

National Energy Resources Skopje JSC, North Macedonia

NORTH MACEDONIA – REGIONAL

GASIFICATION PROJECT

STAKEHOLDER ENGAGEMENT PLAN

17 August 2022



LIST OF ABBREVIATIONS

EBRD	European Bank for Reconstruction and Development
EIA	Environmental Impact Assessment
EIB	European Investment Bank
E&S	Environmental and social
ESIA	Environmental and Social Impact Assessment
ESAP	Environmental and Social Action Plan
ESS	Environmental and Social Standard (of the EIB)
FAQ	Frequently Asked Questions and Answers
PR	Performance Requirement (of the EBRD)
SEP	Stakeholder Engagement Plan
LRF	Livelihood Restoration Framework
MoEPP	Ministry of Environment and Physical Planning
NER	National Energy Resources JSC Skopje
NTS	Non-technical Summary

DISCLAIMER

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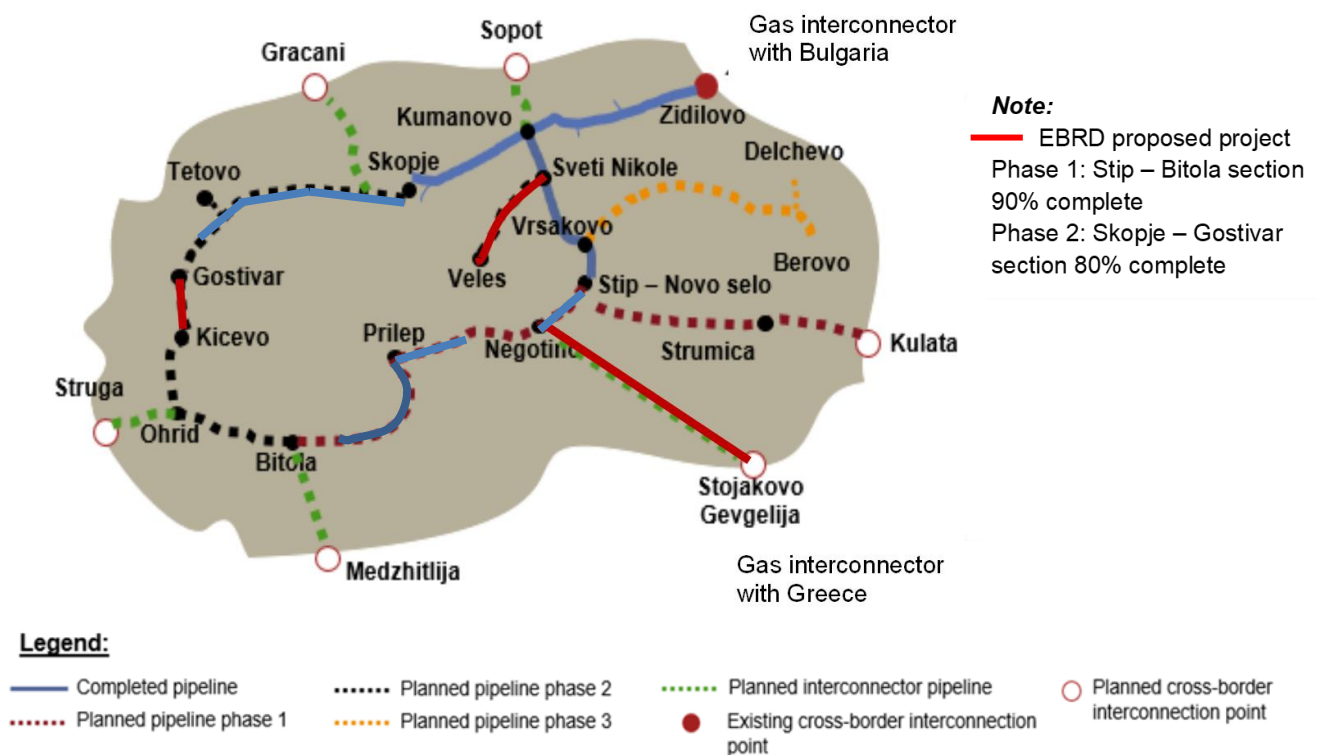
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1. INTRODUCTION

National Energy Resources JSC Skopje¹ (NER or “the Company”), the North Macedonian state-owned company responsible for the country’s gas transmission network, is planning to construct three underground gas pipeline sections (“the Project”) in North Macedonia (**Figure 1**):

- a 67-km North Macedonian section of the Greece-North Macedonia Interconnector,
- a 28-km Sveti Nikole-Veles Section, and
- a ca. 35-km Gostivar-Kicevo Section².

Financing for the Project is being sought from the international financial institutions including the European Bank for Reconstruction and Development (EBRD) and the European Investment Bank (EIB – for the North Macedonian section of the Greece-North Macedonia Interconnector) (together “the Lenders”).



Source: Adjusted from the National Strategy for Gasification of the Republic of Macedonia, Ministry of Economy, Republic of Macedonia. 2018³.

Figure 1. Schematic Location of the Project Components, North Macedonia

The Project is aligned with the North Macedonia’s National Strategy for Energy Development⁴ (2019). The three sections are part of the country’s Gasification Plan, whose realization was structured in three phases. Over the past four years, NER has been progressing the construction of Phase 1 gas transmission lines and has recently embarked on Phase 2 sections. The current Project is part of Phase 2 of the country’s gas network development plans.

¹ The Company’s website is <https://mer.com.mk/en-US/ForUs/ZaMer>.

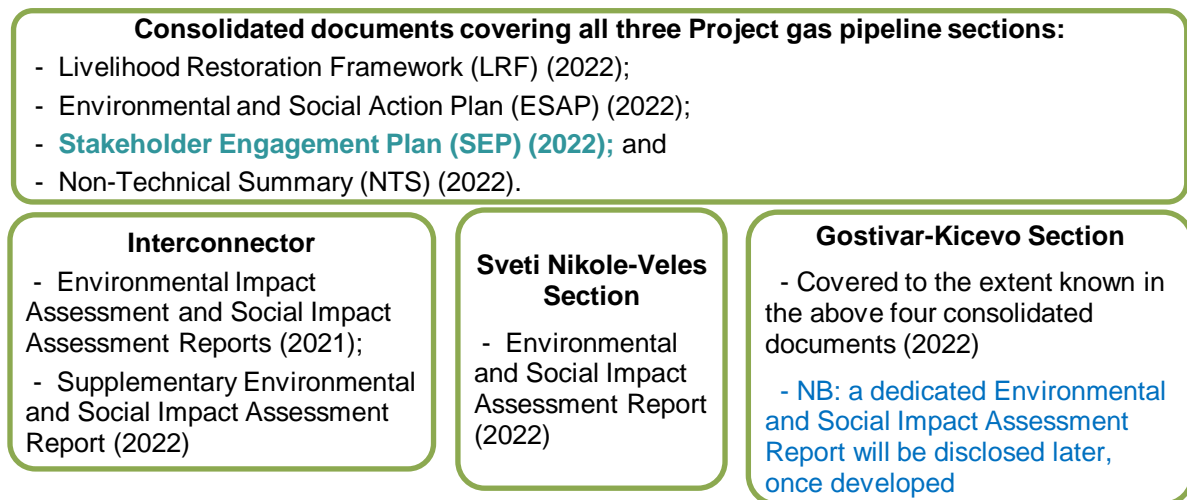
² As the route is being re-aligned, the length of the section might change.

³ https://www.energy-community.org/dam/jcr:436db091-3b1c-43c1-8dbb-66fcee79cfc/INFWS052018_FYRM.pdf

⁴ The Strategy for Energy Development of the Republic of North Macedonia until 2040. https://economy.gov.mk/Upload/Documents/Adopted%20Energy%20Development%20Strategy_EN.pdf

As the Project involves the funding of greenfield gas pipeline sections, it has been assigned 'Category A' according to the EBRD Environmental and Social Policy (2019)⁵. This means that the Project is subject to an environmental and social impact assessment (ESIA) and participatory disclosure and consultation process, including a 120-calendar-day disclosure of the Project's environmental and social (E&S) documents package.

Altogether, the following documents form the Project's E&S disclosure package:



As the three pipeline sections are in different development stages (see details in **Section 2**), their public disclosure per the EBRD requirements and their consideration for funding by the EBRD will occur in two stages:

- first, the E&S documents covering the Interconnector and Sveti Nikole-Veles Sections (and the Gostivar-Kicevo Section at a high level, to the extent the section's details are known as of August 2022 in the consolidated documents) will be publicly disclosed for review by stakeholders in English and Macedonian, and
- second, the E&S documents for the Gostivar-Kicevo Section will be disclosed at a later stage, once developed. To reflect the new information with respect to the Gostivar-Kicevo Section, the consolidated documents will be updated and re-disclosed as well. These documents will also be made available in Albanian.

In terms of financing, the EBRD will consider the Interconnector and Sveti Nikole-Veles Sections for financing following expiry of the 120-day disclosure period. The Gostivar-Kicevo Section will be considered for financing by the EBRD only once its E&S documents have been prepared and disclosed for 120 days at a later stage.

This document, the **Stakeholder Engagement Plan (SEP)**, has been produced as part of the ESIA package to meet the EBRD requirements⁶. It presents the planned stakeholder engagement process for the Project and outlines a systematic approach aimed at developing and maintaining constructive relationships with stakeholders throughout the Project lifetime. The SEP is a living document and is meant to be updated and developed further as the Project progresses, particularly before the Project enters the operations phase.

⁵ <https://www.ebrd.com/news/publications/policies/environmental-and-social-policy-esp.html>.

