

1.0 07/18



# Lekela North Wind Power Project

## Stakeholder Engagement Plan (SEP)



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## 1.0 Abbreviations

BOO	Build Own Operate
CFP	Community Feedback Procedure
CI	Community Investment
CLO	Community Liaison Officer
EBRD	European Bank for Reconstruction and Development
EETC	Egyptian Electricity Transmission Company
ESIA	Environmental and Social Impact Assessment
EPC	Engineering Procurement Construction
FB	Facebook
FGD	Focus Group Discussions
GM	General Manager
GPC	General Petroleum Company
IFC	International Finance Corporation
ILO	International Labour Organisation
KPI	Key Performance Indicator
MoU	Memorandum of Understanding
MW	Megawatt
NREA	New and Renewable Energy Authority
OHS	Occupational Health and Safety
OPIC	Overseas Private Investment Corporation
PID	Project Information Disclosure
RCREEE	Regional Centre for Renewable Energy and Energy Efficiency
RG	Ras Gharib
RTA	Road Traffic Accident
PRS	Petro Red Sea
SEP	Stakeholder Engagement Plan
SESA	Strategic Environmental and Social Assessment
SP	Social Performance

## 2.0 Introduction

The purpose of this Stakeholder Engagement Plan (SEP) is to define a programme of engagement to support Lekela and its key contractors in delivering the Gabal el Zeit Wind Power Plant Project ('the project'). The SEP is critical to enabling Lekela to establish and maintain constructive relationships with key stakeholders, enhance social performance, manage project risks and maintain a sustainable and long-lasting social licence to operate.

The SEP has been developed taking into account key findings from various assessments completed to date as well as a social performance field visit undertaken in February 2018. It is a working document which will be reviewed and updated as the project develops.

### a. Project Description

Lekela Power BV (Lekela), an undertaking between Mainstream Renewable Power Limited and Actis Capital LLP, signed a Memorandum of Understanding (MoU) with the Egyptian Electricity Transmission Company (EETC) in November 2015 to develop, construct and operate a 250 megawatt (MW) wind farm as part of the Egyptian Government's Renewable BOO framework.

The project will be financed by a consortium of international lenders including the International Finance Corporation (IFC), European Bank for Reconstruction and Development (EBRD) and the Overseas Private Investment Corporation (OPIC). Accordingly, the project is required to comply with their respective Environmental and Social Performance Standards. The SEP accounts for these requirements.

The project is due to commence construction at a desert site along the Red Sea coast in Q4 2018. The site is uninhabited with the nearest town, Ras Gharib, located 28 kilometers (kms) south of the site (*Refer Map 1.0*). There are two concession areas earmarked for the project in a yet-to-be developed industrial zone. This zone has a total of 43 land plots designated for power projects.

The SEP sets out the type and frequency of engagements that are recommended with key stakeholders who are either impacted by the project or have an interest in the project, whether actual or perceived. As Ras Gharib is the nearest town to the development, it is considered an area of interest, as well as the site itself. Ras Gharib is a potential supplier of services, such as labour, to the project and a focus for potential community investment initiatives.

Map 1.0 – Lekela Wind Farm Project Site



## b. Social Context

Ras Gharib, the nearest town to the site, is situated 28 kms south and accessed by the Hurghada-Ras Gharib highway. The town, built in the 1930s, was established as a satellite town to service the petroleum industry and has grown rapidly in size to 59,785 residents<sup>1</sup> today from 32,369 as entered in the 2006 national census. It is the second largest city in the Red Sea Governorate. The principal source of employment in Ras Gharib is the petroleum industry and while unemployment is high the standard of living is considered good.

First impressions of the town are that it is conservative, well-served and has friendly residents willing to offer their views and explain the workings and culture of their community. It is also a ‘military town’ which is currently operating under a nationally imposed State of Emergency. There are concerns regarding terrorism risks along the Red Sea coast and, in addition, the Presidential election has recently taken place (March 2018).

Ras Gharib is a relatively close knit community with a robust and active civil society. The leaders, managers and volunteers of local NGOs are strong advocates, passionate about their services and aims and committed to supporting those in need. As is the case in much of Egypt, youth form a relatively significant (and active) proportion of the local population.

<sup>1</sup> Family Planning Centre, 2018.

