

COOLING FACILITY

ANNEX 7

STAKEHOLDER ENGAGEMENT APPROACH

April 2021

Disclaimer: This Stakeholder Engagement Approach is a Facility-level document. Further development, engagement and consultation will be conducted as part of the finalization of stakeholder engagement plans to be developed by the Borrowers for each project under the Cooling Facility.

Contents

1. PURPOSE AND GENERAL PRINCIPLES OF THE FACILITY-LEVEL STAKEHOLDER ENGAGEMENT APPROACH.....	3
2. FACILITY CONTEXT.....	4
3. SUMMARY PRELIMINARY ENGAGEMENT	6
4. STAKEHOLDER IDENTIFICATION.....	12
5. ENGAGEMENT APPROACH.....	13
6. FEEDBACK AND GRIEVANCE REDRESS MECHANISM	14
7. MONITORING & EVALUATION.....	14

1. PURPOSE AND GENERAL PRINCIPLES OF THE FACILITY-LEVEL STAKEHOLDER ENGAGEMENT APPROACH

The Cooling Facility aims to provide technical and financial support to nine countries, namely Bangladesh, El Salvador, Kenya, Malawi, North Macedonia, Panama, Sao Tome and Principe, Somalia and Sri Lanka. The present Facility-level Stakeholder Engagement Approach (SEA) outlines general principles to (i) identify the main stakeholders for each Project under the Facility, (ii) describe the engagement process to be undertaken in accordance with the World Bank Environmental and Social Framework (ESF)'s Environmental and Social Standard 10 (ESS10) Stakeholder Engagement and Information Disclosure and (iii) develop under each Project a Stakeholder Engagement Plan (Project SEP) in line with the outlined principles and strategy in the SEA. Effective stakeholder engagement can improve the environmental and social sustainability of projects, enhance project acceptance, and make a significant contribution to successful project design and implementation.

The present SEA has been developed to present the overall stakeholder engagement strategy envisaged for the projects under the Facility to enable participation of both affected (or likely to be affected, directly or indirectly) and interested stakeholders. Under each Project, Borrowers will be required to ensure that stakeholders are provided with timely, relevant, understandable, and accessible information, and will be consulted in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation. Stakeholder engagement will take into consideration various factors which may inhibit participation such as gender inequality, illiteracy, ethnicity, disability, and other exclusion factors amongst vulnerable groups. Hence, consultations will be targeted to ensure a tailored engagement approach. Environment and social risks and benefits generated and/or associated with the Projects will be communicated through open and constructive dialogues. Risk mitigation measures will be prepared in consultation with the identified stakeholders, including vulnerable groups.

The engagement with stakeholders will begin as early as possible to gather initial views on the project proposal, continue on an ongoing basis, and will be managed throughout each Project's life cycle. Throughout the engagement process, stakeholders are encouraged to provide feedback on all activities and on the identification and mitigation of environmental and social risks and impacts. A documented record of the stakeholder engagement will be maintained and disclosed as part of the environmental and social assessment, 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.

Each Facility Project will have its own Project SEP that will be developed and owned by the Borrowers, in accordance with ESS10. This plan will be publicly disclosed by the Borrower and will be updated as needed. The stakeholder engagement will be applied for all projects' components.

2. FACILITY CONTEXT

2.1 Rationale

In light of the pressing need and rapidly growing demand for sustainable and affordable cooling services in many developing countries and in response to the combined challenges of addressing climate change and meeting Sustainable Development Goals (SDGs), the Cooling Facility is proposed as an innovative, multi-sector and multi-country programmatic financing mechanism. It seeks to transform the cooling sector by increasing energy efficiency (and thus helping better manage and reduce associated electricity demand), reducing or avoiding GHG emissions, and accelerating access to cooling for economic growth and human capital development.