⁶ A separate SEP was prepared for the Interconnector in 2021 and disclosed on the EIB website. The 2021 SEP can be replaced by the current consolidated SEP covering all three Project sections.

2. THE PROJECT OVERVIEW

2.1. Project Rational

North Macedonia has limited domestic energy sources and its energy dependency on imports is 63.7%⁷. North Macedonia's power generation mix consists of largely outdated coal-fired generation (29.3%), oil (38.7%), and natural gas (10.8%). Renewable energy provides 13.5% of the country's energy.

In terms of gas supply, North Macedonia has a single import route with Bulgaria and is 100% reliant on import. To increase security of supply, North Macedonia established objectives to develop other gas supply routes, diversify energy sources, switch to cleaner energy sources and develop gas transmission networks to improve the integration of the country's energy infrastructure⁸.

The Project will be an important part of the country's gasification plans, with the interconnection with Greece being the vital component. The Project will:

- Assist to improve regional air quality by diverting energy generation towards cleaner fuels in populated industrial areas of the country;
- Support the country's energy efficiency measures through reduced energy loss for heating; and
- Contribute to North Macedonia energy security by enabling a more sustainable energy mix and by developing its gas infrastructure.

2.2. North Macedonian Section of the Greece-North Macedonia Interconnector

The North Macedonia Interconnector Section starts near Idomeni village at the border with Greece and goes to Negotino town (**Figure 2**). It is planned to be an underground pipeline with a 700 mm diameter and length of around 67 km. The Interconnector also comprises cleaning stations⁹, a pressure valve¹⁰, block valves¹¹, and cathodic protection units¹². Analysis of alternatives was undertaken during a Feasibility Study prepared by NER in January 2019, to identify the optimal route of the pipeline.

The Greek section of the Interconnector comprises the construction of a 750 mm in diameter, 55 km long underground high-pressure gas transmission pipeline running between Nea Messimvria in Greece and Greece/North Macedonia border (**Figure 3**). It also includes the installation of a border metering station¹³, block valves and other types of facilities on Greek territory. The Greek section is not part of the Project considered by the EBRD for funding.

⁷ State Statistical Office, Energy balances 2020: https://www.stat.gov.mk/pdf/2021/6.1.21.60_mk.pdf

⁸ The Strategy for Energy Development of the Republic of North Macedonia until 2040. https://economy.gov.mk/Upload/Documents/Adopted%20Energy%20Development%20Strategy_EN.pdf

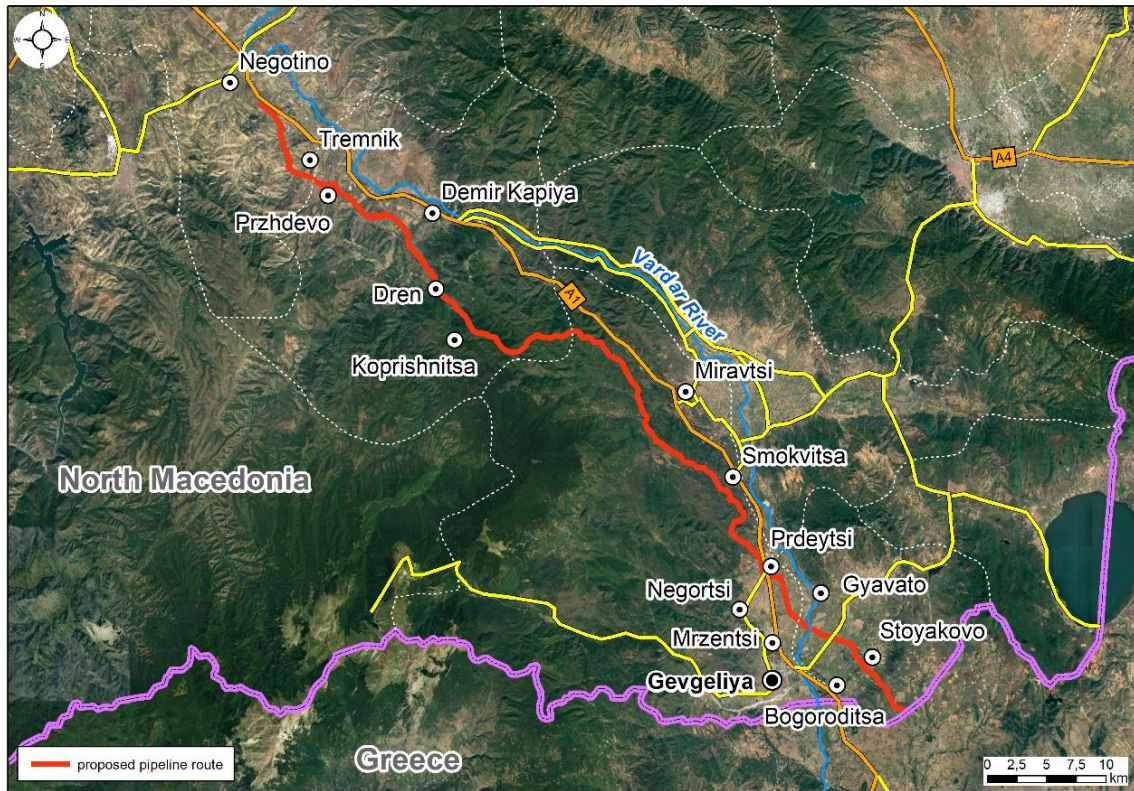
⁹ Cleaning station is an element allowing for an effective way of cleaning the pipe without interrupting the gas flow.

¹⁰ Pressure valves are devices that regulate pressure of gas in the pipelines to the required values.

¹¹ Block valve is a part of a piping system that controls the flow; with block valves operators can isolate any segment of the line for maintenance work.

¹² Cathodic protection units are installations that use a low electrical current to prevent corrosion of metal pipelines. Corrosion is a natural process during which materials (usually metals) are gradually destructed by chemical or electrochemical reaction with their environment.

¹³ Metering station is a device used for a continuous and simultaneous analysis of the quantity and quality of natural gas being transported in a pipeline.



Source: Ecoline International based on NER's information.

Figure 2. The North Macedonia Interconnector Route Map



Source: Adjusted from the National Strategy for Gasification of the Republic of Macedonia, Ministry of Economy, Republic of Macedonia. 2018¹⁴.

Figure 3. Location of the North Macedonian and Greek Sections of the Interconnector

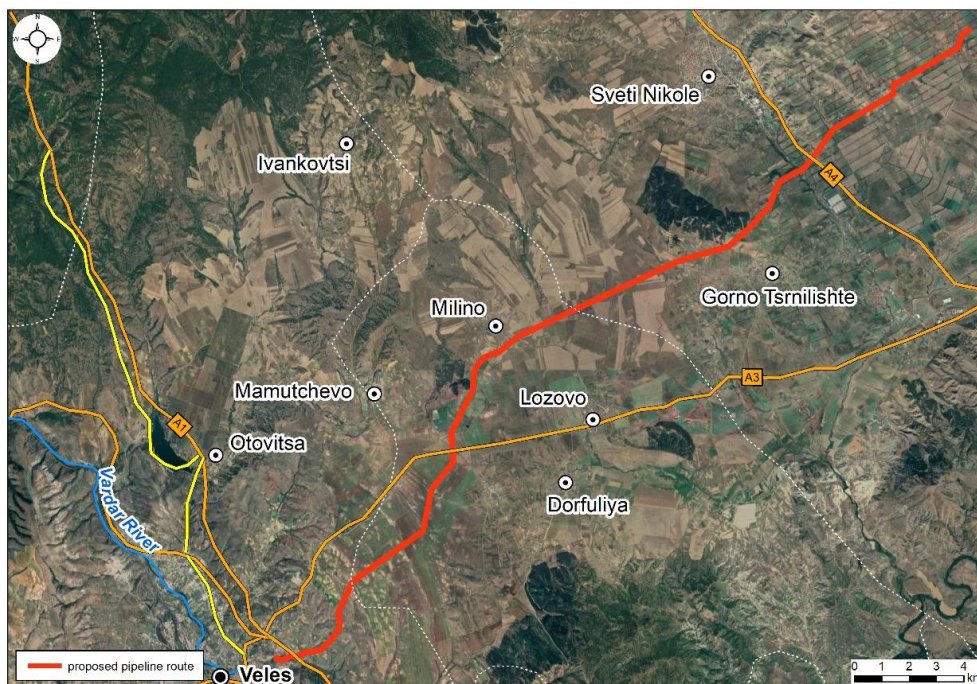
¹⁴ https://www.energy-community.org/dam/jcr:436db091-3b1c-43c1-8dbb-66fcee79cfc/INFWS052018_FYRM.pdf

The national Environmental Impact Assessment (EIA) procedures have been completed separately for the North Macedonia and Greek sections of the Interconnector in accordance with the national legislation of each country, as well as per European Union. NER commissioned Mott MacDonald and Connecta Consortium to complete an EIA study that was also structured to meet the EIB requirements. This was prepared in July 2020 using the 'Technical Assistance to connectivity in the Western Balkans EuropeAid / 137850/IH/SER/MULTI'. The Ministry of Environment and Physical Planning of North Macedonia (MoEPP) reviewed this EIA and issued an environmental approval (decision) for the Interconnector to NER on 26 January 2021. The infrastructure project and construction approvals are expected to be obtained by NER in autumn 2022. The construction is expected to start in early 2023 and will last for around two years.