The local Bedouin population comprises of four main tribes, the Tababna, Sheikh Fadi, Hamadine and Khushman. They have strong links to local land and resources, which are also recognised by Government authorities. Outside of traditional roles, the Bedouin are primarily employed in security roles.

## 3.0 Regulations & Requirements

The project will comply with all Egyptian national and local laws and regulations, lender Performance Standards and obligations articulated in key project approvals and permits. Stakeholder engagement requirements relevant to the project are briefly discussed below and have informed the SEP.

### a. Egyptian Legislation

Stakeholder engagement requirements are governed by Egypt's *Environment Law No. 4 of 1994* and subsequent amendments. For projects deemed to have significant impacts, the law requires Environmental and Social Impact Assessments including two phases of stakeholder consultation: scoping and public consultation. The law stipulates that public consultation includes representatives of the Egyptian Environmental Affairs Agency (EEAA), related government authorities, representatives of the Governorate where the project is located, local units, and affected groups including local businesses and communities must be represented during these phases. NGOs and civil society groups may also be invited.

While the law does not require any further stakeholder engagement after ESIA public consultation, the consultation process associated with impact assessments has been used to establish early and meaningful relationships with key stakeholders. This will be continued and maintained throughout the project lifecycle.

In December 2015, the Regional Centre for Renewable Energy and Energy Efficiency (RCREEE) signed a joint protocol with the Egyptian Environmental Affairs Agency, New and Renewable Energy Authority (NREA) and the Egyptian Electricity Transmission Company to provide a strategic and operational framework to assess cumulative environmental and social impacts of power projects in the Gulf of Suez. The BOO Project will take account of the social assessment findings as articulated in *'The Strategic and Cumulative Environmental & Social Assessment; Active Turbine Management Program (ATMP) for Wind Power Projects in the Gulf of Suez; 2nd Draft Report (D-5-2) on the Strategic Environmental and Social Assessment; August 2017'* ([link](#))<sup>2</sup>.

Furthermore, RCREEE has also developed a stakeholder engagement framework to guide project engagement activities: *'Strategic and Cumulative Environmental & Social Assessment; Active Turbine Management Program (ATMP) for Wind Power Projects in the Gulf of Suez; Framework Stakeholder Engagement Plan; June 2017'*.

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<sup>2</sup> Note that this draft has not yet been approved by the Egyptian Authorities. While this provides a good indication of what obligations the project will have, Lekela's project E&S commitments will be taken from the final approved assessment.

## b. Lender Performance Standards

### International Finance Corporation (IFC)

IFC's environmental and social performance standards are applicable to the Gulf of Suez Project and those relevant to the SEP are:

- PS 1: Assessment and Management of Environmental and Social Risks and Impacts ([link](#))
- PS 2: Labour and Working Conditions ([link](#))
- PS 4: Community Health, Safety and Security ([link](#))

### European Bank for Reconstruction and Development (EBRD)

EBRD is providing finance to multiple private developers for construction and operation of several renewable energy projects as part of Egypt's Renewable Feed-In-Tariff Framework. EBRD is expected to act as the environment and social performance lead for the Lekela project on behalf of the financing consortium. The project will therefore be assessed for compliance with EBRD's 2014 Environmental and Social Policy. It is understood that Lekela's Project will be classified as a Category A project due to bird migration patterns.

The applicable EBRD Performance Requirements are:

- PR 1: Assessment and Management of Environmental and Social Impacts and Issues ([link](#))
- PR 2: Labour and Working Conditions ([link](#))
- PR 4: Health and Safety ([link](#))
- PR 10: Information Disclosure and Stakeholder Engagement ([link](#))

### Overseas Private Investment Corporation (OPIC)

The Project will adopt the requirements set out in OPIC's 2017 Environmental and Social Policy Statement which states environmental and social requirements and procedures contained in US law. Furthermore, OPIC established the Office of Accountability in 2005 to provide an independent mechanism to address complaints or concerns that can arise around the environmental or social dimensions of OPIC-supported projects. The office helps ensure that project workers and local communities have a voice in the projects that OPIC supports. To that end, it provides two primary services upon request: It convenes problem-solving processes for parties to a conflict and it investigates how OPIC applied relevant environmental and social policies in providing financial support for a project. The OA can be contacted in the following ways:

Through written requests – in English or in a native language – letters can be sent to:

**Director  
Office of Accountability  
Overseas Private Investment Corporation  
1100 New York Avenue  
NW  
Washington DC**

20527 USA

Through email – [accountability@opic.gov](mailto:accountability@opic.gov)

By filling a request form on the OPIC website <https://www.opic.gov/who-we-are/office-of-accountability/a-guide-for-communities> and sending it as an email attachment to the above email.