As opportunities for triggering a sustainability shift in traditional cooling approaches are often found within different sectors (e.g. agriculture, health, cold chains, buildings, etc) and may be missed, as countries face competing priorities - especially as they respond and navigate the health and economic challenges exacerbated and caused by the emergence of COVID-19 -, the time is right for a dedicated financial vehicle that can cater to different circumstances and facilitate access to funding for multiple developing countries with projects meeting the Facility's eligibility criteria, while maximizing the synergies with broader sectoral strategies and cooling-related benefits. The Facility's ability to aggregate different types and sizes of sustainable cooling interventions will lead to lower transaction costs for establishing a program management and results structure compared to a series of one-off projects – and enable reaching a broader range of countries and opportunities that may otherwise be missed. The aggregation made possible through a programmatic approach, such as the Cooling Facility will provide an umbrella for collaboration and learning by generating experience and lessons from a diverse set of partners and contexts to underpin further scaling-up of sustainable cooling more broadly and the needed transformation

The onset of the global pandemic due to COVID 19 and its impact across economies, further heightens the importance of sustainable cooling. This is reflected, for example, in the need for proper cooling and ventilation in health (as well as other) facilities, as well as the need for efficient cold chains to safely store vaccines, as well as to support food value chains from harvest to markets. Cooling solutions also have a role to play in support of COVID recovery efforts. With the aim of supporting a paradigm shift that will help raise high-level political commitments and scale up public- and private-sector investments in the cooling sector, the World Bank is proposing this Facility to develop a cooling business line at the Bank across its Global Practices to help mainstream and scale-up the agenda. The World Bank's proposed Cooling Facility aims to accelerate the deployment of affordable, efficient and sustainable cooling investments, while mitigating the climate impacts of the projected increased cooling demand. An important co-benefit of the Facility will be its contribution to helping build resilience to climate change.

2.2 Facility Objectives

The Facility is meant to be a multi-sector, multi-country financing mechanism as part of the effort to support countries to mainstream and bring to scale sustainable cooling solutions across key sectors i. It aims to support the eligible countries to:

- Mobilize additional financing to support transition and market transformation;
- Enhance access to energy efficient and climate friendly cooling services;

- Strengthen enabling environments to catalyze a demand for sustainable cooling solutions;
- Raise public awareness of the benefits, financial viabilities and positive impacts that result from investments and public programs to promote sustainable cooling;
- Build and strengthen skills and capacity among the range of stakeholders involved in the deployment and scale-up of sustainable cooling solutions.; and
- Integrate and mainstream cooling into both long-term climate planning for mitigation and adaptation and Sendai framework disaster risk reduction (DRR)¹ planning, and support the achievement of the Kigali Amendment Goals.

In doing so, the Facility will both (i) increase access to cooling, contributing to multiple Sustainable Development Goals, (ii) mitigate the climate impacts of meeting the projected increased cooling demand, (iii) promote interest and support for innovative means of providing cooling services; and also (iv) contribute to improving climate change resilience, contributing to countries' Nationally Determined Contributions (NDCs), as well as National Adaptation Plans and Disaster Risk Reduction Plans, while also delivering a wide range of co-benefits including those related to health, economic impacts, and development of nature-based solutions (NBS). . Recognizing the magnitude of financial needs, the proposed Facility is the first phase or pilot and expected to be the basis for substantial scaling and replication to follow.

To achieve this goal, the Facility will channel concessional climate finance from the GCF to co-finance IBRD- and IDA-financed operations that:

- a. support **investments** in efficient, affordable and sustainable cooling;
- b. catalyze technology and business model **innovations** across cooling value chains and sectors to reduce barriers for private sector investment;
- c. help build an **enabling environment** for sustained, long-term systemic changes.
- d. Support the integration of sustainable cooling into long-term plans to address climate change, DRR and SDGs

At country level, the Facility development objectives will be adapted to reflect the specific needs and priorities of countries and thereby to align the objectives and impacts of the investments.

