (collectively referred to as Grievance Mechanism (GM)) to be established at the LSGU levels.

The Central Feedback Desk (CFD) shall be established prior to commencement of any activities under the Project to manage and appropriately answer complaints during its different phases while the LGAD shall be effective upon decision on each new Subproject has been taken. CFD shall be responsible for overall grievance administration, while the LGD shall serve as local admission point for uptake of grievances and acknowledgment of grievance receipt through local avenues, established and administered by the local governments (affected municipality) with representatives from the key stakeholders (i.e., PIU representative, municipal representative and representative of the local communities). In addition to the GM, legal remedies available under the national legislation are also available (courts, inspections, administrative authorities etc.).

To ensure GM access, potential beneficiaries, communities, and other stakeholders may submit grievances through channels as outlined below. The GM will provide the opportunity for continued feedback on the Subprojects and resolution of individual grievances during implementation. Procedures related to complaints handling will be posted on the MCTI website to ensure full transparency.

The GM shall serve as both Project level information centre and grievance mechanism, available to those affected by implementation of all Project sub-components and be applicable to all Project activities and relevant to all local communities affected by project activities. The GM shall be responsible for receiving and responding to grievances and comments of the following groups:

- A person/legal entity directly affected by the project, potential beneficiaries of the Project,
- People interested in the project, and
- Residents/communities interested in and/or affected by project activities.

The MoME through the EEA and PIU will cooperate with LSGUs in joint efforts to establishing functioning GM and informing stakeholders about the GM role and function, the contact persons, admission channels, and the procedures to submit a complaint in the affected areas. Information on the GM will be available:

- On the website of the MoME (<http://www.mre.gov.rs/>)
- On the notice boards and websites of LSGU
- Through social media campaigns.

Risk from Sexual Exploitation and Abuse (SEA)/Sexual Harassment (SH) and Sexual Exploitation and Abuse/Sexual Harassment risk is negligible because of

- (i) the expected local employment and
- (ii) expected low number of workers on very minor construction sites) the GM will, on a precautionary base, be enabled to recognize SEA/SH grievances. However, in the very unlikely event of occurrence such grievances will be managed separately by a trained expert but will use the same process value chain and timeframes described below (chapter 6.4. Grievance admission and process value chain). The necessary training for the appointed staff member who is to deal with such grievances will be provided.

6.1. Raising grievances

Effective grievance administration strongly relies on a set fundamental principle designed to promote the fairness of the process and its outcomes. Any grievance can be brought to the attention of the CFD

or LGD anonymously, personally or by telephone or in writing by filling in the grievance form by phone, e-mail, post, fax or personal delivery. Details on entry points to LGD shall be publicized and shall be part of the awareness building once the LSGU participating in the project are known.

Until LGD becomes operational Stakeholders are encouraged to send all grievances, concerns and queries to the contact points below:

TABLE 6: MOME GRIEVANCE CONTACT DETAILS.

Description	Contact details
Implementing agency:	Ministry of Mining and Energy
Main contact:	During the transitional period until the Focal Point is appointed Grievances shall be referred to the Energy Efficient Administration
Address:	
E-mail:	
Telephone:	+ 381 11....

6.2. Grievance administration

Any grievance shall follow the path of the following mandatory steps: receive, assess and assign, acknowledge, investigate, respond, follow up and close out.

Sample of grievance form (details will be decided in the later stage):

<p>Reference No:</p> <p>Full Name</p> <p>Note: you can remain anonymous if you prefer, or request not to disclose your identity to the third parties without your consent. In case of anonymous grievances, the decision will be disclosed at the Projects website https://www.mre.gov.rs/.</p> <p>First name ____</p> <p>Last name ____</p> <p><input type="checkbox"/> I wish to raise my grievance anonymously</p> <p>Gender of complainant (completion of this field is optional)</p> <p><input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/> Other ____ (please indicate)</p> <p><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).</p>

By Post: Please provide mailing address: ____

By Telephone: _____

By E-mail ____

I will follow up on the resolution at the website as I want to remain anonymous

Preferred language for communication Serbian Other (indicate)

Description of Incident or 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
to resolve the problem? Signature:____Date: __

Please return this form to: Ministry for Construction, Traffic and Information / PIU

Once logged the GM shall conduct a rapid assessment to verify the nature of grievances and determine on the severity. Within 5 days from logging, it will acknowledge that the case is registered and provide the complainant with the basic next step information. It will then investigate by trying to understand the issue from the perspective of the complainant and understand what action he/she requires. The GM will investigate by looking into the facts and circumstances interview all parties involved and confer with relevant stakeholders. Once investigated, and depending on the severity and type of grievance, the provisional decision shall be discussed with the complainant in the timeframe of 10 days after logging the grievance. Unilaterally announcement shall be an exception. The final agreement should be specific and issued and grievant informed about the final decision not later than 30 days after the logging of the grievance. Closing out the grievance occurs after the implementation of the resolution has been verified. Even when an agreement is not reached, or the grievance was rejected it is important to document the result, actions and effort put into the resolution, close out the case. If the grievance could not be resolved in amicable endeavour, the grievant can resort to the formal judicial procedures, as made available under the Serbian national legal framework. Logging a grievance with the GM does not preclude or prevent seeking resolution from an official authority, judicial or other at any time (including during the grievance process) provided by the Serbian legal framework.

