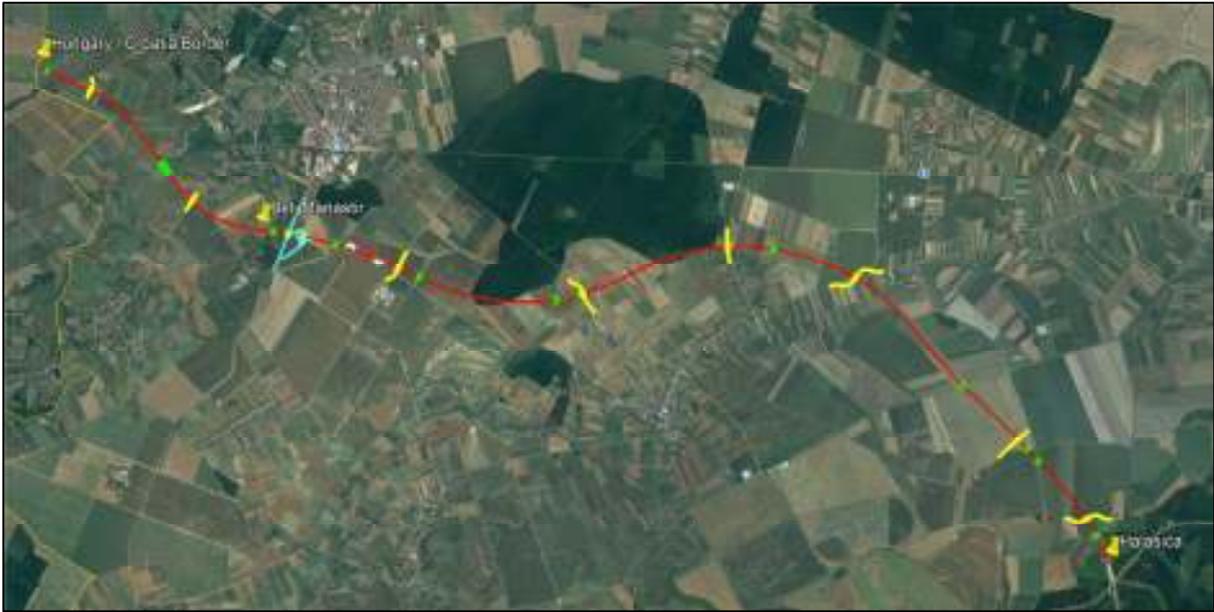


STAKEHOLDER ENGAGEMENT PLAN

Croatia Corridor Vc Motorway Completion Project

Croatia/Hungary Border - Halasica Bridge



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Abbreviation list

CFD	Central Feedback Desk
CLO	Community Liaison Officer
EBRD	European Bank for Reconstruction and Development
E&S	Environmental & Social
EU	European Union
EIB	European Investment Bank
HAC	Hrvatske Autoceste d.o.o
KPI	Key Performance Requirements
PAP	Project Affected Person
PR	Performance Requirement
SEP	Stakeholder Engagement Plan

1 Introduction and Project Description

The European Bank for Reconstruction and Development (the “EBRD”) is considering financing of a sovereign-guaranteed loan of up to EUR 77.0 million to Hrvatske Autoceste d.o.o. (“Croatian Motorways Limited” or “HAC” or “the Company”). The Project involves the construction of new road over 10 km in length. It is, therefore assigned a Category A.

The overall investment will cover the following:

- the construction of a 22.5 km motorway section between the border with Hungary and Halasica bridge on Motorway A5
 - Hungarian border – Beli Manastir (chainage km 0+000.00 to km 5+000.00, L=5.0 km)
 - Beli Manastir – Halasica Bridge (chainage km 5+000.00 to km 22+480.00, L=17.5 km)
- modernization of the HAC lighting system

EIB is expected to co-finance the Project in an amount equal to EBRD distributed the same way.

The two subsections are shown in Figure 1 and Figure 2 respectively.



Figure 1 Subsection Hungarian Border - Beli Manastir



Figure 2 Subsection Halasica Bridge - Beli Manastir

This document is a Stakeholder Engagement Plan (SEP) describing the planned stakeholder consultation and engagement process for the Project. It outlines a systematic approach to stakeholder engagement which will assist the HAC and the Project to develop and maintain over time a constructive relationship with their stakeholders. The engagement procedures shall identify all stakeholders, be inclusive (not allow barriers of any kind to prevent from participation, like gender, ethnicity, age, etc.) and take into account the needs of particularly vulnerable groups. The document also includes a grievance mechanism for stakeholders to raise any concerns about the Project.

The responsibility for implementation of the Project and this SEP lies with the Project Promoter, namely HAC. HAC will closely liaison with other relevant institutions, governmental bodies, local governments, and affected communities and individuals as well as with other stakeholders to engage with them and ensure full disclosure of information and documents as defined by this SEP.

Stakeholder engagement and grievances management related to construction activities will be managed by the Contractors Grievance officer and overseen by the Supervision Consultant to be appointed to act as the Engineer in accordance with the Contract for Construction works. The Contractors' responsibilities shall be clearly delineated and specified in the respective works contracts. Salient features of the SEP shall be incorporated in the Tender documents and their application shall be mandatory. Prior to construction, the public and local community will be informed, through the HAC and respective Municipality's Administration website, about the Contractor's contact information and Grievance officer.

The SEP will be periodically reviewed and updated, as important Project information becomes available.