2.3 Facility Overview

The Cooling Facility is composed of three complementary components that will be adapted to each eligible country's context and focus cooling area, and will be calibrated according to its needs and in accordance to the Facility's criteria:

Component 1 – Policy and regulatory support for enabling environment. This component will support activities that aim to strengthen institutional, policy and regulatory frameworks, support program design and roll-out, raise awareness and stimulate behavior changes, as well as build the capacity of key stakeholders. It will also support activities linked to the Facility's Gender Action Plan.

Component 2 - Financing and risk mitigation for cooling investments. The Facility will provide investment financing and risk mitigation instruments (such as guarantees) to eligible projects for cooling-informed

¹ The Sendai Framework for Disaster Risk Reduction 2015-2030 provides Member States with concrete actions to protect development gains from the risk of disaster, including heatwaves.

investments (in eligible cooling target areas) that support and help lock-in more resilient, climate-friendly as well as affordable development paths.

Sub-component 2.1 (Investment financing) will provide concessional funds to foster the adoption or scale-up the deployment of sustainable cooling technologies, appliances and business models. The deployment of these funds will be tailored to the needs of the projects, through various financing modalities, for example, credit lines to commercial banks, investment funds, loans or subsidies to households, municipalities and small, medium and large enterprises.

Sub-component 2.2 (Risk mitigation): will support risk mitigation instruments based on country and sector needs and maturity of local financial markets.

Component 3 – Project management. This component will ensure support the Executing Entities in performing the project management activities.

3. SUMMARY PRELIMINARY ENGAGEMENT

An overview of preliminary stakeholder engagements that were held in countries related to the deployment of efficient, clean cooling solutions and approaches is presented below. To date, these engagements are mostly linked to technical assistance provided to countries that are now enabling the development of those new projects. It is important to note that several projects are either at the preliminary client negotiation or appraisal stages, prior to official stakeholder consultations. Moreover, it is important to consider that for all projects – and some more than others –, the process of stakeholder consultations has been affected by the health restrictions imposed as a result of the COVID-19 pandemic. The project level stakeholder engagement tasks, including stakeholder identification, analysis, information dissemination, consultation and engagement etc. will be carried out later as part of each project design and implementation and presented in each Project SEP.

Bangladesh

The stakeholder engagement activities carried out in Bangladesh include the following:

- **September 2019:** World Bank mission to Bangladesh met with the Chairman and Member (Energy Efficiency) and team of Sustainable and Renewable Energy Development Authority (SREDA) to discuss about the energy efficient buildings, green buildings rating systems, cool roofs and appliance minimum energy performance standards (MEPS) and energy efficiency labeling of appliances and developing the implementation, financing and business models, pilots, etc. In addition, consultations were held with other stakeholders like GIZ, IDCOL, RAJUK, and BUET.
- **November 2019:** The World Bank delivered review comments on the draft Bangladesh Environmental and Energy Rating (BEER) system for Buildings
- **May 2020:** The World Bank had virtual meetings with SREDA on the topic of green building rating design, cool roofs, etc. under an analytical and advisory activity supported by ESMAF
- **August 2020:** The World Bank delivered review comments on the updated Bangladesh Environmental and Energy Efficient Rating (BEEER) system for Buildings. The feedback were deemed very valuable by

SREDA and the World Bank recommendations were extensively included in the current BEEER (version 1, rev-4; Nov 28, 2020) that is under approval by the Government.