2.3. Sveti Nikole-Veles Section

The Sveti Nikole-Veles Section (**Figure 4**) will be 28 km long and will have the diameter of 200 mm. It will start with the installation of a block station about 6 km east of Sveti Nikole town that will connect it with the existing gas pipeline in Sveti Nikole. It will continue south-east and will end close to Veles town with another block valve. The pipeline design also envisions a 386 m connection towards Sveti Nikole town, two cleaning stations, two metering stations, and other necessary facilities. The section will bring gas to the central industrial region still relying heavily on petroleum products. This is the fifth most energy-intensive municipality in the country and faces major air pollution problems.

An Environmental Impact Study (Elaborate¹⁵) was prepared for this section in 2021 and submitted to the MoEPP for review. On 11 June 2021, the MoEPP issued the approval decision. Drawing upon the feasibility study and detailed design, NER commissioned the preparation of the draft ESIA in line with the EBRD's requirements. This draft was updated into the ESIA report and forms part of the ESIA disclosure package. The technical design documents for this section are being finalised. NER expects to obtain the infrastructure project and construction approvals from the Ministry of Transport and Communication in late 2022. The construction is expected to start in early 2023 and will last for up to two years.



Source: Ecoline International based on NER's information.

Figure 4. The Sveti Nikole-Veles Section Route Map

¹⁵ This is the so-called "environmental impact assessment elaborate" prepared as per Article 24 of the Law on Environment (<http://extwprlegs1.fao.org/docs/pdf/mac105107.pdf>). The national EIA and the 'environmental elaborate' are separate processes: an elaborate is to be prepared for the activities for which EIA is not required.

2.4. Gostivar-Kicevo Section

The Gostivar-Kicevo Section (**Figure 1**) is planned to be around 35 km long, with a 500 mm diameter gas pipeline. It will bring gas to the residential, commercial and industrial sectors in the Municipality of Kicevo, with population of 90,000 currently relying on solid fuels, inefficient electricity use (predominantly coal-based) and petroleum products. This section is also an important backbone to bring gas to the south-west of the country (cities Ohrid, Struga, and Resen), completing the ring with Bitola and a planned interconnection with Albania. The gas pipeline will connect with the Skopje-Tetovo-Gostivar Section which is under construction and is 80% completed.

The Gostivar-Kicevo Section was designed in 2010 as part of the larger project – Lot 5. Skopje-Tetovo-Gostivar-Kicevo (**Figure 1**). The national EIA for this Lot 5 was completed in 2011 and environmental and construction approvals were obtained later. Both approvals are outdated as of now.

Around 40-50% of the Gostivar-Kicevo Section are being re-designed by NER to avoid physical relocation of people in the gas pipeline's southern part and impacts on biodiversity in its northern part. NER will apply to the MoEPP to verify whether an Environmental Impact Study (Environmental Elaborate) or a full-scale EIA is required for the updated design. Regardless of the MoEPP's decision, NER will develop an ESIA, as per category A requirements of the EBRD, and disclose it for 120 days in a similar way to the rest of bankable disclosure described above. NER intends to obtain a new environmental approval from the MoEPP, as well as new infrastructure project and construction approvals from the Ministry of Transport and Communication by the end of 2022. The construction of this section is expected to start in mid-2023 and last for up to two years.

3. **STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE REQUIREMENTS**

3.1. National Requirements

The environmental legislation of the Republic of Macedonia, in particular the Law on Environment¹⁶ stipulates that state bodies and local self-government units are obliged to ensure the right of access to information and public participation in decisions concerning the state of the environment, and to issue a statement about how those decisions are made. This law and the associated by-laws set out the requirements for undertaking EIA of public and private projects which are likely to have a significant impact on the environment before development consent / construction permit is granted.

The Law on Environment (Article 90) regulates the information disclosure and consultation process to be followed during the EIA approval procedure under the MoEPP's responsibility. The procedure is delivered as follows:

- The project developer prepares a 'Notification of Intention to Carry out a Project' and submits it to the MoEPP;
- The MoEPP discloses this Notification of Intention in at least one daily newspaper of national coverage, as well as on the MoEPP website and its notice board;
- The MoEPP discloses its screening & scoping decision as to whether an EIA is required in at least one daily newspaper of national coverage, on the MoEPP website and its notice board;
- The project developer submits an EIA to the MoEPP. The latter discloses a non-technical summary of the EIA report on own website and forwards the EIA report to the City of Skopje or the municipality where the project will be implemented;

¹⁶ Official Gazette of the Republic of Macedonia, no. 53/05, 81/05, 24/07, 159/08, 83/09, 48/10, 124/10, 51/11, 123/12, 93/13, 187/13, 42/14, 44/15, 129/15, 192/15, 39/16 and 99/18.

- The MoEPP announces the availability of the EIA report to the public via at least one daily newspaper of national coverage and a local radio/TV station.
- Any person, state or local self-government body, may submit their opinion regarding the EIA study in written form to the MoEPP within 30 days from the date the EIA report was announced available to the public.
- The MoEPP shall consider all opinions that are submitted within the deadline;
- The MoEPP prepares and publishes 'a report on the adequacy of the EIA' in at least one daily newspaper of national coverage and on the ministerial website. The report is prepared using the EIA study, public opinions submitted, and the outcomes of the public hearing (see below);
- While reviewing the EIA report, the MoEPP shall organise a public hearing to discuss the EIA report 30 days after disclosing it. The MoEPP announces the time and place of the public hearing in at least one daily national newspaper and on local radio and TV station. The public hearing must take place as close as possible to the project location. The MoEPP shall prepare the minutes of the public hearing, in which it is to list meeting attendees and the key outcomes and conclusions. Video or audio records are attached to the minutes. The MoEPP shall publish the minutes on its website and submit a copy of the minutes to the developer, the relevant public administration bodies and to the municipalities/City of Skopje where the project is to be implemented.
- The MoEPP publishes the decision granting a consent, or a rejection, of the application for project implementation in at least one daily newspaper of national coverage, on the MoEPP website and the notice board.

The MoEPP has to submit the above information to the competent authority of a foreign country if there is the potential for transboundary impacts to be caused by the project (see [Section 4.2.3](#)).

In 1999, North Macedonia ratified the Aarhus Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (1998)¹⁷. The terms of the convention were transposed into the Macedonian Law on Free Access to Public Information (first published in the Official Gazette of Republic of Macedonia No. 13/2006 and then superseded by the same-titled law published in the Official Gazette of the Republic of Northern Macedonia No. 101/2019). This Law defines the obligation to provide access to information to all stakeholders, be they domestic or foreign person or physical or legal entity. In exceptional circumstances, access to information may be legally restricted due to confidentiality or other specific provisions.

3.2. [EBRD Requirements](#)

All projects financed by EBRD shall be structured to meet the requirements of the EBRD Environmental and Social Policy, which includes ten Performance Requirements (PRs) for key areas of E&S sustainability, including PR10 Information Disclosure and Stakeholder Engagement. This particular Project complies with the [2019 EBRD Environmental and Social Policy](#).

In addition, EBRD's [Independent Project Accountability Mechanism](#), as an independent last resort tool, aims to facilitate the resolution of social, environmental and public disclosure issues raised by Project-affected people and civil society organisations about EBRD financed projects among Project stakeholders or to determine whether the Bank has complied with its Environmental and Social Policy and the Project-specific provisions of its [Access to Information Policy](#); and where applicable to address any existing non-compliance with these policies, while preventing future non-compliance by the Bank.

¹⁷ The Aarhus Convention grants the public rights regarding access to information, public participation and access to justice, in governmental decision-making processes on matters concerning the local, national and transboundary environment.

This section presents the applicable requirements on stakeholders' participation, namely:

- EBRD PR 1 - Assessment and Management of Environmental and Social Risks and Impacts;
- EBRD PR 10 - Information Disclosure and Stakeholder Engagement.

Stakeholder engagement is discussed in PR1 and more specifically in PR10. PR10 focuses on Information Disclosure and Stakeholder Engagement, which is described as an ongoing process involving: (i) the client's public disclosure of appropriate information so as to enable meaningful consultation with stakeholders; (ii) meaningful consultation with potentially affected parties; and (iii) a procedure or policy by which people can make comments or complaints. This process should begin at the earliest stage of project planning and continue throughout the life of the project.

The client to whom the Bank is considering providing finance, is required to prepare a SEP, commensurate with the nature and the scope of the Project, to determine how communication with the identified stakeholders shall be handled throughout project preparation and implementation, including the type of grievance procedure envisaged. According to PR10, the first step in successful stakeholder engagement is for the client to identify the various individuals or groups who: i) are affected or likely to be affected (directly or indirectly) by the project ("affected parties"), or ii) may have an interest in the project ("other interested parties").

Where stakeholder groups are identified as disadvantaged or vulnerable, dedicated approaches and an increased level of resources is needed so that they fully understand potential risks and impacts that may affect them. Periodic reports should be issued by the client to identified stakeholders, commensurate to the nature of the Project and its associated E&S impacts, and the level of public interest.

In order to respond to the challenges posed by the COVID-19 pandemic, the EBRD has issued a specific Briefing Note "Stakeholder Engagement (PR10) – COVID 19" (April 2020)¹⁸ aimed at highlighting some critical areas of concern in stakeholder engagement that clients may want to consider and recommending the use of "*alternative methods of disclosure and stakeholder engagement*". This SEP takes into account the EBRD's recommendations and proposes alternative engagement methods (**Table 5**).

3.3. EIB Requirements

Public participation, disclosure and stakeholder engagement are key requirements of the EIB's Environmental and Social Standards (ESS) formulated in ESS1 and, in particular, in ESS10¹⁹. EIB requires the promoters to uphold an open, transparent and accountable dialogue with all project affected communities and relevant stakeholders in an effective and appropriate manner. The promoter will be responsible for maintaining constructive relationships (including meaningful consultations) with stakeholders throughout the preparation, implementation, monitoring, and decommissioning phases of a project.