2 Objectives of the SEP

The main objectives of stakeholder engagements are to:

- Insure that adequate and timely information is provided to persons affected or likely to be affected (both directly and indirectly) by the project (“affected parties”) or that may have an interest in the project (“other interested parties”) or that have influence over the Project. Provide to these groups such forums and opportunities to voice their concerns and opinions,
- Ensure that comments are received in a timely manner so that they can be taken into account during the decision-making process.
- Establish effective communication and cooperation facilitating community support in general, and
- Establish an effective grievance and mediation mechanisms with the main goal to intervene in disputes in order to resolve and close out and minimize the number of cases referred to judicial authorities.

This SEP describes the approach in engaging with stakeholders, to be maintained throughout the Project cycle i.e. for, pre-construction including land acquisition, construction/rehabilitation activities and operation.

The table below identifies and summarizes the adopted phases of stakeholder engagement that guide this Project.

Table 1 Project Phases

Phase	Status (Planned / Completed)
Phase 1: Pre-construction Phase including Land acquisition and involuntary resettlement	Planned
Phase 2: Construction/Rehabilitation Phase	Planned
Phase 3: Operation	Planned

3 Regulatory Requirements for Stakeholder Engagement

3.1 Legislation of the Republic of Croatia

Public disclosure and consultation activities are organised in accordance with planning and construction laws, i.e. the Construction Act of the Republic of Croatia (Official Gazette No. 153/13, 20/17) and the Physical Planning Act of the Republic of Croatia (Official Gazette No. 153/13, 20/17), in connection to the development and adoption of spatial and zoning (urban) plans for counties, cities and municipalities and issuing of location and construction permits. Consultations under environmental protection laws i.e. the Environmental Protection Act of the Republic of Croatia (Official Gazette No. 80/13, 153/13, 78/15, 12/18, 118/18) are connected to the development of project environmental impact assessments and issuing of decisions of the relevant Ministry.

In summary, the procedures for disclosure and consultations include the following steps:

- The public is informed about details of disclosure of the draft plan/document (where the hard copy is available for review, the dates and time when it can be reviewed) through the media and citizens/organisations are invited to send comments and/or attend public consultations
- Public consultations are held in an appropriate local venue (e.g. city hall) and the plan/document is presented
- Comments received from all stakeholders are processed and the plan/document is revised to reflect them. A report on which comments have been adopted and which have not, with a justification, is delivered together with the draft plan/document to relevant authorities which judge whether the comments have been meaningfully considered and addressed.
- Citizens can request that their comments be answered in writing.

HAC is a public company and is subject to the Law on Free Access to Information of the Republic of Croatia (Official Gazette No. 25/13, 85/15). This law regulates citizens' rights of access to information possessed, used or controlled by public bodies, sets out the principles and exceptions to these rights, as well as the procedures for their achievement and protection.

3.2 EBRD requirements

The Performance Requirement 10 (PR 10) developed by the EBRD promote the principle of strong stakeholder engagement as a focal point to achieve and build strong, constructive and responsible relationship essential for the successful management environmental and social impacts and issues.

The overall objectives of the PR 10 are to:

- Outline a systematic approach to stakeholder engagement that will help clients build and maintain a constructive relationship with their stakeholders, in particular the directly affected communities,
- Promote improved environmental and social performance of clients through effective engagement with the project's stakeholders,
- Promote and provide means for adequate engagement with affected communities throughout the project cycle on issues that could potentially affect them and to ensure that

meaningful environmental and social information is disclosed to the project's stakeholders,

- Ensure that grievances from the affected communities and other stakeholders are responded to and managed appropriately.

The goal of consultation is to ensure that adequate and timely information is provided to interested parties and to those potentially affected by Project and policies that guide operations, and that these groups are given sufficient opportunity to voice their opinions and concerns.

Stakeholder engagement will be conducted on the basis of providing local communities that are directly affected by the project and other relevant stakeholders with access to timely, relevant, understandable and accessible information, in a cultural appropriate manner, and free of manipulation, interference, coercion and intimidation.

The stakeholder engagement shall be such to incorporate the following elements:

- Stakeholder identification and analysis,
- Stakeholder engagement planning,
- Disclosure of information,
- Consultation and participation,
- Grievance mechanism and
- Ongoing reporting to relevant stakeholders.

The project shall be driven by engaging stakeholders in a scoping process with interested parties and identified stakeholders at an early stage to ensure early identification of key issues to be addressed.

Regular reports to interested stakeholders shall be provided on the environmental and social performance as a separate publication. These reports shall be available and accessible to the affected communities.

Resources for public information and engagement should focus on affected parties with a particular attention to those that may be differentially affected by the project because of their disadvantaged or vulnerable status.

The EBRD PR10 requires that engagement continues during project implementation, meaning throughout the project cycle, and that a grievance mechanism is established to receive and facilitate resolution of stakeholders' concerns and grievances.

3.3 Gaps Between National and EBRD Requirements

The national framework in Croatia is broadly compatible with the EBRD requirements of public consultation and stakeholder engagement but there still remain gaps to be addressed. The national requirements stay at the level of procedural engagement and do not tackle in depth meaningful and empowered consultation. Furthermore, the requirements are scattered across various documents and laws without sublimation even at sector level. The Requirement of an effective procedure or mechanism by which people can make comments or raise grievances beyond the formal administrative and judicial grievance forums is also recognized as a shortcoming in the national framework comparing to the EBRD requirements.

Therefore, this SEP has taken into consideration all the requirements and has produced a plan that avoids duplication of processes, grievance mechanisms on one hand but on the other comply with the more stringent EBRD standards and requirements of stakeholder engagement.

4 Summary of Previous Stakeholder Engagement Activities

4.1 Regular communication with stakeholders

HAC communicates with the public in Croatian through the official website (<http://hac.hr/hr>), where information on the company's operations, service information, relevant news and company contacts are displayed.