- **September 2020:** The World Bank held virtual meeting with Secretary, Power Division, Ministry of Energy, Power and Mineral Resources, and Chairman SREDA to discuss about the green buildings, cool roofs, and appliance MEPS and Labeling work and the Bangladesh project proposed under the Cooling Facility.
- **September 2020:** SREDA organized a stakeholder consultation workshop on “Development of National Energy Efficiency and Conservation Awareness Raising Campaign Plan”. The workshop included participation of a broad range of Bangladeshi and development partner stakeholders.
- **November 2020:** SREDA sent for Power Division’s approval the updated version of The Bangladesh Green Rating system (BEEER) based in World Bank’s inputs provided in August 2020.
- **December 2020:** The World Bank organized a Knowledge Exchange Webinar on Sustainable Buildings and Energy Efficient Cooling in Bangladesh. The Webinar provided an overview of international and regional (Asia-specific) experiences, and brought together high-level national stakeholders to debate on priorities and objectives of making the building sector green, clean and less energy-intensive, according to national strategies and related international commitments, (such as NDCs), and facilitated understanding of local capacities aimed at boosting the implementation of Bangladesh Environmental and Energy Efficient Rating (BEEER) system for Buildings. The webinar was chaired by the Secretary of Power Division, Ministry of Power, Energy and Mineral Resources, and attended by 94 stakeholders, which included as speakers high-level representatives from Housing and Public Works, Power Division, SREDA, Government Department of Architecture, Public Works Department, BUET, and Building Technology & Ideas Ltd., and participants from various domains of building sector, such as Public Sector, Building Research and Academic Institutes, Real Estate Developers and Material Suppliers, Architects and Consultants, and Bilateral and Multilateral Agencies.
- **January 2021:** The World Bank held several stakeholder consultations with country partners (Housing and Building Research Institute), Internal Bank teams (Urban Team working in Dhaka) and external partners AIIB and GIZ teams (working on Building EE and Audits) regarding various collaborations, including green building and cool roofs pilots.
- **January 2021:** The World Bank and SREDA defined the scope on the development of Minimum Energy Performance Standards (MEPS) for Appliances and the design of Super ESCO business models linked to Energy Efficiency Buildings and Space Cooling implementation under BEEER.
- **February 2021:** The World Bank plans to SREDA and other national stakeholders, the draft final versions of the two Global Review Reports on “Cool Roofs” and “Green Building Rating Systems”, specific approach for application to Bangladesh. The draft versions of these were presented at the Knowledge Exchange Webinar on Sustainable Buildings and Energy Efficient Cooling in Bangladesh held in December 2020 (as described above)

El Salvador

In El Salvador, the stakeholder engagement consultations carried out include the following:

- December 2020 – Discussions on climate friendly cold chains and the GCF Cooling Facility, linked to the World Bank engagement with the government of El Salvador in the context of the preparations of the country’s COVID-19 Emergency Response Project (P176033), have been held with the Minister of Finance, the Deputy Minister of Finance and the Deputy Minister of Health. A follow-up meeting to explore further was held with senior government officials from the Ministry of Health and the office of the Presidency.

Kenya

In Kenya, public consultation with key stakeholders to disclose and deliberate on the draft on the draft Vulnerable and Marginalized Groups Framework (VMGF) for the stakeholder engagement plan was done in March 2017. The objectives of the consultation were to disclose information on the project and disclose the draft VMGF to relevant representatives of VMGs from six counties – Tana River, Lamu, Kilifi, Kwale, Taita Taveta and West Pokot – and to provide opportunity to the VMGs to voice their opinions and concerns on different aspects of the project. A total of 38 VMGs representatives from the six counties participated in the consultative workshop. They included 15 women and 23 men and in both cases, there were representatives of women and youth led community based organizations. The feedback was overall positive and the VMG representatives were supportive of the project objective of increasing access to electricity for the underserved counties. They were also broadly satisfied with the proposed safeguard instrument and the mitigation measures provided for in the instruments. The main concerns raised were around ensuring the project addressed issues of (a) accessibility to VMGs; (b) to use already existing community grievance redress mechanism; (c) the project team will make use of the project implementation strategies that are existing in the VMG communities; (d) there should be no discrimination of employment among the VMGs during the implementation phase of the project, and, (e) need to undertake an in-depth public consultation in all VMG villages in the respective counties.