### Lekela policies, standards and procedures

The project, together with its contractors, will also adhere to Lekela’s policies including (but not necessarily limited to):

- Lekela Code of Business Conduct and Ethics.
- Lekela Environmental Management Plan.
- Lekela Social Policy 2017.
- Lekela Anti-Bribery and Corruption Policy.
- Lekela Community Investment Strategy.

### Project Environmental & Social Impact Assessment (ESIA)

In addition to the obligations set out in the *Strategy and Cumulative Impact Assessment*, there are also engagement obligations expected to be included in the site specific, ‘*Environmental & Social Impact Assessment for Lekela BOO Wind Power Plant at Gulf of Suez; January 2018*’.

## 4.0 Key Social Performance Considerations

The below table briefly summarises some of the key project specific social performance considerations which need to be addressed and accounted for when executing the project SEP.

Table 1.0 – Project Social Performance Considerations

Project Social Performance Considerations	
<p><b>1. Ensuring there is robust, meaningful &amp; continuous engagement &amp; consultation throughout the project lifecycle.</b></p>	<p>The stakeholder engagement process will be continuous, targeted, organised and well documented. Ongoing stakeholder engagement will enable the Project to set high standards in relationship management. Systematically documenting the engagement process will protect records and enable tracking of risks, issues raised and commitments made.</p> <p>The planning, organization and documentation of stakeholder engagement is the responsibility of the GM and the Government Relations / Community Relations team (<i>refer Resources and Responsibilities section</i>).</p>
<p><b>2. Building a brand as a responsible operator.</b></p>	<p>Lekela is committed to meeting IFC, EBRD and OPIC Performance Standards and requisite requirements. It is important to share these requirements at an early stage with regional and local community stakeholders to help manage expectations and perceptions.</p>

<p><b>3. Developing and implementing a targeted community investment programme which promotes development and benefits local communities.</b></p>	<p>While the project itself will deliver material benefits and opportunities to local businesses and communities, additional community investment initiatives will prove to be an important way to support local community development, promote Lekela as a responsible operator and build important stakeholder relationships.</p> <p>Once implemented, progress on community investment initiatives will be regularly communicated as part of project disclosures and other engagements. This will help manage the expectations of local authorities and society and avoid wish lists.</p>
<p><b>4. Managing unrealistic expectations regarding employment opportunities and the contracted labour force throughout the project lifecycle.</b></p>	<p>As with all large scale infrastructure projects there are often unrealistic expectations about the number of employment opportunities available. Lekela and the EPC Contractor will be clear and present accurate estimates, in job announcements and stakeholder engagements, about the number and types of jobs available and their tenure. The selection criteria will also be transparent and robust to prevent any manipulation around recruitment processes.</p> <p>Up to 300 employees and workers are expected to work on the site during peak construction.</p> <p>During operations, the manpower number will reduce significantly to approximately 20 full-time jobs. Lekela and our partners will use the construction phase to identify and sponsor relevant education for candidates who live in Ras Gharib to create a skilled pool of candidates for permanent hiring during wind farm operations. This may be done through a training programme or through community investment initiative.</p>
<p><b>5. Road traffic accidents during mobilization and construction phases.</b></p>	<p>Ras Gharib Central Hospital reported that they can receive up to five RTA cases per day during peak tourist seasons. Most of the accidents were reported to be by individuals who are strangers to the Sukhna-Ras Gharib road. The hospital reported the availability of trained trauma nurses but a shortage in surgeons and this should be taken into consideration in the Project Occupational Health &amp; Safety (OHS) Plan, and in Lekela's community investment programme.</p>
<p><b>6. Managing local contractor expectations around the project schedule and procurement opportunities available.</b></p>	<p>Lekela and the EPC Contractor will be transparent about procurement opportunities and the tendering procedure. While priority will be given to local contractors, the selection criteria needs to be transparent. Lekela will develop a local content development programme as a means to develop contractors' skills and raise their standards to Lekela's expectations and international levels.</p> <p>Lekela recognizes that managing local contractors' expectations and providing efficient payment processes is also important for the smaller companies in Ras Gharib to avoid affecting their financial standing. Efforts will be made to account for this in contracting and procurement processes.</p>
<p><b>7. Security.</b></p>	<p>Egyptian security authorities are key project stakeholders and this relationship will prove critical to project delivery. The relationship with security services needs to be managed sensitively and closely monitored at all times.</p> <p>In April 2017, Egypt declared a national State of Emergency, which remains in place. This is likely to be a long-lasting state leading to heightened sensitivity to security breaches and the threat of terrorism. There are numerous checkpoints along the Sukhna-Ras Gharib highway and on entry to Ras Gharib. It is imperative that all staff and contractors are briefed on security arrangements and journey management procedures, take no risks and carry proper identification with them at all times.</p>