Submitting grievances to HAC is enabled through multiple channels: by phone or via e-mails displayed on their website, through info centre with a free consumer phone line (0800 0422). There isn't a centralized location for collating all comments and grievances, but rather the individual departments deal with their own issues and keep their separate records.

In accordance with the Law on Free Access to Information, HAC is obliged to answer requests for information. Requests can be submitted through HAC official website, by post or hand delivered. 33 requests for information have been received, 1 of which was out of their jurisdiction, while the remaining were resolved within the legally prescribed time-frame.

Other stakeholders, including traffic police, emergency health services, fire brigades, etc. are also always informed in advance of construction works. Owners and operators of other utilities (heating, telecommunications, gas networks), are also informed about planned construction works in advance, so that they can carry out any repairs or upgrades of their networks when the road paving is removed.

4.2 Consultation and public disclosure in connection to the Project

The planned Project is contained in the relevant planning documents:

- Spatial Development Strategy of the Republic of Croatia (1997, amended 2013)
- Physical Planning Programme of the Republic of Croatia (1999, amended 2013)
- Spatial Plan of the Osijek – Baranja County (County Journal No. 1/02, 4/10, 3/16, 5/16 and 6/16)
- Physical Development Plan of the Town Beli Manastir (Official Journal of the Town of Beli Manastir, No. 5/06, 7/07 and 5/12)
- Physical Development plan of Ceminac Municipality (Official Journal of Ceminac Municipality, No. 2/05, 8/06, 3/11, 2/14 and 7/14)
- Physical Development Plan of Darda Municipality (Official Journal of Darda Municipality, No. 5/06, 6/06 – correction, 4/08, 6/12, 1/14 and 6/15 – consolidated text)
- Physical Development Plan of Jagodnjak Municipality (Official Journal of Jagodnjak Municipality, No. 01/07 and 07/09)
- Physical Development Plan of Petrijevci Municipality (Official Journal of Petrijevci Municipality, No. 7/03, 4/08 and 4/12)

The aforementioned plans have been publicly disclosed and presented through a number of consultative meetings in accordance with Croatian legislation.

Environmental Impact Assessment was conducted for the Project and the following public disclosure meetings with consultations were held:

Consultations	Date	Location
Public consultations regarding Environmental Impact Assessment Study – “Highway: Border with Hungary – Beli Manastir – Osijek – Border with Bosnia and Herzegovina	20.10.2003-10.11.2003	cities Beli Manastir, Osijek, Djakovo and municipalities Vrpolje, Donji Andrijevcı and Oprisanci
Public consultations regarding Environmental Impact Assessment Study – “Highway A5: border with Hungary (border crossing Branjin Vrh) – Beli Manastir – Osijek – Djakovo – border with Bosnia and Herzegovina (border crossing Svilaj), section Beli Manastir – Osijek” and “Highway A5: border with Hungary (border crossing Branjin Vrh) – Beli Manastir – Osijek – Djakovo – border with Bosnia and Herzegovina (border crossing Svilaj), section: border with Hungary – Beli Manastir”	27.1.2014-25.2.2014	Osijek-Baranja County, Osijek
Public consultations regarding Environmental Impact Assessment Study “Highway A5: border with Hungary – Beli Manastir – Osijek – Svilaj (corridor Vc), section I: border with Hungary – Beli Manastir and section II: Beli Manastir – Osijek	22.11.2016-22.12.2016	Osijek-Baranja County, Osijek The City of Beli Manastir

Notices on public consultations were published in newspapers “Glas Slavonije”, on public notice boards and Osijecko – Baranjska County website.

Comments received during the public consultations held in 2003 were compiled in a report. The following were the most common subjects of the raised concerns:

- impact of the highway on the water wells
- impact of the highway on the access roads to agricultural fields
- animal crossings, particularly in the hunting area

All comments were responded to and further actions were undertaken where deemed necessary. During the consultations conducted in 2014 and 2016, no remarks and comments were made by the participants.

Parcelling studies are presented to all right holders over the project-affected parcels and the neighbouring parcels, prior to the start of land acquisition process. The report on the performed presentation is contained in the Report on the Determination of Margin and Other Boundaries and on the New Demarcation, which is signed by all right holders.

4.3 Consultations under Convention on Environmental Impact Assessment in a Transboundary Context (ESPOO Convention)

As the Project subsection starts at the state border with Hungary, transboundary impacts that may arise from the Project have been assessed both by Croatian and Hungarian side and

identified potential impacts of the Project were generally consistent. The two countries cooperated in deciding the connection point of the highways from Croatian and Hungarian side of the border and the communication was guided by the relevant Ministries.

5 Identification of Stakeholder and Communication Methods

Stakeholder groups that may be affected by and/or are interested in the implementation of the project are presented below. The objective of stakeholder identification, which is closely connected to the identification of impacts, is to establish which individuals and organizations may be directly or indirectly, positively or negatively impacted by the project and to bring them forward to the first line of information.

The Stakeholder list can change in course of the process of implementation. It shall therefore be regularly reviewed and updated throughout the project cycle. The risk associated to each stakeholder group can also be subject to changes and shall be reassessed from time to time. As a minimum, the Stakeholder list should be revised prior to commencement of the land acquisition process, at the start of the construction phase and at the start of the operation phase.