Malawi

In Malawi, the stakeholder engagement activities carried out include the following:

- **Feb 2018:** World Bank through Funding from ESMAP conducted a workshop on Solar resource mapping and monitoring. The workshop was attended by Min of Energy, Private sector, Academia etc
- **Nov 2019:** through MEAP project, a workshop was conducted to discuss off-grid investments the project will support and how the activity will be implemented
- **March 2020:** Consultative meetings were held with Environmental Affairs Department (EAD), National Commission for Science and Technology Technical Needs Assessment team on cooling facilities technology policy framework and available technologies in Malawi.
- **May 2020:** During World Bank Mission, discussions were held with Small and Medium Enterprises Development Institute (SMEDI), EAD, Malawi Agricultural and Industrial Investment Corporation (MAIIC) on promotion of low carbon cooling facilities in the agricultural value chains.
- **May 2020:** World Bank had a prior discussion with farmers representatives from Thanthwe farms, Produhort and the Youth on their experience with low carbon cooling facilities
- World Bank through ESMAP funding will conduct a training on promotion of low carbon cooling technologies in Small and Medium Enterprises. The training has not yet taken place because the study itself has delayed. We are still at firm procurement stage
- In December 2020: World Bank ISM discussions were done to update MAIIC, SMEDI and Ministry of Trade on assessment on use of low carbon cooling facilities by SMEs and their role and support in the study. GCF support was also discussed.

North Macedonia

In North Macedonia, the draft Stakeholder Engagement Plan (SEP) for the North Macedonia Sector Energy Efficiency Project has been prepared. The Stakeholder Plan identifies the stakeholders and proposes engagement during all phases of the project (preparation and implementation). Vulnerable groups are poorest communities living in cities. These groups are expected to benefit as public institutions such as health clinics will mostly be selected as central government buildings to be retrofitted. Building occupants and users will be informed about the activities at site. Stakeholder engagement will be conducted with central government institutions, municipalities and industry. Consultations planned to also be conducted at the community level and it will include - depending of the selected social infrastructure buildings (e.g. schools, hospitals, etc) - parents, local government employees, and users of the services of the relevant institutions. The form of the engagement will be throughout social network and user committees. There will be special focus on raising awareness and providing a grievance mechanism hotline for female workers in the construction site and all workers in the building in general.

The stakeholder engagement activities carried out in North Macedonia include the following:

- **Summer 2019:** Between June and September 2019, the Government of North Macedonia, through its Project Implementation Unit in the Ministry of Finance, organized several workshops with municipalities in 8 regions of the country. Mayors and municipal representatives dealing with energy efficiency were invited in these regional workshops. Municipalities were informed about the eligibility criteria for proposing projects, eligible investments and the implementation process for energy efficiency investments.
- **November 2019:** The Project Implementation Unit (PIU) organized a public consultation regarding the project on November 18th, 2019. Around 60 participants attended the consultation including representatives of key stakeholders and government agencies (Ministry of Economy, Ministry of Environment, Association of Municipalities, Energy Agency etc.), several municipalities, and CSOs.
- **November 2019 and July 2020:** the PIU organized consultation meetings with the Ministry of Health to discuss the eligibility of health buildings to be retrofitted through energy efficiency investments.
- **July, 2020:** the PIU within the Ministry of Finance had consultation meetings with the Ministry of Economy to discuss the scope of work for the technical assistance component of the Project.

Panama

The stakeholder engagement activities carried out in Panama include the following:

- **November 29-30, 2017:** The Government of Panama hosted #Efficient Central America#, the first Regional Energy Efficiency event of its kind in the Central America Region. The event gathered senior energy efficiency stakeholders from the public and private sector to share knowledge and experiences, catalyze potential investments, and speed up the adoption of legislation and programs focused on energy efficiency at the regional level. Panama organized and hosted a regional workshop to enhance energy efficiency and advance the harmonization of regulatory frameworks. The workshop brought 140 experts, high level government officials, private sector and key stakeholders together representatives from the public and private sectors.
- **June 2017:** Workshop to selected local and regional media to increase understanding on the benefits of EE for Panama and their citizens. A presentation and a brief handout were developed and provided to the media attended the workshop.