The Standard requires the promoter to:

- Establish and maintain a constructive dialogue with the affected communities and other interested parties throughout the project lifecycle;
- Identify and engage with all stakeholders;
- Engage stakeholders in the disclosure process, engagement and consultations in an appropriate and effective manner throughout the project lifecycle, in line with the principles of public participation, non-discrimination and transparency;

¹⁸ Stakeholder engagement (PR10) COVID-19 EBRD briefing note (in English). <https://www.ebrd.com/documents/environment/ebrd-covid19-briefing-note-stakeholder-engagement.pdf?blobnocache=true>.

¹⁹ EIB Environmental and Social Practices and Standards, Version 10.0 of 08/10/2018 https://www.eib.org/attachments/strategies/environmental_and_social_practices_handbook_en.pdf

- Ensure that the relevant stakeholders, including commonly marginalised groups on account of gender, poverty, educational profile and other elements of social vulnerability, are given equal opportunity and possibility to voice their opinions and concerns.

Procedurally, the EIB's ESS10 contains requirements similar to those of the EBRD PR10: namely: stakeholder identification and analysis; engagement planning; information disclosure; public consultation; grievance mechanism; and monitoring and reporting.

4. EXISTING STAKEHOLDER ENGAGEMENT PRACTICES AND PREVIOUS PROJECT ENGAGEMENT

4.1. NER's Existing Stakeholder Engagement Practices

The current stakeholder engagement practices at NER comply with the national regulations on information disclosure and public consultations during the EIA procedures. The Company relies on its EIA, resettlement or other consultants or state bodies engaged in the project preparation and has limited experience and capacity for conducting stakeholder engagement in line with the international Lenders' requirements. NER has short-term public relations plans at present. It intends to build its stakeholder engagement capacity in order to implement this SEP.

NER website contains basic information on selected completed projects (<http://mer.com.mk>) in Macedonian, Albanian and English. The Macedonian web-pages are more complete, whereas webpages in English and Albanian have less detailed information. NER plans to add content to the 'ongoing' and 'future' projects and to upgrade the website before construction begins.

NER's website also presents news about conferences or international events attended by NER or treaties signed, as well as about progress with some ongoing gas pipeline construction. Until recently, the Company had limited practice of posting environmental or social information about its projects. However, in line with good practice and international lenders' requirements, it has started disclosing information about the planned projects and their E&S impacts. For instance, on 7 June 2022, NER posted news about environmental, social and land-related matters pertaining to the Interconnector (<https://mer.com.mk/mk-MK/News/Detail/1079>). The news also includes contact data of the responsible NER engineers and invites stakeholders to submit questions and concerns to the NER or to the municipalities crossed by the Interconnector.

NER is in process of developing its Corporate Social Responsibility Strategy.

4.2. Stakeholder Engagement Pertaining to the Project Components

The chronology and summary of the stakeholder consultation events completed for the Project components since 2011 are presented below.

4.2.1. North Macedonian Section of the Greece-North Macedonia Interconnector

Stakeholder engagement activities were conducted during the preparation of the Interconnector's EIA in 2019-2020. Additional public consultations were held in April and May 2022 to meet the Lenders' requirements and are documented in the Supplementary ESIA (**Table 1**).

Table 1. Interconnector: summary of the previous stakeholder engagement

Period	Engagement activity	Details
Oct. 2019, Dec. 2018 – Jan. 2020 and Jan. 2020	Stakeholder consultations ²⁰	<p><u>Oct. 2019: Consultations with the MoEPP</u></p> <p>The meeting took place with the representatives of the MoEPP. The topics discussed covered project alternatives, impacts on protected areas, landscape and visual impacts, impacts on biodiversity, further information gathering, and harmonisation with the findings of the energy sector Strategic Environmental Assessment.</p> <p><u>Dec. 2018 - Jan. 2020: Information sharing with state bodies</u></p> <p>In addition, written communications were sent during the period Dec. 2018 – Jan. 2020 to the public agencies and enterprises with the relevant project information (among those were the Ministry of transport and Communication, Ministry of Culture and Cultural Heritage, Ministry of Finance, Ministry of Economy, Ministry of Agriculture, Forest and Water Management, Ministry of Interior and its relevant units).</p> <p><u>Jan. 2020: Consultations with representatives of municipal administrations and relevant departments</u></p> <p>Meetings and consultations were conducted with the representatives of the four municipalities along the gas pipeline route.</p> <p>The meetings covered topics of the project description, its technical features and components, permitting process, and the EIA/SIA scope, land acquisition, and community benefits.</p> <p>Among the questions raised by the participants were those related to the pipeline route and location of the pipeline facilities, safe distance to the residential buildings and pipeline protection corridor, land compensation procedure and timing, secondary gas distribution network, project cumulative impacts and relation with other ongoing projects, and possible adverse social and economic impacts, and their prevention.</p> <p><u>Oct. 2019, Jan. 2020: Informal meetings with community representatives in the rural areas of the municipalities</u></p> <p>The meetings were held to discuss the project development, timeline, social impacts and benefits. No information is available on the number of participants and questions raised by them during the meetings.</p>
Nov. 2020	Public hearings	<p>The MoEPP organised two on-line public hearings on 19 November 2020 (Gevgelija and Bogdanci) and 20 November 2020 (Negotino and Demir Kapija) in line with the public consultation process required by the law.</p> <p>There is no information about the number of people who attended the online meetings (physical meetings were impossible due to national COVID-19 prevention measures).</p> <p>The minutes of meeting²¹ contain the following questions raised during the public hearings: performance of construction works - maintenance of the project area free from waste and debris, a need to continue agricultural activities within the surrounding areas to the extent possible. Participants stressed the need for the measures to prevent erosion at surface water crossing points, and ongoing monitoring of biodiversity impacts where the pipeline passes the wetland.</p>

²⁰ MottMacdonald, CONNECTA. Gas interconnector North Macedonia-Greece. Cost benefit analysis, ESIA and Basic (detailed) design. SEP, Appendix 1, 2021.

²¹ ESAS. North Macedonia section of the Greece-North Macedonia Gas Interconnector. SEP, 2021. [internal draft].

Period	Engagement activity	Details
Apr. – May 2022	Public consultations / collection of additional socio-economic information	<p>12 public consultation meetings and data collection engagements were organised in the municipalities crossed by the Interconnector, covering more than 250 participants. The events were conducted with the local authorities and communities in the following settlements:</p> <ul style="list-style-type: none"> • Tremnik village and Negotino town (Negotino Municipality) • town of Demir Kapija, and villages of Dren, Chiflik and Przdevo (Demir Kapija Municipality) • Stojakovo village (Bogdanci Municipality) • Prdejtsi, Negortsi, Mrzentsi, Smokvica, and Gabrovo villages (Gevgelija Municipality) <p>Each of the meetings included discussions with representatives of Municipality administration, local community focus groups, and focus group discussions of landowners and land users.</p> <p>Issues that concern local population include: access to land, possible damage of the existing infrastructure around the village during construction, community safety, unfair compensation of land and crops, decrease in property value, and difficulties with commuting to work.</p>

4.2.2. Sveti Nikole-Veles Section

No public hearings and information disclosure were legally required for this section as part of the Environmental Impact Elaborate preparation in late 2020-early 2021. However, as noted above, NER initiated an ESIA process in line with the Lenders' requirements and, accordingly, scoping consultations and meetings with stakeholders were undertaken (Table 2).

The regional gasification plans were also previously introduced to Sveti Nikole Municipality as it was to be crossed by the planned Klechovce – Negotino section (Table 2).

Table 2. Sveti Nikole-Veles Section: summary of previous stakeholder engagement

Period	Engagement activity	Details
Apr. 2012	Public consultations and stakeholder engagement during the Klechovce-Negotino EIA process.	<p>One out of five public hearings that were held for the Klechovce-Negotino Section took place in Sveti Nikole on 06 April 2012 (and other four meetings were held in other locations along this section). Prior to the meetings the some EIA materials were published on the websites of the municipalities.</p> <p>The public hearings covered such topics as project description, E&S impacts during the project lifecycle, summary of the EIA outcomes, mitigation, and monitoring measures. Participants of the meeting included municipal employees, representatives of public enterprises, local schools, local/regional TV stations, local businesses and individual citizens.</p> <p>Minutes of the meetings and list of participants are available. The questions raised by the participants were related to the pipeline route and its technical specifications.</p>
Nov. 2020 and Jun. 2021	Information meetings during the scoping stage of the draft ESIA for the Sveti Nikole-Veles Section ²²	<p><i>Nov. 2020: Online meeting with the municipal authorities.</i></p> <p>The meeting (held online due to COVID-19 restriction) was joined by the officials from each of the three affected municipalities. They were informed about the planned project design and activities; and the maps of the proposed gas pipeline route were sent to them beforehand. The discussion concerned the completion of the project related documentation and further cooperation during the project implementation.</p>

²² JSC National Energy Resources, North Macedonia Skopje. Draft Stakeholder Engagement Plan for Construction of Main Gas Pipeline Section: Sveti Nikole – Veles, 2022. [Internal draft].

Period	Engagement activity	Details
		<p><u>June 2021: Consultations with the administrations of the affected municipalities.</u></p> <p>Meetings were conducted with the officials and mayors of the affected municipalities.</p> <p>The presentation covered the following topics: description of the selected route and its alternatives; location of the above ground structures; accessibility to the land plots during the construction phase; and crossings of public infrastructure by the pipeline.</p> <p>The participants raised questions about the selection of the pipeline route, the opportunities offered by the project and how it fits into the development strategy of the municipality, land expropriation, and hunting areas within the municipality of Veles. Some concerns were expressed about the possible traffic jams at A4 highway during the construction phase.</p>

4.2.3. Gostivar-Kicevo Section

Information disclosure and consultations for this section were completed as per the national regulations, where the section was part of two larger schemes ([Table 3](#)).