Not all impacts target all stakeholders equally, as some can be either influenced by subjective internal or objective external factors. The Stakeholders have been classified into the following groups:

<p>National Governmental Stakeholders – high interest, high influence, high power and the key high-level decision-making groups</p>	<ul style="list-style-type: none"> • The Government • Ministry of Construction and Physical Planning • Ministry of the Sea, Transport and Infrastructure • Ministry of Finance • Tax administration office with its local branches • Institute for Protection of Cultural Heritage • Institute for Nature Conservation
<p>Regional and Local Government Stakeholders – high interest, high local influence, high local power and locally important decision-making group</p>	<ul style="list-style-type: none"> • Osijecko-Baranjska County • City of Beli Manastir • City of Osijek • City of Djakovo • Municipality Vrpolje • Municipality Donji Andrijevci • Municipality Oprisavci • Municipality Darda • Municipality Ceminac • Municipality Jagodnjak • Municipality Petlovac • Municipality Petrijevci

<p>Affected Population, Enterprises and Public Service Facilities – high interest, low to medium influence, low power, low to medium influence over the decision-making process</p>	<ul style="list-style-type: none"> • Formal and informal owners of land required for the Project and the affected structures within the following cadastral municipalities: Sumarine, Beli Manastir, Ceminac, Darda, Jagodnjak on subsection Halasica Bridge – Beli Manastir • Formal and informal owners of land required for the Project and the affected structures within the following cadastral municipalities: Beli Manastir, Sumarina, Branjin Vrh on subsection Hungarian border – Beli Manastir • Other groups potentially influenced by or intersected in the project • Farmers • Education facilities (schools and preschools) • Health care facilities • Public social welfare institutions • Local utility companies • Businesses within the affected municipalities
<p>External Stakeholders affected by construction and road users – medium to high interest, medium influence, but are influenced by internal subjective factors</p>	<ul style="list-style-type: none"> • Other Interested Parties – various interest and influence levels, • NGOs • Local Media • Prospective Contractor • Prospective Supervision consultant for supervision of construction works • Any future ESMP Supervising consultant • EBRD
<p>Vulnerable groups – high interest and higher risk of poverty, low interest, low power</p>	<ul style="list-style-type: none"> • Women • Elderly/Pensioners • Persons with disabilities • Minority communities • Single-headed households living in rural areas • Persons receiving income support • Illiterate persons

6 Stakeholder Engagement Plan

6.1 Overview of activities

HAC will publish a Project description which includes the grievance form and contact details for submitting grievances, on its website (<http://hac.hr/hr>).

In line with the construction timeline, HAC will organise meetings in local communities and with the affected owners of land parcels along the corridor where works will be carried out, to present the planned construction works, safety risks (during construction and operation) and expected construction nuisances, as well as foreseen mitigation measures and the grievance mechanism. These meetings will also serve as platforms for potentially affected people to ask questions and provide suggestions for further mitigation measures. The meetings will be announced through the local media, on the HAC website and as recommended by local communities (e.g. through letters, announcements on bulletin boards, by phone).

Project leaflets will be developed and disseminated to residents living or working in the affected communities, before construction. The leaflets will include a brief overview of the Project, dates when the works are expected to commence, possible construction related nuisances, a description of the grievance management procedure and contact details for submitting grievances.

The contractor will secure all construction sites prior to any construction activities taking place and will ensure appropriate construction and warning signs are in place.

HAC will continue to inform the public through its website, the media and in other appropriate ways on all significant project achievements and issues (environmental, H&S and social).

Other stakeholders, including traffic police, emergency health services, fire brigades, etc. will be informed about the planned construction works. The same applies to owners and operators of utilities (heating, telecommunications, water), who will be informed so that they can plan to make any repairs on their networks during construction, if necessary.

HAC will maintain records of all stakeholder activities performed including collecting records of Contractor's activities.

A detailed Stakeholder Engagement Plan for each of the Project phases (Pre-Construction, Construction and Operation) is presented in Tables 2-4 below.

6.2 Pre-Construction Phase Including Land Acquisition and Involuntary Resettlement

Table 2 Stakeholder Engagement Plan for Pre-Construction Phase

No	Activity	Stakeholders	Timing and Frequency	Responsibility	Communication/ Media tool	Opportunity for Stakeholder Comment	Records
Pre-Construction Phase – General							
1.	Notify stakeholders of the implementation Program for both Sub-Sections	All	30 days after formal approval of the Project. One -off	HAC	<p><u>For notifications:</u> Announcement on website of HAC, at premises and main public places of the affected municipalities. Mass media (local newspapers, TV channels, radio, social media). Information will be mainly available in Croatian and English languages on official websites.</p>	Enquiries and comments via HAC website. Response via official correspondence, e-mail.	Press clippings Notifications as published in affected municipalities and websites Grievance log
2.	Notify stakeholders of the progress in design activities and present salient features of design, alignment and route alternatives if any.	Directly impacted	At least once during design phase	HAC	<p><u>For notifications:</u> Announcement on the website of HAC at premises and main public places of the affected municipalities and local municipal offices. Mass media (local newspapers, TV channels, radio, social media). Information will be mainly available in Croatian and English languages on official websites.</p> <p><u>For presentations:</u> Public meetings.</p>	Enquiries and comments via HAC website. Response via official correspondence, e-mail	Press clippings Notifications as published in affected municipalities and websites Grievance log
						Directly during meetings	Invitation to public meetings Minutes of meetings