In case of anonymous grievance, after acknowledgment of the grievance within three days from logging, the CGD will investigate the grievance and within 30 days from logging the grievance, issue final decision that will be disclosed on the website of the MCTI. Closing out the grievance occurs after the implementation of the resolution has been verified.

The CGD shall keep a grievance register log that will have all necessary elements to disaggregate the grievance by gender of the person logging it as well as by type of grievance. The personal data of each Grievant shall be protected under the Data Protection Law. Each grievance will be recorded in the register with the following information at minimum:

- description of grievance,
- date of receipt acknowledgement returned to the complainant,

- description of actions taken (investigation, corrective measures),
- date of resolution / provision of feedback to the complainant,
- verification of implementation, and
- closure.

In case a grievance cannot be resolved in manner satisfactory to the complainant he/she has the right for an appeal. In such cases the resolution of the grievance will be reviewed by a commission at the level of the implementing agency. The commission will consist of three appointed members that are not directly involved in Project implementation. The commission will acknowledge the receipt of the appeal within 3 days and issue the final decision within 5 days of the receipt of the appeal. The decision of the commission will entail a detailed explanation of the grievance resolution process as well as the explanation of the final decision and guidance on how to proceed if the outcome is still not satisfactory for the complainant.

6.3. Grievance log

The role of the GM, in addition to addressing grievances, shall be to keep and store comments/ grievances received and keep the Central grievance log administered by the PIU.

The PIU will maintain grievance log 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,
- Category
- Deadline for resolving the appeal and
- Agreed action plan.

Each complaint should be assigned with an individual reference number and is appropriately tracked and recorded actions are completed.

The log should contain the following information:

- Name of the grievant, location and details of the grievance,
- Date of submission,
- Date when the Grievance Log was uploaded onto the project database,
- Details of corrective action proposed,
- Date when the proposed corrective action was sent to the complainant (if appropriate),
- Date when the grievance was closed out,
- Date when the response was sent to the grievant.

6.4. Grievance admission and process value chain

TABLE7: GRIEVANCE FLOWCHART

STEPS	ACTIONS	DAYS
STEP 1: Submission of grievances	Verbal, in writing via suggestion/complaint box, through telephone hotline/mobile, mail, SMS, social media (WhatsApp, Viber, Facebook etc.), email, website, and the LGD. The GRM will also allow anonymous grievances to be raised and addressed. The site specific SEPs shall include details of Grievance entry points and focal points.	

<p>STEP 2: Recording of grievance</p>	<p>Classifying the grievances based on the typology of complaints and the complainants to provide more efficient response and providing the initial response immediately if possible. The typology will be based on the characteristics of the complainant (e.g., vulnerable groups, persons with disabilities, people with language barriers, etc.) and also the nature of the complaint</p>	<p>0</p>
<p>STEP 3: Acknowledgement of grievance</p>	<p>Getting familiar with the grievance subject</p>	<p>5</p>
<p>STEP 4: Investigate and discuss with Complainant</p>	<p>Gathering information about the grievance to determine its eligibility and to generate a clear picture of the circumstances surrounding the issue under consideration. This process normally includes site visits, document reviews, a meeting with the GM user (if known and willing to engage) and meetings with individuals and/ or entities who can assist with resolving the issue. Reasonable efforts will be taken to address the complaint. If the grievance is vague and not clear enough, the GM is obliged to help and provide counsel and even help in redrafting the submission, in order for the grievance/ to become clear, for purposes of an informed decision by the GM, in the best interests of persons affected by the Project. If the GM is not able to address the issues raised by immediate corrective action, a long-term corrective action will be identified. The decision shall give a clear assessment on the grievance/complaint, clear ruling and recommendations for fair remedy and propose measures to modify future conduct that caused the grievance as well as proposed measures to compensate if mitigation measures cannot remedy the harm or injury. The decision shall be in writing and shall be delivered to the person who filed the grievance as well as to any other person or entity to which the recommendation and measures shall apply or is under obligation by Law. The person who filed the grievance can express his/her personal satisfaction to the outcome of the grievance resolution procedure. Unilateral decision shall be an exception and resolution shall be sought through a dialogue between the GM and the Grievant</p>	<p>10</p>
<p>STEP 5: Communication of the decision</p>		<p>30</p>
<p>STEP 6: Complainant Response</p>	<p>Either grievance closure or taking further steps/second tier commission if the grievance remains open. Before any closure of complaints/grievances, the GM shall:</p> <ul style="list-style-type: none"> ◆ Confirm that the required GM actions have been enforced, that the grievance resolution process has been followed and that a fair decision has been made ◆ Organize meeting(s) within 10 days of being contacted by the concerned parties to discuss how to resolve the issue, if not previously conducted 	