Table 3. Gostivar-Kicevo Section: summary of previous stakeholder engagement

Period	Engagement activity	Details
April 2012	Public consultations and stakeholder engagement during the larger Skopje-Kicevo EIA process	<p>Public hearings took place in six municipalities but not in the Gostivar-Kicevo section's communities. Prior to the meetings some EIA materials were published on the municipalities' websites.</p> <p>The topics covered during each public hearing included: project description, development stages, E&S impacts, and summary of the EIA outcomes.</p> <p>Minutes of meetings and list of participants were recorded.</p> <p>Participants raised questions relating to the timeline, budget, biodiversity and socio-economic impacts, land allocation, and legislation.</p>
Nov. 2015	Public hearings conducted as part of the EIA approval process for the Skopje-Tetovo-Gostivar section	Public hearings took place in four municipalities, including the municipalities of Gostivar and Kicevo. No information is available on the topics covered during these public hearings, the list of participants and issues raised by them.

The need to organise further public hearings in line with the national regulations will be defined by the MoEPP's decision on the type of documentation required for the re-approval of the modified section (i.e., a full or simplified EIA). However, consultations with the stakeholders on the proposed re-alignment and bankable ESIA will be required to comply with the EBRD's standards (see [Section 3.2](#)).

4.3. Transboundary EIA Procedure

On 5 September 2019, the MoEPP submitted a Letter of Intent for development of the Interconnector project to the Ministry of Environment and Energy of Republic of Greece. The Ministry of Environment and Energy of Greece in its reply concluded that no significant transboundary environmental impacts were expected and therefore there was no need for the Greek environmental authorities and the public to participate in a transboundary EIA. Thus, the transboundary EIA procedure was not required to be conducted.

5. STAKEHOLDER IDENTIFICATION AND ANALYSIS

5.1. Stakeholder Identification Methodology

The identification of stakeholders in relation to the Project was carried out based on the following criteria:

- **Impact:** the implementation of the Project may significantly affect a certain social group (stakeholders);
- **Influence:** the social group is able to significantly influence the Project implementation;
- **Partnership:** there are opportunities for building partnerships between the Company and the given social group; and
- **Interest:** a social group or individuals not necessarily directly affected by the Project may (or may not) show interest in it.

Stakeholder engagement requires identification of the stakeholders considering the above criteria and selection of the appropriate methods for engagement with them.

5.2. Key Stakeholder Categories and Groups

The Project stakeholders have been grouped into the following two major categories:

- *Internal stakeholders* - representing the organisations that undertake the Project and those who work within them such as management, staff, owners, shareholders, as well as contractors and subcontractors involved in the Project implementation and those benefiting from the Project (investors and shareholders); and
- *External stakeholders* - representing the groups or individuals that are not part of the organisations implementing the Project but are affected in some way by the decisions and actions of such organisations.

The SEP is intended to cover the Company's engagement with the external stakeholders.

In order to ensure effective and meaningful engagement, the Project's external stakeholders have been clustered into the following groups in line with EBRD PR10:

- **Potentially affected parties** (those on whom the Project implementation may have a direct impact); within these parties **potentially vulnerable groups** are identified;
- **Other stakeholders** (those who are not affected by the Project but who may have an impact on or have expressed interest in the Project), such as:
 - State authorities;
 - Municipal authorities;
 - Non-commercial organisations (civil society organisations and non-governmental organisations (NGOs)), mass media, academia etc.

5.3. Stakeholder Analysis

The interests and / or relation towards the Project of the abovementioned stakeholder groups are analysed in **Table 4**. Based on this list, NER will develop and keep updated a Stakeholder Registry with names, titles and contact details of stakeholders. This information will remain confidential and will only be collected and stored with the consent of the stakeholder and for the purpose of receiving information on the Project.

Any stakeholder that is not included in the table below but wishes to receive information about the Project and its environmental and social aspects and impacts can approach the Company (see contacts in Section 8) with a request to be included in the Stakeholders Register.

Table 4. Stakeholder groups and summary of their interests/relation to the Project

Stakeholder group	Description	Impact / Involvement
Potentially affected parties		
Population of the municipalities crossed by the Project, especially villages/settlements along the pipeline	<i>North Macedonian Section of the Greece-North Macedonia Interconnector</i> ²³ : <ul style="list-style-type: none"> • Negotino Municipality • Demir Kapija Municipality • Gevgelija Municipality • Bogdanci Municipality 	<p>May be potentially affected by:</p> <ul style="list-style-type: none"> • noise and air emissions; • risks of road traffic accidents; • increased traffic loads on the local roads; • potential disruptions of power supply, wastewater or telecommunication services due to construction works at their intersection points with the Project; possible damage of the existing infrastructure around the village; • accidents at the pipelines during operations; <p>May be interested in:</p> <ul style="list-style-type: none"> • information about the Project, its progress and its E&S impacts, especially community safety topics; • employment opportunities; • improved energy security benefits (access, stability, costs); • understanding how their views / suggestions regarding the Project decisions have been taken into account.
	<i>Sveti Nikole-Veles Section</i> ²⁴ : <ul style="list-style-type: none"> • Sveti Nikole Municipality • Lozovo Municipality • Veles Municipality 	
	<i>Gostivar-Kicevo Section (under re-alignment)</i>	
Private owners and users of the land plots impacted by land acquisition and/or access and land use restrictions	<p><i>Interconnector</i>: Private land users and owners, state land owners in 11 settlements such as public enterprise National Forests with the local units in Demir Kapija (Demir Kapija) and Kozhuv (Gevgelija) and others;</p> <p><i>Sveti Nikole-Veles Section</i>: Private land users and owners, including Islamic religious community, in 11 settlements.</p> <p><i>Gostivar-Kicevo Section (under re-alignment)</i></p>	<p>May be potentially affected by:</p> <ul style="list-style-type: none"> • temporary/permanent land acquisition and loss of assets; • access (construction and maintenance) and land use restrictions (operation phase) <p>May be interested in:</p> <ul style="list-style-type: none"> • employment opportunities; • valuation and payment of asset (land and crops) compensation; • opportunity to voice concerns (grievance mechanisms) • information about the Project, its progress and its E&S impacts.
State owners of the affected land plots	State forest, road, communal and other enterprises and bodies, municipalities	May be potentially affected by temporary/permanent land acquisition and loss of assets and land use restrictions (operation phase)
Small and medium enterprises owing the affected land and their employees	Businesses that can be affected through the land acquisition and access / land use restrictions	<p>May be potentially affected by:</p> <ul style="list-style-type: none"> • land acquisition; • access (construction and maintenance) and land use restrictions (operations phase)

²³ Settlements along the Interconnector: Tremnik, Przhdevo, Demir Kapija, Chiflik, Dren, Gabrovo, Smokvica, Prdejtsi, Negorci, Mrzenci, Stojakovo.

²⁴ Settlements along the Sveti Nikole-Veles pipeline: Erdzelija, Sveti Nikole, Peshirovo, Gorno Crnilishte, Adzimatovo, Lozovo, Milino, Karatmanovo, Novo Selo, Chalosevo, Veles.

Stakeholder group	Description	Impact / Involvement
		May be interested in: <ul style="list-style-type: none"> • procurement opportunities related to the Project. • information about the Project, its progress and its E&S impacts; • asset and lost income compensation and grievance mechanisms.
Public utilities/operators of the infrastructure that will be crossed by the pipelines	<ul style="list-style-type: none"> • Railways of the Republic of North Macedonia – Infrastructure • Public Enterprise for State Roads • Public Enterprise for the maintenance and protection of national and regional roads “Makedonijapat” • Public Enterprise National Forests • Municipal Public Communal Enterprises (one in each affected municipality) • Naftovod DOOEL Skopje and AD Vardaks • MEPSO – Skopje and EVN – Skopje • Telekom AD – Skopje, and others. 	May be potentially affected by: <ul style="list-style-type: none"> • Interception of service provision due to construction works and a need to take actions to ensure interrupted services; May be interested in: <ul style="list-style-type: none"> • Project timeline and schedule of construction field works to coordinate activities; • information about the Project, its progress and its E&S impacts. • Possible use of gas in the future
Potentially vulnerable groups within the affected parties	<ul style="list-style-type: none"> • Women headed families; • Elderly families with no working age members; • Households with low income; • Single parent-headed households; • Those with physical and/or mental disabilities, or poor health status; • Roma people. • Internally disclosed persons with no tenure security 	May be potentially affected by: <ul style="list-style-type: none"> • Limited access to information on Project activities, impacts, and mitigation measures. May be interested in: <ul style="list-style-type: none"> • information about the Project, its progress and its E&S impacts; • Employment opportunities; • the Company’s grievance mechanism.
Other stakeholders		
National and Municipal Bodies/ Departments, Regulatory agencies, directorates and public institutions.	MoEPP; Ministry of Economy; Ministry of Agriculture, Forestry and Water Economy; Ministry of Transport and Communications; Ministry of Local Self-Government; Ministry of Labour and Social Policy, Ministry of Culture and subordinate museums, Civil Aviation Agency, North Macedonia Free Zones Authority, NU Institute for protection of cultural monuments, and others.	Involved in: <ul style="list-style-type: none"> • Permitting and compliance with the permitting procedures and approval conditions; • Coordination / agreement with relevant officials in case of need for construction/rehabilitation new/existing roads, etc • Safety control and inspections; • Cultural heritage surveys and registering chance finds May be interested in: <ul style="list-style-type: none"> • economic growth of the regions / country due to availability of affordable/reliable energy source • Improved energy security of the country
	Municipal councils and administrations, Ministry of Finance and its Municipal Departments for Property & Legal Issues, State Attorney, Agency for Real Estate Cadastre of North Macedonia, Administrative courts	Involved in the implementation of the land acquisition procedure
	Municipal authorities	Involved in: <ul style="list-style-type: none"> • Arrangement of public meetings (required by law) and providing baseline information;