No	Activity	Stakeholders	Timing and Frequency	Responsibility	Communication/ Media tool	Opportunity for Stakeholder Comment	Records
3.	Notify stakeholders on the commencement of the Building permitting process and provide opportunities for comments. Provide link to decision and relevant documentation on the Building permit	General public, Concerned authorities and organizations	Immediately after commencement of permitting processes	HAC	Public notice and official correspondence by concerned authorities and organizations. Noticeboards and website of the building authority and the affected municipality HAC to provide link to location of the Building Permits/ physical address where these can be viewed on their website	Enquiries and comments via the HAC designated channels of communication. Response via official correspondence, email	(including record of attendees, comments received, photographs) Written correspondence with relevant authorities and organisations
4.	Particular effort with regards to notifications and disclosure as described in bullets 1 through 3	Vulnerable groups/persons	As defined in bullets 1 through 3	HAC	In addition to communication tools described in bullets 1 through 3 vulnerable groups will receive house visits and/ or invitation to individual or small group meetings as agreed with the specific group/ individuals. Assistance will be provided in transportation to and from the venues. Simplified easy understandable brochures, print-out of salient features of documents, using non- technical language will be prepared for information to be disseminated and disclosed. Illiterate of partially literate persons will have documents read out loud in presence of an entrusted third	In addition to channels made available under bullets 1 through 3, Communication will be made available through direct phone lines and follow up agreed visits/meetings (within the next 7 days from each event) to allow the information to settle in and collect comments and concerns.	As defined in bullets 1 through 3

No	Activity	Stakeholders	Timing and Frequency	Responsibility	Communication/ Media tool	Opportunity for Stakeholder Comment	Records
					person and sign language by a knowledgeable person if needed		
Pre-Construction Phase – Land Acquisition and Resettlement							
5.	Preparation and disclosure of site specific LARP	All formal and informal owners of land and other assets attached to the land impacted by construction activities and other right holders	To be prepared in parallel with the design To be publicly disclosed at least 30 days prior to the start of the expropriation process	HAC	Public notice and official correspondence by concerned authorities and organizations. Noticeboards and website of the affected local municipalities	Enquiries and comments via the HSC designated channels of communication. Response via official correspondence, email and HAC on-site representatives	Notifications as published in affected municipalities and websites Written correspondence with relevant authorities and organisations
6.	Implement stakeholder engagement and information disclosure activities for Project-Affected Persons	Project Affected Persons affected directly by land acquisition and resettlement within the corridor of Impact. Special effort to engage women or women as household members Relevant authorities from affected Municipalities	Prior to preparation of LARP	HAC	Notices and updates on the website of HAC Public notice and official correspondence by concerned authorities and organizations. Noticeboards and website of relevant authorities and municipality premises in the affected settlements. Individual consultations on the expropriation law conducted with each PAP. Direct invitations sent to PAPs' addresses. Hard copies available at HAC headquarters in Zagreb, Sirolina 4 and in each of the affected Municipalities	Enquiries, statements, objections, comments directly at meetings, and/or via the HAC e-mail designated in the invitation as focal contact for information, and/or via direct communication with municipalities, who will then forward the comments to HAC through official channels.	Notifications as published in affected municipalities and websites Written correspondence with relevant authorities and organisations Invitations for consultations. Minutes of meeting from consultations. (Agreement of expropriation)
7.	Engage with stakeholders during	All	TBD	HAC	Social Survey of all affected households with individual visits	Written or oral invitation of each	Social Survey report Notification of LARP

No	Activity	Stakeholders	Timing and Frequency	Responsibility	Communication/ Media tool	Opportunity for Stakeholder Comment	Records
	preparation of site specific LARP and implementation of individual measures as prescribed in the LARP				to each affected household Disclosure of draft LARP Dissemination of Cut-Off date via public announcements	affected households Open questions for comments available in the Social Survey; comments incorporated on the RAP where appropriate	disclosure and Cut-off date as published in affected municipalities and websites
8.	Grievance Mechanism	All	Immediately	HAC	Public notice boards and official correspondence by authorities and organizations. Distribution of Public Grievance Forms on public notice boards in the affected local communities' and on the local communities' websites, during consultation meetings.	Enquiries and comments via the HAC designated channels of communication. Response via official correspondence, email and HAC on-site representatives	Notification of Grievance Mechanism disclosure as published in affected municipalities and websites
9.	Particular effort with regards to activities from 1 through 8	Vulnerable groups/ individuals	As assigned to under each respective bullet	HAC with assistance of external specialist as needed (sign language specialist, gender specialist etc.)	In addition to communication tools described in bullets 1 through 8 vulnerable groups will receive house visits and / or invitation to individual or small group meetings as agreed with the specific group / individuals. Assistance will be provided in transportation to and from the venues. Simplified easy understandable brochures, print-out of salient features of documents, using non- technical language will be prepared for information to be disseminated and disclosed. Illiterate or partially literate persons will have documents read out loud in	In addition to opportunities listed in bullets Communication will be made available through direct phone lines and follow up agreed visits/meetings (within the next 7 days from each event) to allow the information to settle in and collect comments and concerns.	As assigned to under each respective bullet

No	Activity	Stakeholders	Timing and Frequency	Responsibility	Communication/ Media tool	Opportunity for Stakeholder Comment	Records
					presence of an entrusted third person and sign language by a knowledgeable person if needed will be present for hearing impaired persons		

6.3 Construction

During construction the most important pointer is to notify local stakeholders of construction activities and changes to schedules. Aim for rapid response times in resolving grievances.

Table 3 Stakeholder Engagement Plan for the Construction Phase

No	Activity	Stakeholders	Timing and Frequency	Responsibility	Communication/ Media tool	Opportunity for Stakeholder Comment	Records
10.	Disseminate information about anticipated construction activities to affected stakeholders.	Affected communities, Project affected persons (e.g. land owners, vulnerable groups etc.), Public.	At least starting from 30 days prior to construction.	HAC, Contractor	HAC website, official correspondence, mass media, local noticeboards and premises of municipalities, Project leaflets. Community Liaison Officer (CLO) of Contractor	Grievance mechanism Contractors grievance / liaison officer (CLO)	Notifications as published in affected municipalities and websites Press clippings Written correspondence with relevant authorities and organisations
11.	Keep stakeholders informed on any project or construction-related activities that might affect them (e.g. notify stakeholders of road closures and	Road users, PAPs, affected communities, Public and private sector enterprises affected by the Project footprint etc., Relevant local / regional / national	From commencement of works in frequent intervals for Stakeholders to get accustomed to receiving	Contractor, HAC	Disclosure of Monthly work plan HAC website, official correspondence, mass media, local noticeboards and premises of municipalities Community Liaison officer	Grievance mechanism Contractors grievance liaison officer Via Contractors designated e-mail	Notifications as published in affected municipalities and websites Press clippings Written correspondence with relevant authorities