- **October 2017:** Presentation of final results of the Standards and Labeling (S&L) program and normative to main stakeholders, explaining the potential changes derived from new regulation.

Training activities were carried out with the National Secretariat of Energy of Panama (SNE), Ministry of Industry and Commerce (MICI), Customs (ADUANAS) and the Consumer Protection Authority (supervisor, ACODECO).

- 2017 - June. Presentation of interim results of the S&L program and market impact assessment – training on new administrative procedures and feedback of Panamanian institutions.
 - 2017 – October: First training session on the calculation methodology, tools, and procedures defined in the implementation guide for the new regulation.
 - 2018 - February: Second training session on the calculation methodology, tools, and procedures defined in the implementation guide for the new regulation.
 - 2018 -March: Training in the new curriculum for Specialists on Energy Efficiency in Buildings, with over 40 panamanian participants certified
- **Throughout 2017-2019**, a consultative process with private sector stakeholders was undertaken to receive feedback and anticipate potential barriers to the implementation of energy efficiency standards for cooling appliances and green building codes, such as:
 - Local financial sector: Multibank (October 2017), Banitsmo (March 2018, December 2018), Banco General (March 2018), Banco Davivienda (March 2018)
 - Cooling appliances retailers/importers: over 20 firms like Panafoto, LG, Samsung and Panasonic (March 2018)
 - Building sector: Grupo Bern (March 2018)
 - International banking sector: City (February 2018), Credit Swiss (February 2020) and green private funds
 - Municipalities: Municipality of Panama City
 - Ministries and public institutions: National Secretariat of Energy of Panama (SNE), Ministry of Industry and Commerce (MICI), Customs (ADUANAS), Ministry of Environment (MiAmbiente) and the Consumer Protection Authority (supervisor, ACODECO),
 - NGOs and other relevant players: National Construction Commission (Cámara Panameña de la Construcción, CAPAC), Panamanian Association of Engineers and Architects (Sociedad Panameña de Ingenieros y Arquitectos, SPIA), Panamanian Firefighter Corps and the Panama Green Building Council, (GBCPN).
- **February 27-28, 2020:** Ministerial Meeting of the Energy and Climate Partnership of the Americas (ECPA) held in Montego Bay, Jamaica (website <http://ecpaja2020.org/>). Participation of Dr Guadalupe Gonzalez, Director of Electricity -National Secretariat of Energy of Panama (SNE)-, in the event ‘Behavioural Changes Affecting Energy Efficiency’. The need to address the growing demand and need for cooling in Panama – with both technology and behavior approaches and communications – was highlighted
- **July 9, 2020:** UN High Level Political Forum. Participation of Dr Jorge Rivera Staff, Secretary of Energy Panama, in the Panel on Efficient and climate-friendly cooling within the side event on “Sustainable Energy Solutions for Economic Recovery: Clean Cooling Solutions and Sustainable Renewables Risk Mitigation”. Secretary Rivera Staff shared Panama’s approach to developing a cohesive energy efficiency and cooling agenda. He discussed the creation of an enabling policy and regulatory environment for energy-efficient appliances and buildings as a critical first step, followed by ongoing work with the World Bank on the design of an Energy Efficiency Fund to unlock private investment. Secretary Rivera Staff also emphasized the importance of an

accompanying behavioral change communications campaign to promote a change in energy consumption patterns.

Sao Tome and Principe

In Sao Tome and Principe, the stakeholder engagement consultations carried out include the following:

- **December 2020** – Discussions on climate friendly cold chains and the GCF Cooling Facility, linked to the World Bank engagement with the government of Sao Tome and Principe in the context of the preparations of the country's COVID-19 Vaccines Additional Financing (P1766152) to the Sao Tome and Principe COVID-19 Emergency Response Project (P173783), have been held with senior government officials from the Ministry of Health. The government of Sao Tome and Principe is also in the process of conducting consultations and assessment in the context of completing its Vaccine Readiness Assessment (VIRAT/VRAF).