Stakeholder group	Description	Impact / Involvement
		<ul style="list-style-type: none"> • Accepting and transferring grievances to NER • Disclosing Project documents on own sites and sharing Project info • Liaising between the population of the municipalities and NER May be interested in: <ul style="list-style-type: none"> • Regular communication with NER and updates about the Project; • Understanding how their views / suggestions regarding the Project implementation have been taken into account; • Improved energy security and economic growth of the regions, etc.
National and regional NGOs and civil society organisations	<p><i>National:</i> Macedonian Ecological Society-Skopje, Ekosvest-Skopje</p> <p><i>Interconnector</i></p> <ul style="list-style-type: none"> • <i>Negotino:</i> Civil Society Ekovita, Ecological Society Svetlina, Ecological Society Antigona, Agricultural Society Farmer, Civil Society Zemjodelski Proizvoditeli • <i>Demir Kapija:</i> Eko-Kocka, Ecological Society Eko Chiflik, Civil Society Zemjodelski Proizvoditeli, Hunting Society Krastavec • <i>Bogdanci:</i> Ecological Society Zrak, Polimat 13 • <i>Gevgelija:</i> Civil Society Centar za klimatski promeni-Gevgelija, Hunting Society Orel, Civil Society Promeni se, Civil Society Spas za nas <p><i>Sveti Nikole-Veles Section</i></p> <ul style="list-style-type: none"> • ES Vila Zora – Veles • Regional Eco Center – Eko Life Kavadarci • CSO Eko Vita Negotino 	May be interested in: <ul style="list-style-type: none"> • monitoring the Project progress and tracking how their views / suggestions regarding the Project implementation have been taken into account; • Influencing the community opinion regarding the Project.
National and regional media	<ul style="list-style-type: none"> • National TV: MRT, Alfa TV, Alsat-M, Kanal 5, Sitel, Telma, Shenja, Klan, 24News, NashaTV • Major Internet Sites (apart from websites of TVs and newspapers): Vecer.mk; Plusinfo.mk; Mkd.mk; Libertas.mk; kurir.mk; focus.mk <p><i>Interconnector</i></p> <ul style="list-style-type: none"> • Radio Tajm FM (Time FM) Gevgelija; Puls Radio Negotino • Press: Sloboden Pечат, Večer, Koha <p>Local Internet Sites (apart from websites of TVs and newspapers): https://gevgelija.daily.mk/; https://drnka.mk/; https://negotino.daily.mk/</p> <p><i>Sveti Nikole-Veles Section</i></p> <ul style="list-style-type: none"> • Radio: Goldi (Veles), Merak 5FM (Veles), Modea (Sveti Nikole); TV-Kanal 21 (Veles), TV Zdravkin (Veles), TV Svet (Sveti Nikole), • Electronic media: kurir.mk, slobodenpecat.mk, infomaks.mk, vecer.mk, plusinfo.mk 	May be interested in: <ul style="list-style-type: none"> • information about the Project, its progress and its E&S impacts; • cooperation with the Company on covering its activities, • dissemination of information to the public and other interested parties. • shaping public image of the Project.
Businesses	Businesses throughout the country	May be interested in: <ul style="list-style-type: none"> • Procurement opportunities • Use of gas in the production cycle
General public	Population of North Macedonia	May be interested in: <ul style="list-style-type: none"> • Better energy security • Improved living conditions

6. STAKEHOLDER ENGAGEMENT PROGRAMME

The Stakeholder Engagement Programme (**Table 5**) is designed to ensure effective engagement with all identified stakeholders, to create and maintain respectful relations between the Company and stakeholders, and to prevent possible conflicts. It provides a specific action plan with responsibilities and an implementation timeframe.

The Programme draws on the following pillars of effective engagement: (i) timely and relevant Project information provision to stakeholders, particularly to the affected parties; and (ii) meaningful two-way stakeholder consultation activities. It also builds on the stakeholder engagement experience delivered for the Project components so far.

Stakeholder engagement will continue in parallel with information disclosure and will include several components, with the aim of continuing the facilitation of meaningful consultation and provision of information on the Project and its E&S implications:

- **The Project ESIA package disclosure and consultations:** this component will be led by NER with support of the municipal authorities. Relevant stakeholder and public consultation meetings and events will follow the disclosure of the ESIA package (see **Section 1**). The locations and methods of engagement are proposed taking into account the lessons learnt and the COVID situation at that time.
- **Consultations within the land acquisition and livelihood restoration planning:** this component will include (i) consultations with the municipal authorities about the draft entitlement matrix and valuation approaches that were proposed as part of the Livelihood Restoration Framework and that should be detailed during the Livelihood Restoration Plan preparation, and (ii) consultations with the municipal authorities and land acquisition affected households/people in the course of the Livelihood Restoration Plan preparation and implementation.
- **Special purpose events:** these events will aim at addressing the ESIA commitments and will cover for instance the following topics:
 - Community health and safety (including pedestrian and road safety);
 - Accommodation arrangements of the non-local incoming workforce;
 - Job creation opportunities and challenges, etc.

At a later stage, once developed, the ESIA for the Gostivar-Kicevo Section will be disclosed in Macedonian, Albanian and English. This SEP and three other consolidated Project documents - the NTS, ESAP, and LRF – will be updated to reflect the new information on the Gostivar-Kicevo Section and re-disclosed in three languages as well. During this revision, the status of actions in the below Stakeholder Engagement Programme will also be updated and results summarized in the SEP.

Further, the SEP, including the Stakeholder Engagement Programme, should be revised and updated prior to commissioning the Project facilities. If there would be changes during the Project implementation that result in new impacts or require modification of the engagement mechanisms and / or new stakeholders are identified, the Programme should also be updated.

Table 5. Stakeholder Engagement Programme (Focused on the Interconnector and Sveti Nikole-Veles Sections)

No.	Activity / communication means	Target Group	Information to be disclosed	Timeframe	Responsible party	Location
Activities starting during the Project Design Stage and ongoing during the Project life-cycle						
1.	Provision of regular updates on the Project's implementation progress and its E&S performance	All stakeholders	E&S information about the Project, Frequently Asked Questions (FAQ) on the Project's E&S impacts and mitigation, press releases, announcements	During the Project life-cycle: quarterly and when the Project news are available or milestones achieved, etc.	NER	<ul style="list-style-type: none"> NER's website in three languages: Macedonian - https://mer.com.mk/, English - https://mer.com.mk/en-US, and Albanian - https://mer.com.mk/sq-AL TV channels, mass media, NER's social media accounts (once created – Facebook, Twitter or else); Information boards of affected municipalities
2.	Develop and disclose a set of Frequently Asked Questions and Answers regarding the Project (FAQ Leaflet) ²⁵ ; Keep the FAQ Leaflet updated	All stakeholders	FAQ Leaflet	When disclosing the E&S documents under Action 4 of this Programme	NER (with support of E&S consultants)	NER's website; Paper versions at: <ul style="list-style-type: none"> NER's office and with the NER staff travelling to the sites Notice boards of all affected municipalities Notice boards at construction sites
3.	Maintenance of a Project Grievance Mechanism; Notification of the public of such mechanism and contact information of the person in charge of its implementation; Keeping a record of the received grievances and inquiries in the grievance logbook	Potentially affected stakeholders Other stakeholders	Notification, information announcement / grievance leaflet Grievance resolution materials provided to the complainant	The grievance mechanism is to be kept operational; further presentations of the mechanism during the ESIA disclosure and land acquisition process	NER, With support of the municipalities and construction contractor	Information about the grievance mechanism posted on: <ul style="list-style-type: none"> NER's website Notice boards of all affected municipalities Notice boards at construction sites Grievance forms available at the NER's website, construction site offices, municipality administration buildings

²⁵ The leaflet can include: (a) Project summary, (b) E&S impacts, risks and opportunities, (c) mitigations already adopted/to be implemented, (d) land acquisition approaches, and (e) other questions asked during the stakeholder engagement events.