No	Activity	Stakeholders	Timing and Frequency	Responsibility	Communication/ Media tool	Opportunity for Stakeholder Comment	Records
	diversions and any transport disruptions, construction schedule)	authorities, General public	information		of Contractor	and phone Via information boxes to be installed at construction site As envisaged by national law	and organisations
12.	Keep stakeholders informed about local employment opportunities	PAPs, affected communities, public and private sector enterprises affected by the Project footprint etc., relevant local/regional/national authorities, General public	After closing the contract for construction works during mobilisation period and later as needed	Contractor, Local Employment office	Contractor's website, official correspondence, mass media, local noticeboards and premises of municipalities. Employers website Local Employments office	Via Contractors website Via Contractors CLO	Notifications as published in affected municipalities and websites
13.	Disclose information on project Environmental and Social construction performance.	PAPs, General Public	Semi-annually	Contractor	Contractor's website		Notifications as published on website
14.	Particular efforts with regards to activities from 1 through 13	Vulnerable groups/ individuals	As assigned to under each respective bullet	HAC with assistance of external specialist as needed (sign language specialist, gender specialist etc.)	In addition to communication tools described in bullets 1 through 13 vulnerable groups will receive house visits and / or invitation to individual or small group meetings as agreed with the specific group / individuals. Assistance will be provided in transportation to and from the venues. Simplified easy understandable brochures, print-out of salient features of documents, using non-	In addition to opportunities listed in bullets 1 through 13 In addition to opportunities listed in bullets Communication will be made available through direct phone lines and follow up agreed visits / meetings (within the next 7 days from each event) to allow	As assigned to under each respective bullet

No	Activity	Stakeholders	Timing and Frequency	Responsibility	Communication/ Media tool	Opportunity for Stakeholder Comment	Records
					technical language will be prepared for information to be disseminated and disclosed. Illiterate of partially literate persons will have documents read out loud in presence of an entrusted third person and sign language knowledgeable person if needed will be present for hearing impaired persons	the information to settle in and collect comments and concerns.	

6.4 Operation

Table 4 Stakeholder Engagement Plan for the Operation Phase

No	Activity	Stakeholders	Timing and Frequency	Responsibility	Communication/ Media tool	Opportunity for Stakeholder Comment
15.	Disseminate information about transition of responsibilities and liabilities from Contractor to Road Management authority	Affected communities, Project affected persons, General public.	At least starting from two months prior to taking over of works	Contractor and HAC and Road Management authority	Contractor's website, official correspondence, mass media, local noticeboards and premises of municipalities. Employer's website. Community Liaison officer of Contractor	Contractors grievance / liaison officer HAC website
16.	Keep stakeholders informed on any operation -related activities that might affect them (e.g. notify	Road users, relevant local /regional/ national authorities, General public	From commencement of operation phase and on going	Road management authority	Mass media. On Road signs Road management authority website	As envisaged by national law

No	Activity	Stakeholders	Timing and Frequency	Responsibility	Communication/ Media tool	Opportunity for Stakeholder Comment
	stakeholders of road closures and diversions) traffic jams and similar					
17.	Update stakeholder information	Road users, PAPs, affected communities, public and private sector enterprises affected by the Project footprint etc., relevant local/ regional/ national authorities, General public	From commencement of works	Contractor	Contractor's website, official correspondence, mass media, local noticeboards and premises of municipalities. Employers website	As envisaged by national law
18.	Communicate emergency preparedness and response plans on a regular basis	General Public	As per national requirements	Road Management Authority	Mass media Road managements authority website	As envisaged by national law
19.	Road safety and dissemination of unsafe location on roads especially black spots	Road users, General public, Relevant authorities	In appropriate intervals	Road management authority	Mass media Road managements authority website	Via Road management authority website
20.	Disseminate information on road conditions (four seasons)	Road users, General public	In appropriate intervals	Road management authority	Mass media Road managements authority website	Grievance mechanism, Via CLO Via designated e-mail and phone
21.	Organizing traffic count and monitoring on other values on public road	General public, Road users	As per national law requirements	As per national requirements	Mass media Road managements authority website	Via designated e-mail and phone
22.	Disseminate information about tolling stations and tolling cost	General Public, Road users	As per national requirements	Road management authority	Mass media Road managements authority website	Via designated e-mail and phone

7 Public Grievance Mechanism

Respecting the grievance panels and its authorities made available under the national legislation, a Project Specific Grievance Mechanism shall be designed for the Project. As was previously mentioned, HAC has multiple channels for submitting grievances related to specific HAC activities, and these grievances are resolved under the jurisdiction of the relevant departments – there is no centralised grievance register. Given the type of potential project impacts, in order to fully monitor the Project related grievances the Central Feedback Desk (CFD) will be established where HAC will be the main implementing entity for the CFD. The CFD shall serve as both Project level information centre and grievance mechanism, available to those affected by implementation of the Project throughout the Project Cycle. It would facilitate communication between departments, represent a unified location for collating all comments and grievances and coordinate their resolving.