	<ul style="list-style-type: none"> ◆ Recommend the final decision on the mitigation measure to the complainant/aggrieved party ◆ Implement the agreed mitigation measure ◆ Update the Grievance Report Form and have it signed by the complainant/aggrieved party ◆ Sign the Grievance Report Form and log the updated information of the grievance into the Grievance Registry; and ◆ Send copies of relevant documents (e.g., completed Grievance Report Form, mitigation measure, minutes of the meetings, if appropriate) to the concerned parties. 	
--	--	--

The awareness raising campaign and stakeholder engagement tool shall have details on each Grievance admission points, grievance administration processes, timelines, investigation activities and closure conditions including the 2nd tier resolution instance. Further details on local access details LGD are to be known and disseminated at later stages and shall be part of the awareness raising campaign.

Monitoring and reporting on Grievances

The CFD will be responsible for:

- ✓ Regular acquisition of data, as soon as the grievance is received through LGD serving as local admission points, 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 and local level
- ✓ Monitoring outstanding issues and proposing measures to resolve them
- ✓ Disclosing quarterly reports on GM mechanisms:
 - On the website of the MoME (<http://www.mre.gov.rs/>)
 - On the notice boards and websites of LGSU
 - Through social media campaigns.
- ✓ Summarizing and analysing the qualitative data received from the local Grievance Admission points on the number, substance and status of complaints and uploading them into the single project database.

The regular social monitoring reports to the WB shall be submitted through the MoME, which shall include a section related to GM which provides updated information on the following:

- ✓ Status of GM implementation (procedures, training, public awareness campaigns, budgeting etc.).
- ✓ Qualitative data on number of received grievances (applications, suggestions, complaints, requests, positive feedback) 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 corrective measures taken.

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

7. MONITORING AND REPORTING

Table 8 proposes a comprehensive set of indicators related to stakeholder engagement performance at this stage. The achievement of indicators shall rely on information from the SEL and the Grievance Log.

TABLE 8: MONITORING INDICATORS

Indicator	How will it be monitored	Responsibility	Frequency
Engagement with affected parties			
Number of GRM trainings provided to LSGUs	Minutes of Meetings	EEA PIU collecting data from LSGU	Quarterly
Number and location of formal meetings	Minutes of Meetings	EEA PIU collecting data from LSGU	Quarterly
Number and location of informal/spontaneous meetings	Minutes of Meetings	EEA PIU collecting data from LSGU	Quarterly
Number and location of community awareness raising or training meetings	Minutes of Meetings	EEA PIU collecting data from LSGU	Quarterly
Number of men and women that attended each of the meetings above	List of Attendees	EEA PIU collecting data from LSGU	Quarterly
Number of targeted meetings with vulnerable stakeholders	Minutes of Meetings	EEA PIU collecting data from LSGU	Quarterly
For each meeting, number and nature of comments received, actions agreed during these meetings, status of those actions, and how the comments were included in the Project environmental and social management system	Minutes of Meetings	EEA PIU collecting data from LSGU	Quarterly
Platform diagnostic	Number of visits, location of visitor	Civic Platform Administrator	Quarterly
Engagement with other stakeholders			

Indicator	How will it be monitored	Responsibility	Frequency
Number and nature of engagement activities with other stakeholders, disaggregated by category of stakeholder (Governmental departments, municipalities, NGOs)	Minutes of Meetings	EEA PIU collecting data from LSGU	Quarterly
Grievance Resolution Mechanism			
Number of grievances received, in total, on the website, disaggregated by complainant's gender and means of receipt (telephone, email, discussion)	Grievance Log	CGD through data collected from LGD	Quarterly
Number of grievances which have been (i) opened, (ii) opened for more than 30 days, (iii) those which have been resolved, (iv) closed, and (v) number of responses that satisfied the complainants, during the reporting period disaggregated by category of grievance, gender, age and location of complainant.	Grievance Log	CGD through data collected from LGD	Quarterly
Average time of complaint's resolution process, disaggregated by gender of complainants and categories of complaints	Grievance Log	CGD through data collected from LGD	Quarterly
Number of LGD meetings, and outputs of these meetings	Minutes of meetings signed by the attendees	CGD through data collected from LGD	Quarterly
Trends in time and comparison of number, categories, and location of complaints with previous reporting periods	Grievance Log	CGD through data collected from LGD	Quarterly

7.1. Reporting back to stakeholder groups

Periodic summaries and internal reports on public grievances, enquiries and related incidents, together with the status of implementation of associated corrective/preventative actions will be collated by responsible staff and referred to the senior management of the project. The summaries

will provide a mechanism for assessing both the number and the nature of complaints and requests for information, along with the Project's ability to address those in a timely and effective manner. Information on public engagement activities undertaken by the Project during the year may be conveyed to the stakeholders. Publication of a standalone annual report on project's interaction with the stakeholders.

In conclusion, it should be noted that the project-related SEP serves as a guideline for the preparation of specific municipal SE and SE strategies. As the SEP is a "living document", it will be upgraded and further adapted during the project to meet the specific needs of the SE.

Draft