No.	Activity / communication means	Target Group	Information to be disclosed	Timeframe	Responsible party	Location
4.	120-day disclosure of the Project's E&S documents	Potentially affected settlements; NGOs, media, academia and any other stakeholders	Project E&S disclosure package in English and Macedonian	Disclosure period: September – December 2022; The E&S documents should be kept disclosed during the Project life-time	NER, EBRD & EIB	<ul style="list-style-type: none"> Electronic versions at NER's website, EBRD & EIB websites Hard copies of all E&S documents available at NER's officer in Skopje; Hard copies of the NTS, FAQ Leaflet, and Grievance Leaflet available at the administration buildings of all affected municipalities in Macedonian
5.	Announcement about the disclosure of the Project's E&S documents and planned ESIA consultations / public hearings (to be held in each of the affected municipalities)	Potentially affected parties (incl vulnerable people). Other stakeholders	Brief information about the Project, E&S disclosure period, and venue, date and time of the meetings	Announcement about the upcoming disclosure - August 2022; Announcements about public hearings – 10-14 days before the hearings	NER	<ul style="list-style-type: none"> NER's website, Newspapers, e-portals and local TV & radio stations, Notice boards at the administration buildings of the affected municipalities, Websites of the affected municipalities, Postings in the accessible places in the potentially affected settlement, Phone calls/sending emails to the identified NGOs and key informants / local residents who were active during the previous hearings/ consultations
6.	ESIA public consultations meetings (public hearings)	Potentially affected settlements; NGOs, media, academia and any stakeholders	E&S disclosure package	September – December 2022	NER with support of municipal authorities	Public hearings/ consultation meetings to be held – one in each of the affected municipalities ²⁶ . In case of COVID-19 restriction, meetings via internet platforms e.g. Zoom, Webex, Google Meet, etc.
7.	Analysis of comments and feedback collected during the ESIA disclosure period and public consultation meetings	Affected stakeholders and other stakeholders	Summary report on the collected feedback and suggested actions (e.g., revisions to management plans)	January-February	NER	NER's website

²⁶ In case the central town / settlement of the municipality is not directly affected by the Project, such meetings should be held in the affected settlements, for instance in case of the Interconnector - in village Tremnik of Negotino Municipality (not in Negotino town); in village Stojakovo of Bogdanci Municipality (but not in Bogdanci town).

No.	Activity / communication means	Target Group	Information to be disclosed	Timeframe	Responsible party	Location
8.	Media coverage of the planned and completed activities with regard to the Project implementation, its E&S impacts, benefits, etc.	All stakeholders Mass media stakeholders	Announcements in the mass media, press releases	Mirroring updates per Action 1 of this Programme	NER	<ul style="list-style-type: none"> NER website (its social accounts once created) Respective media channels / means
9.	Focus groups/ individual meetings meetings and consultations when a specific topic appears to be of concern/ misunderstood	Affected stakeholders Any stakeholders that raise issues, or newly identified stakeholders if applicable	Specific printed or electronic materials to be prepared	Prior to construction and throughout the Project lifecycle, when relevant	NER	<ul style="list-style-type: none"> NER office in Skopje or in the settlements depending on the originator and types of questions raised Exchange of phone calls or emails
10.	Official correspondence, meetings, permit applications, provision of information per approval conditions, cooperation on land acquisition procedures and so forth	National and municipal authorities, state agencies, etc.	Specific printed or electronic materials to be prepared	During design and throughout the Project lifecycle when relevant	NER (with support of its consultants)	Offices of state bodies, NER or as will be agreed otherwise
Pre-construction stage: consultations within the land acquisition and livelihood restoration planning						
11.	Meetings with the land users and owners affected by land acquisition to discuss the purpose and scope of future household socio-economic surveys, census and asset inventory, a future declaration of a cut-off date, EBRD and EIB principles of land acquisition; livelihood restoration approaches, eligibility criteria, entitlement matrix, vulnerability support, and expected land acquisition / livelihood restoration timeline	<ul style="list-style-type: none"> Affected stakeholders: land users and owners Representatives of affected municipalities 	Livelihood Restoration Framework, Land Acquisition Leaflet	During Project design / prior to any impacts to land	NER (or NER's resettlement consultant)	Meetings in each affected settlement (34 settlements, tentatively)
12.	Meetings or formal correspondence for the same	Public utilities / operators of the	As above	During Project design	NER (or NER's	NER office on Skopje or as will be agreed by the parties

No.	Activity / communication means	Target Group	Information to be disclosed	Timeframe	Responsible party	Location
	purpose as in Action 11	infrastructures that will be crossed by the pipelines			resettlement consultant)	
13.	Focus groups with women using or owning the affected land, as well as with vulnerable persons	Women using or owning the affected land, as well as with vulnerable persons	As above	During Project design	NER (or NER's resettlement consultant)	Affected villages and towns (at least one per municipality, covering urban and rural women population and vulnerable people)
14.	Disclosure of the Livelihood Restoration Plans (one per Project component)	All persons / entities affected by land acquisition; Any stakeholders	Livelihood Restoration Plan and its Non-technical summary	During Project design	NER (or NER's resettlement consultant)	<ul style="list-style-type: none"> • Electronic versions at NER's website, EBRD & EIB websites • Hard copies at NER's officer in Skopje; • Hard copies of the Plans and its summary, and Grievance Leaflet available at the administration buildings of all affected municipalities in Macedonian
15.	Meetings on the disclosed Livelihood Restoration Plan	Persons / entities affected by land acquisition; Other stakeholders (e.g., social departments of affected municipalities, NGOs engaged in social support / human rights)	Livelihood Restoration Plan and its Non-technical summary	During Project design	NER (or NER's resettlement consultant)	
Pre-construction and construction stages; also actions starting during (pre)construction and ongoing during the Project life-cycle						
16.	Notification on the start of the construction work and expected end	Potentially affected settlements	Announcements, posters illustrating the construction schedule	Prior to the start of the construction works at certain sections	NER, in coordination with construction contractor	As per Action 1 and posters at the construction sites
17.	Special purpose events on community health and safety, e.g.: <ul style="list-style-type: none"> • Informing the public on the 	Potentially affected settlements	Announcements, bulletins, press-releases, presentation	Prior to the start of the construction works, and during	NER with support of municipal authorities,	At the affected villages, schools therein, etc.

No.	Activity / communication means	Target Group	Information to be disclosed	Timeframe	Responsible party	Location
	traffic safety measures applied during the construction period; <ul style="list-style-type: none"> Briefings with children at schools that are close to the planned construction sites; Informing the public about community health and safety precaution measures, etc. 	Specific meeting with women and vulnerable people	materials; Safety rules and regulations	construction work as needed	construction contractor, school directors and other relevant bodies (municipal social service officers)	
18.	Tours to the construction site	Affected and other stakeholders (children and students from settlements crossed by the pipelines, media, NGOs, etc)	Site tour, on-site observations	During the active construction works	NER (with support of the Construction Contractor)	Selected construction sites
19.	Special purpose events on various topics, such as: <ul style="list-style-type: none"> Meetings on employment opportunities and workforce qualifications Restricted access to some local facilities and alternative access; Accommodation arrangements of the non-local incoming workforce, etc. 	Potentially affected settlements Specific meeting with women and vulnerable people	Special presentation materials	Prior to and during construction at separate gas pipeline sections	NER with support of construction contractor	To be decided based on the construction schedule, worker accommodation strategy selected, restrictions/other impacts on villages and village interest / needs voiced
20.	Discussion of Project E&S Management and Monitoring Plans, including Emergency Response Plans, and continuous coordination during construction	Public authorities and public enterprises (emergency services, fire brigades, utility	Management plans and specific printed or electronic materials to be prepared	During construction	NER	<ul style="list-style-type: none"> Official correspondence and meetings as needed Communication via e-mail and other electronic means

No.	Activity / communication means	Target Group	Information to be disclosed	Timeframe	Responsible party	Location
		owners / operators, local police, etc.)				
21.	Disclosing the ESIA documents for the Gostivar-Kicevo Section and simultaneously updating and re-disclosing the SEP, NTS, LRF and ESAP	All stakeholders	ESIA report for the Gostivar-Kicevo Section; Updated SEP, NTS, LRF and ESAP	Once the information on Gostivar-Kicevo is prepared	As for the above ESIA disclosure, items 4	<ul style="list-style-type: none"> As detailed in item 4
22.	Updating the SEP based on its monitoring and evaluation and disclosing it	All stakeholders	Updated SEP	Prior to commissioning; and throughout the Project lifecycle ²⁷	NER officer in charge of the SEP implementation	<ul style="list-style-type: none"> Electronic version at NER's website, hard copy at NER's office in Skopje Emailing the updated SEP to interested stakeholders (as per the Stakeholder Registry)
23.	Preparation of annual E&S reports on the Project	EBRD and EIB	Report as per the EBRD's format	Once a year during the entire Project life cycle	NER (initially with support if its Project Implementation Unit)	NER/EBRD/EIB
24.	Preparation of annual reports on the E&S performance of the Project	All stakeholders	A short summary report written in non-technical language	Annually (counting from the start of construction) during the entire Project life cycle	NER (initially with support if its Project Implementation Unit)	<ul style="list-style-type: none"> NER website, Websites of the affected municipalities; Hard copy at NER office in Skopje and administration offices of the affected communities Emailing the report to interested stakeholders (as per the Stakeholder Registry)
25.	Press release / letter update on the Project indicating the upcoming start of operations	All stakeholders	A short summary report written in non-technical language	Annually (counting from the start of construction) during the entire Project life cycle	NER (initially, with support if its Project Implementation Unit)	<ul style="list-style-type: none"> NER website, Websites of the affected municipalities; TV channels, mass media, NER's social accounts (once created); Information boards of affected municipalities
26.	Dedicated meetings on i) community safety and ii) the land use restrictions in the	Affected stakeholders:	Special presentation materials (e.g., posters on safety	Prior to operations and repeatedly within six months	NER	<ul style="list-style-type: none"> Meetings with residents in each affected settlement (see the lists of

²⁷ If there are changes during the Project implementation that result in new impacts or require modification of the engagement mechanisms and / or new stakeholders are identified.

No.	Activity / communication means	Target Group	Information to be disclosed	Timeframe	Responsible party	Location
	corridor where the pipelines are buried and in the three restriction zones ²⁸	<ul style="list-style-type: none"> • Land users and owners; • Public utilities / operators of the infrastructures that will be crossed by the pipelines; • And affected municipal authorities 	and land use restrictions/buffer zones) and updated FAQ Leaflet	of operations		settlements per gas section in footnotes Error! Bookmark not defined., 24, and 23) <ul style="list-style-type: none"> • Meetings or formal correspondence with utilities and infrastructure operators at NER office or as will be agreed between the parties

²⁸ Zone 1 – a 10m corridor centred on the pipeline where it is forbidden to grow plants with roots deeper than 1m, and to plough the land for deeper than 0.5m; Zone 2 – a 60m corridor centred on the pipeline where it is forbidden to construct new residential buildings; and Zone 3 – a 400m corridor centred on the pipeline where population density limits will apply.