The CFD shall be established and effective within 30 days upon disclosure of final SEP. Within the same period suitable qualified and Project knowledgeable persons shall be appointed, to act as reach out specialists and CFD members. The CFD will be supported by the legal team that has been responsible for stakeholder engagement and land acquisition within HAC in the processes so far. Individual responsibilities within the department itself will be assigned separately and included in future information packages. Within the department one person shall be appointed as an outreach specialist to oversee the stakeholder engagement and grievance management, coordinate activities as per the schedule and list of activities. The CFD procedure will help to improve the Project social performance since the number and nature of the received complaints is an indicator of the manner in which the Project is conducted.

CFD shall have one member from HAC appointed to act as a permanent member with authorities exercised over all activities, and a corresponding replacement member to act in their absence, Another member shall be a representative from the Local Municipality/City impacted by a specific subsection. The third member will be representing the PAPs from the immediate area of impact (best practice has proven that well-known, respected and well-absorbed members of the local community serve as most effective members). This means the third member will be either the secretary of the local municipal office or a representative of the PAPs and local community chosen in consultation and agreement with the community (Figure 3).

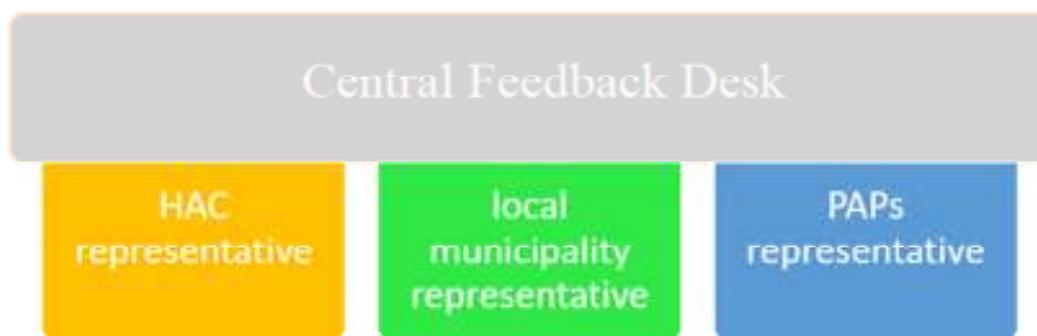


Figure 3 CFD structure

Any person or organisation may send comments, complaints and/or requests for information in person or via post, telephone or email using the contact information provided on HAC

website, at the local municipality notice board and website, at the site offices. Grievances will be collected during the pre-construction phase (where most of the grievances are expected to be related to loss of land or income), during the implementation of any construction works under the investment programs, and also during the operation phase.

All grievances should be categorized and recorded in the Grievance Log register. The Grievance Log register will have all necessary elements to disaggregate the grievance by gender of the person logging it as well as by type of grievance. Each grievance will be recorded in the register with the following information:

- description of grievance,
- date of receipt / acknowledgement returned to the complainant,
- description of actions taken (investigation, corrective measures), and
- date of resolution and closure / provision of feedback to the complainant.

In the first instance grievances will be assessed by the CFD and relevant sectors / employees will be consulted in the process, as necessary. They will decide who should deal with the grievance and determine whether additional support is necessary. CFD decides which grievances should be responded to internally and which fall outside of the impact of the project.

The reception of grievance should be formally acknowledged through a personal meeting, phone call, email or letter as appropriate within 3 working days from submission. If the grievance is not well understood or if additional information is required, clarification will be sought from the complainant at this time. The person/organization that submitted the grievance should be provided with contact information of the person responsible for its resolution and the estimated time for completion. If any grievance cannot be addressed or if action is not required, a detailed explanation / justification will be provided to the complainant on why the issue was not addressed. The response will also contain an explanation on how the person / organization that raised the complaint can proceed with the grievance in case the outcome is not satisfactory.

A response should be developed by the delegated team and the CFD. For complex grievances a conflict resolution committee can also be established (to include top management, other departments, external consultants). All grievances will be responded to within 14 working days from submission. In case of delay, complainants will be notified about the reasons for the delay and the expected timing for when their grievance will be addressed. The proposed resolution should be confirmed with the complainant before implementation to minimise unnecessary/unwarranted actions. If they agree with the approach required actions are implemented to deal with the issue. Completion of actions is recorded in the Grievance Log Register. The response is signed off by the appropriate manager. This includes either signing off the Grievance Log Register or confirming in official correspondence (which will then be filed with the grievance to indicate agreement and referenced in the register).

Following the implemented actions, it should be confirmed with the complainant that they are satisfied with the outcomes. Any further response from the complainant should be in order to assess whether the grievance is closed or whether further action is required. If they are unsatisfied with the proposed action or with the final outcome, the complaint should be reviewed once again. The grievance resolving process is presented in the Figure 4 below.

At all times, complainants are also able to seek legal remedies in accordance with local laws and regulations.

Grievances in relation to construction activities will be addressed by construction contractors. They will be required to operate the same system and address grievances in the same manner and according to the same standards as the client. The Contractors' responsibilities shall be clearly delineated and specified in the respective works contracts. Their management will be contained in monthly reports to HAC and monitored by the CFD. Residents of the affected communities will be informed about the contractors contact information before construction begins, through announcements in the premises of the local community offices and the media, where appropriate.

CFD will submit a quarterly progress report to the top management. The purpose of this report would be to evaluate the grievance process and determine additional actions if necessary. Additionally, the report would provide the overview of the number and type of grievances allowing the management to take broader actions to solve underlying problems. If required, these reports could also be used for regular reporting to the bank.