Somalia

In Somalia, the stakeholder engagement consultations carried out include the following:

- **Between December 2020 and January 2021**, the World Bank team conducted consultations on Cooling Facility activities with high level Government officials and development partners in Somalia. The Government actively participated in defining proposed activities and there is full buy-in for the activities described. In addition, the Government has conducted consultations through the process of completing the VIRAT / VRAF assessments. Further stakeholder consultations as part of the World Bank financed Damal Caafimaad project, which the cooling facility financing will co-finance, are ongoing.

Sri Lanka

The following stakeholder engagement activities have been carried out in Sri Lanka:

- **November 2019**: World Bank mission to Sri Lanka met with the Sustainable Energy Authority (SEA) to discuss about the large-scale implementation approaches and business models of energy efficient cooling and other energy efficiency measures in the commercial, public and industrial buildings sector in Sri Lanka
- **February 2020**: World Bank meeting with the Power Secretary, Economic Relations Department of Ministry of Finance, SEA and Ceylon Electricity Board (CEB) to discuss, *inter alia*, the proposed cooperation on buildings and cooling EE
- **September 2020**: World Bank had a virtual meeting with Secretary, Ministry of Power, SEA and Ceylon Electricity Board on the topic of energy efficient cooling in buildings, including about the Sri Lanka project proposed under the Cooling Facility
- **October 2020**: Discussion with the EU Commission on collaboration on buildings and cooling EE, including potential co-funding
- **October - December 2020**: Several discussions with the SEA on the ESMAP funded TA support and specifically the terms of reference (TOR) and mobilization of the technical consultants for the TA. The international and local expert consultants team has been mobilized in early January 2021.

4. STAKEHOLDER IDENTIFICATION

Stakeholders can include communities or individuals affected by the project and their formal and informal representatives, national or local government authorities, politicians, religious or community organizations and civil society groups with special interest, academic communities, and businesses. The identification of project-affected parties (individuals or groups) will also include those who, because of their circumstances, may be disadvantaged or vulnerable; i.e. 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 the project benefits. Such an individual/group is also more likely to be excluded from/unable to participate fully in the consultation process and as such may require specific measures and/or assistance to do so. It is necessary to ensure broad and inclusive participation of communities in project areas with a particular focus on women who are often excluded from decision-making processes in target countries. Such participation will be conducted through a culturally sensitive approach and is based on a meaningful engagement and Free, Prior and Informed Consent (FPIC) in the event of adverse impacts on Indigenous Peoples in the circumstances specified in ESS7. Communities will be provided with options to enable them to access project benefits, with a targeted outreach for vulnerable groups.

A full stakeholder analysis and stakeholder identification exercise will be conducted for each project. The level of analysis for stakeholder identification will be informed by the level of potential risks and impacts affecting them. The analysis of stakeholders will be carried out for all project components. The findings of this exercise will be documented in the Project SEP. The potential stakeholders are expected to be, but not limited to, the following:

- a. People, social groups, and organizations that will gain direct and/or indirect benefit from the project. These target beneficiaries include: (i) potential new customers for grid connection and electrification projects, including indigenous people communities, (ii) potential project workers.
- b. Potentially adversely impacted communities include: (i) affected land-owners/communities, (ii) indigenous people communities. When the stakeholder engagement with local individuals and communities depends substantially on community representatives (village heads, clan heads, community and religious leaders, local government representatives, civil society representatives), efforts will be taken to verify that such persons do, in fact, represent the views of such individuals and communities, and they are facilitating the communication process in an appropriate manner.
- c. Interested groups include: (i) local government agencies, (ii) non-governmental organizations/NGOs, Civil Society Organizations/CSOs and other development institutions working on VRE, (iii) indigenous people representative organizations, and (iv) private companies.
- d. Implementing agencies and agencies with authorities for the management of environmental and social risks include institutions and agencies that influence and make decisions on the sub-project implementation. These groups include: (i) central government agency, and (ii) sub-national government. The level of engagement will be contingent upon their respective roles and authorities in the management of environmental and social risks.