7. GRIEVANCE MECHANISM

A grievance mechanism is required by EBRD and EIB to be established to review and resolve concerns and/or questions raised by stakeholders in relation to a project, in an efficient, timely, transparent, non-discriminatory / equitable and cost-effective manner (EBRD PR10 & 1, and EIB ESS10 & 1).

NER, as a state-owned company, complies with the national regulations on addressing inquires and grievances from natural or legal persons²⁹. It is committed to developing its grievance management practices further to align with the Lenders requirements. To this end, **NER** has set up the Project grievance mechanism for external stakeholders³⁰ building on national regulations, communication / feedback channels used at NER; and supplementary actions to meet the Lenders requirements.

Currently, stakeholders can approach NER via NER contact details (**Table 6**) that are available on NER's website (<https://mer.com.mk/mk-MK/Home/Kontakt>) and will be posted on notice boards of the affected municipalities, and designated boards at construction sites, together with the contract details of NER's construction contractors.

Table 6. NER contact details for raising Project-related inquiries or complaints

NER's contact person for Project-related inquiries and grievances	Mrs Valentina Tasevska Head of the Sector for Legal and General Affairs Address: Blvd. Sv. Kliment Ohridski 58 B, 1000 Skopje, Republic of North Macedonia Mob: + 389 78 231 803 Fax: + 389 26 090 437 E-mail: valentina.tasevska@mer.com.mk
NER's contact person for land acquisition (expropriation) inquiries and grievances	Mr Muharem Emshija Lawyer, Sector for Legal and General Affairs Address: Blvd. Sv. Kliment Ohridski 58 B, 1000 Skopje, Republic of North Macedonia Mob. +389 75 264 288 Tel: + 389 26 090 137 Fax: + 389 26 090 437 E-mail: muharem.emshija@mer.com.mk
JSC National Energy Resources details for general inquiries	Address: Blvd. Sv. Kliment Ohridski 58 B, 1000 Skopje, Republic of North Macedonia Tel: + 389 26 090 137 Web: www.mer.org.mk E-mail: contact@mer.com.mk

NER will use these channels to enable stakeholders to register a concern or complaint about the Project or NER's activities:

- In written form by post, fax or e-mail to the NER contact person or another representative that may be appointed for a specific gas pipelines section; as well as to a representative of the construction contractor, or a representative of a municipality;
- Verbally, through a dedicated phone line, or in person to the NER contact person or another representative that may be appointed for a specific gas pipelines section; as well as to a representative of the construction contractor, or a representative of a municipality.

In addition, stakeholder can submit grievances to the NER in writing using a Grievance Form (see **Annex 1**). Such forms will be posted in electronic format on the NER's website

²⁹ Law on Acting on Complaints and Proposals (Official gazette RM no. 82/2008, 13/2013, 156/2015, 193/2015), Rulebook on the manner of acting on complaints and proposals (Official Gazette no. 2/2009) and others.

³⁰ A separate mechanism is developed to address worker grievances.

Macedonian and Albanian and they will also be available in printed form at the community and municipal administrations and the Project construction sites.

Another important point of interface for stakeholders will be NER's Community Liaison Officer³¹ to be appointed.

Any inquiries or concerns communicated to the municipal authorities will be immediately transmitted to NER for review and redress (for the list of the municipalities per Project gas pipeline sections refer to **Table 4**).

All the interested stakeholders shall be duly informed about the availability of the grievance mechanism, whereby the Company shall put up announcements along the gas pipeline (e.g., local community notice boards and construction site) including all relevant information necessary for submission of grievances. NER shall also provide an official announcement about the grievance mechanism on its website and make additional announcements in the local media (e.g., local newspaper, online new portals, radio, etc.).

Grievances received by phone, e-mail, mail, text messages (SMS), or messages in instant messengers will also be registered and considered.

NER will protect a complainant's confidentiality when requested and will guarantee anonymity.

Grievances can also be submitted anonymously. If a complainant prefers to submit a grievance anonymously or through a third-party, this will be accepted, and NER will respond to the extent feasible.

The Project grievance mechanism will be administered by the '**NER contact person for Project-related inquiries and grievances**' who will receive the Project-related inquiries or complaints and will enter them in the Stakeholder Inquiry and Grievance Logbook³². All complaints will be logged and addressed within 15 days as per the national regulations, as shown in the flowchart in **Annex 2**.

NER will require its contactors to record any inquiries communicated to them and to transfer these to NER contract person for inclusion in the Logbook. Based on the nature of issues to be considered, NER will engage its own department and the contractors as needed when managing the received inquiries.

NER senior management will review the database of received grievances (including those received at site level) each month to identify and analyse any recurrent issues for further investigation. These periodic reviews shall be used to check functionality, track grievance trends and assess overall performance, in order to highlight opportunities for adjustment of company policies and behaviour.

Alternative dispute resolution options include negotiation and mediation to reach a consensual agreement. It also includes arbitration which lead to a non-binding recommendation or a decision and binding settlement.

8. MONITORING, EVALUATION AND REPORTING

Successful stakeholder engagement depends on continuous effort, performance monitoring, analysis and adapting to changed circumstances and stakeholder information needs.

³¹ This Officer will closely cooperate with the Construction Contractors and will report to NER's Public Relations Officer.

³² The logbook will include systematic records of the following information: name and contact details (unless they request anonymity; in this case a code or reference number should be used); date of contact; gender of the inquirer; contact point within the company; issues raised (comment, suggestion, or complain); proposed response and actions to be taken; status (recorded, active, closed). The log will be kept up to date to include new stakeholders and issues raised, as well as resolution progress of the noted issues.

The overall responsibility for the SEP delivery and monitoring lies with **NER's Public Relations Advisor** (see the contacts below). This Public Relations Advisor will be supported by NER's Community Liaison Officer, all the above-mentioned NER Contact Persons (**Table 6**) and other designated NER staff (as will be assigned for each specific Project component).

Stakeholders interested in obtaining information about the Project and/or being added to the Stakeholder Registry can contact:

Mrs. Mihaela Nikushevski - Public Relations Advisor, NER

mihaela.nikushevski@mer.com.mk

mob. + 389 75 269 762

Address: Blvd. Sv. Kliment Ohridski 58 B, 1000 Skopje, Republic of North Macedonia

NER will implement the SEP and monitor and analyse its efficiency. The following initial indicators will be used for monitoring and improving stakeholder engagement performance in support of project implementation:

- SEP in place, up to date and available to the public for comment;
- Actions listed in the Stakeholder Engagement Programme are completed as scheduled; and stakeholder engagement activities are recorded in a special logbook³³.
- Number of public consultation events and participants that attended them (split by gender);
- Number of stakeholders' comments and suggestions received by NER through various feedback channels;
- Number of stakeholders' grievances and claims regarding the Project;
- Number of publications on the Project implementation process in local, regional, and national media;
- Type/category of stakeholder comments and suggestions addressed by NER and through what means;
- Key categories of grievances received by NER (employment, land use, environmental issues, etc.)
- Number of grievances resolved within the maximum established timeline; and
- Number of grievances remaining unresolved.
- Annual public report on the Project E&S performance is published (at least online).

The SEP will be periodically evaluated by NER in order to identify activities that might need any corrective and/or preventative measures with the purpose to improve the efficiency of its performance. In such cases the SEP should be updated and shared with the public with the amendments made.

The results of the stakeholder engagement process will be analysed monthly and quarterly, and a summary of the analysis will be included in the annual E&S reports submitted to the EBRD.

The SEP should be revised and updated prior to commissioning the Project facilities. If there would be changes during the Project implementation that require modification of the engagement mechanisms and / or new stakeholders are identified, the SEP (in particular, the Stakeholder Engagement Programme should also be updated).

³³ This logbook can contain an engagement activity, stakeholder category, date, location, number and gender of participants, engagement purpose, topics discussed and actions agreed, etc. as per the specifics of the Project and NER activities.

9. BUDGET

NER will set aside a dedicated budget for SEP implementation, which will consider funds for the needed NER staff; specific consultation activities, events and campaigns, as outlined in the SEP, and related consultation materials and tools; capacity-building for NER's staff on stakeholder engagement, grievance mechanism and SEP commitments; additional information support/engagement with vulnerable groups.

Annex 1. SAMPLE GRIEVANCE FORM

First Name	
Last name	
Contact Information Please indicate the preferable means of communication (Mail, Telephone, E-mail)	<input type="checkbox"/> Mail: Please indicate the postal address: _____ _____ _____ <input type="checkbox"/> Telephone: _____ <input type="checkbox"/> E-mail: _____
Confidentiality: <input type="checkbox"/> I request not to disclose my identity without my consent <input type="checkbox"/> I wish to raise my grievance anonymously* *In case of anonymous grievances, we cannot communicate the response to you, but will publish the case and the response in the annual grievance report and on our website.	
The language desirable for the communication	<input type="checkbox"/> Macedonian <input type="checkbox"/> Albanian <input type="checkbox"/> English
Describe the grievance/claim: What is the complaint about? What is the claim?	
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)
Additional supporting documentation:	Space to upload materials
What measures would you like to propose to solve your problem?	
Signature of the complainant	Date of submission:

Annex 2. GRIEVANCE MECHANISM FLOWCHART