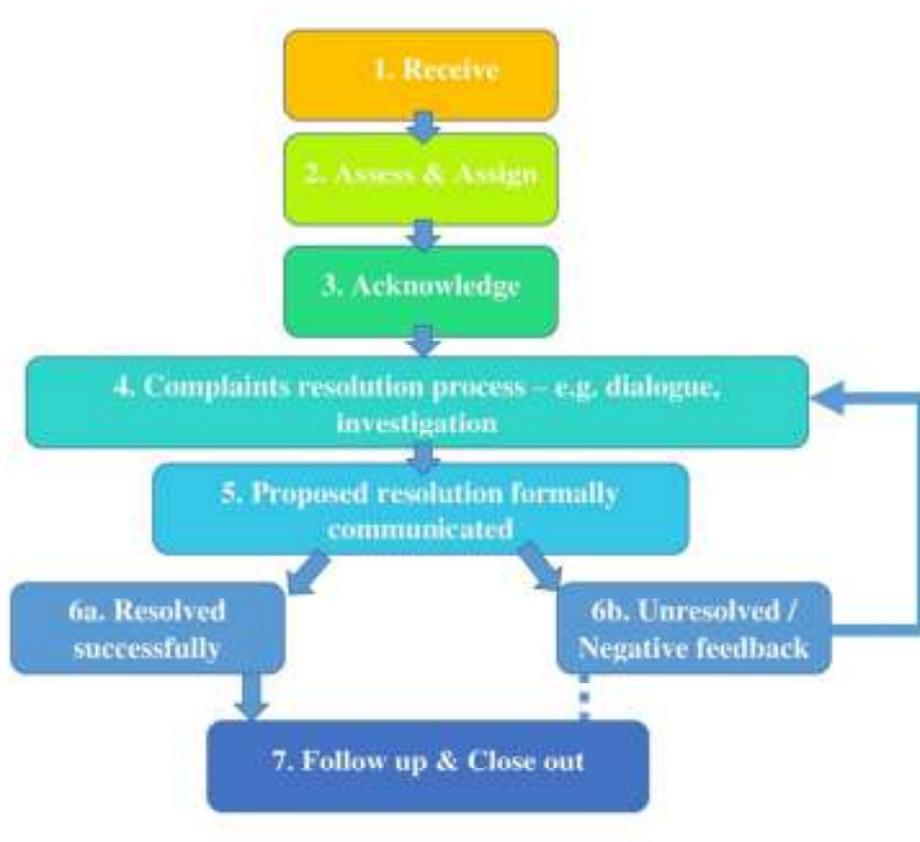


Figure 4 Grievance Resolving Process

8 Implementation of Stakeholder Engagement Activities

8.1 Roles and Responsibilities

The implementation of the Stakeholder Engagement Plan is the responsibility of HAC. Certain activities, as was described in Chapter 6, are expected to be implemented by the Contractor.

HAC Project Manager – overall responsibility for SEP implementation

HCA Procurement department – ensure that provisions of this SEP are included in the works contracts

HAC Marketing Coordinator – draft and issue of public announcements

HAC Legal department – consultations with land owners during the land acquisition process, recording and management of grievances related to land acquisition

HAC Site Representative – Advise and assist the Contractor’s CLO with information disbursement and grievance redress

Contractor’s Community Liaison Officer (CLO) – disbursement of information to the community, grievance collection and management related to construction activities

CFD – Coordination of public announcements regarding the project, management of the overall grievance mechanism, recordkeeping and reporting

8.2 Recordkeeping

All stakeholder activities have to be properly recorded.

- Public announcements – date of announcement, content, outlets (newspapers, radio or TV stations, websites, etc.)
- Public meetings – invitations (how and when were the meetings announced), content, list of attendees, comments or remarks noted, photographs
- Individual meetings - invitations (how and when was the meeting arranged), content, list of attendees, comments or remarks noted, photographs
- Surveys – filled in survey forms
- Official correspondence with authorities
- Grievance Log Register – to include date the grievance was received, name of grievant (or anonymous), content of the grievance, location, assigned responsibility, measures taken to resolve the grievance, date of resolution (time taken to resolve the grievance), communication with the grievant.

8.3 Monitoring and Evaluation

The outcomes of stakeholder engagement will be monitored through the following Key Performance indicators (KPI):

- SEP is up to date and Project information is available for the public to comment;

- Actions listed in the Stakeholder Engagement and Information Disclosure Programme of the SEP are implemented as scheduled;
- The minutes of consultation meetings are recorded, and meetings logged in a register;
- Grievances are logged and tracked through to resolution within a timeframe of 14 calendar days from acknowledgement of receipt (evidenced by an up-to-date Grievance Log Register);
- Semi-annual Grievance Report to be prepared and made publicly available
- Contractors and subcontractor's contracts include clauses obliging them to adopt SEP requirements, as appropriate;
- Contractors progress reports include summary of the grievance mechanism (summary of new grievances recorded and update on the resolution of existing grievances)

Annual reports on the implementation of the SEP and grievance process are made available as part of annual external reporting on the E&S performance of the Project which shall be made publicly available.

Appendix A

Public Grievance Form

A1 Public Grievance Form

Reference No:	
Full Name	
Contact Information Please mark how you wish to be contacted (mail, telephone, e-mail).	<input type="checkbox"/> By Post: Please provide mailing address: _____ _____ _____
	<input type="checkbox"/> By Telephone: _____
	<input type="checkbox"/> By E-mail _____
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	
	<input type="checkbox"/> One-time incident/grievance (date _____) <input type="checkbox"/> Happened more than once (how many times? _____) <input type="checkbox"/> On-going (currently experiencing problem)
What would you like to see happen to resolve the problem?	

Signature: _____
Date: _____

Please return this form to:

Please return this form to:
Mr. Zdravko Marčinko, Main Engineer
Postal Address: "Croatian Motorways" Ltd, Širolina 4, 10000 Zagreb, Croatia
Telephone: +385 – 99 – 3111 - 168
E – mail: zdravko.marcinko@hac.hr