Based on the project stakeholder identification findings, each project will carry out a stakeholder analysis. This will look into potential project impacts upon the adversely affected stakeholders, as well as the influence potential stakeholders could have on the project itself. This analysis will assess and try to understand their stand and position regarding the project. The analysis will try to bring out their concerns, expectations, requests and recommendations for the project. This analysis will feed into the design of the Project SEP.

5. ENGAGEMENT APPROACH

The engagement process will use any approach that removes obstacles to participation, including differentiated measures to allow the effective participation of those identified as disadvantaged or vulnerable. Dedicated approaches and an increased level of resources will be sought for communication with such differently affected groups so that they can obtain the information they need regarding the issues that will potentially affect them, including how their view will be captured. Project stakeholders will be provided with options on a range of consultation modalities and/or approaches and retain the rights to refuse participation despite such options.

Different methods of communication are used to: (i) ensure easy, transparent, direct, open and interactive communication with all stakeholders, and (ii) get feedback in the implementation process. The Projects will be further informed by the boarder stakeholder engagement approach through: (a) consultations and stakeholder participation during Project implementation; and (b) transparent feedback and grievance redress mechanisms. The Borrower's stakeholder engagement plan will be developed and implemented as early as possible to allow for stakeholder participation and their early feedback to be fully integrated as part of the overall Project design and implementation. Project communication and stakeholder engagement will follow inclusive, participatory, and transparent principles.

The methods vary according to the target groups such as but not limited to:

- a. Regular coordination meetings with relevant government agencies – central, provincial and district;
- b. Public information dissemination and disclosure;
- c. Interview with representatives of local communities, facility administrators, relevant government agencies and organizations;
- d. Public consultations (at provincial, district, sub-district), workshop, and/or focus group discussion (FGDs);
- e. Survey and questionnaire.

Each Borrower will develop its own engagement program, following the outlined approach, based on their stakeholder analysis, and include it in the Project SEP. The time and venue of any proposed public consultation meetings, and the process by which meetings will be notified, summarized, and reported.

6. FEEDBACK AND GRIEVANCE REDRESS MECHANISM

As part of each Project SEP, a Grievance Redress Mechanism (GRM) is to be prepared and implemented by each implementing agency to receive and facilitate resolution of concerns and grievances of project-affected communities as well as broader stakeholders who may be affected or have interest in the project, related to the projects' activities. The aim of GRM is generally (a) to strengthening accountability to the beneficiaries, and (b) to provide a way for project stakeholders to provide feedback and/or express complaints related to project activities. GRM is meant to serve as an accessible and reliable mechanism that allows issues to be identified and addressed in a coordinated and timely fashion and it will utilize existing formal or informal grievance mechanisms. The mechanism is not only to receive and record complaints but also to solve and communicate the status of resolution back to the complainants to ensure transparency and accountability.

The GRM may include the following:

- a. Different ways in which users can submit their grievances, which may include submission in person, by phone, text message, mail, e-mail or via a web site, etc.;
- b. A log where grievances are registered in writing and maintained as a database;
- c. Publicly advertised procedures, setting out the length of time users can expect to wait for acknowledgment, response and resolution of their grievances;
- d. Transparency about the grievance procedure, governing structure and decision makers;
- e. An appeal process to which unsatisfied grievances may be referred when resolution of the grievance has not been achieved.
- f. A mediation will be provided as an option where users are not satisfied with the proposed resolution.

Communities and individuals who believe that they are adversely affected by a World Bank supported project (including any prospective project under the Facility) 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 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 & EVALUATION

The monitoring and reporting will focus on the overall implementation quality of the stakeholder engagement. Each Borrower will define clear roles, responsibilities and authority as well as designate specific personnel to be responsible for the implementation and monitoring of stakeholder engagement activities and compliance with ESS 10. The institutional arrangements will also be defined at local level (provincial/district level).