<p><b>8. Ensuring the project and all personnel have the necessary approvals and permits.</b></p>	<p>Ras Gharib and its locality are in an area of strategic importance to the Egyptian Government and the National Security Authorities. Ras Gharib residents will not hesitate to ask strangers who they are and what they are doing as well as reporting them to the police if they do not cooperate. Ras Gharib's Police also appear to operate a 'stop and question' regime, which can be an enduring process if personal and company identification cannot be provided.</p> <p>It is crucial, therefore, for all staff and contractors to have their permits and approvals in place with no exceptions to avoid delays and unnecessary interruptions to the project schedule.</p>
<p><b>9. Collaboration with other developers in the concession as well as other oil and gas operators in the area of operation.</b></p>	<p>Lekela is the first developer in the concession area providing an opportunity to create relationships with existing oil and gas developers, the neighbouring operational wind farm as well as collaborating with all other developers who will set up later on.</p>

Once the EPC contractor is onboard, there will be a social performance (and EHS) risk identification exercise undertaken to populate the project risk register and further inform this SEP.

## 5.0 Project Stakeholders

Public disclosure of project information in an accurate and timely manner is key to building and maintaining strong relationships with stakeholders. While some stakeholder engagement has taken place at the national level, local stakeholders have had limited contact with Lekela to date.

### Stakeholder Identification and Register

Lekela commissioned Kina Advisory to undertake a preliminary stakeholder mapping exercise to identify key individuals, stakeholder groups and organisations which have:

- *Power and influence* over the project;
- *An interest* in the project; and / or
- *Information and insights* into possible issues and concerns related to the project.

Other stakeholders were identified during the social performance field trip and these have been included in the 'Project Stakeholder Register' (refer Appendix 1). The stakeholder register will be reviewed and updated on a regular basis. It has been prepared for use by the in-country engagement team<sup>3</sup> and is focused on external stakeholders. It does not include groups such as Lekela corporate, lenders or international media.

Individuals, stakeholder groups and organisations were identified and classified according to how they could be affected by the project, the influence they have on it, and their interest in it.

<sup>3</sup> Key engagements will be led by the in-country General Manager and the supporting engagement team to ensure it is well controlled and managed.

**Table 2.0 – Stakeholder Identification**

Stakeholder Category	Impact, Influence and Interests
<b>National Government &amp; Permitting Authorities</b>	National political importance and includes authorities and agencies responsible for project permitting and approvals.
<b>Regional Government</b>	Red Sea Governorate based in Hurghada is of political importance and also has a key role in issuing project approvals and ensuring security. It is also responsible for arranging public hearings as part of the impact assessment process.
<b>Local Government</b>	Ras Gharib City Council is the closest township to the site and has a role in project approvals and ensuring security. It is also likely to provide the project with goods and services.
<b>Local Businesses &amp; Industry</b>	Economic interest in the project (providers of goods and services). Other operators in the area are also likely to provide useful information.
<b>Utilities</b>	Service providers.
<b>NGOs</b>	National and local which can provide social context and are potential community investment partners.
<b>Communities (including minority groups, vulnerable groups and religious groups)</b>	Key leadership figures with access to community stakeholders.
<b>Health Providers</b>	Service provider and potential community investment partners.
<b>Education Providers</b>	Universities and colleges providing research material, training and labour. Education providers may also be potential community investment partners in areas such as youth skills development.
<b>Media</b>	Channel to disseminate information; key public opinion influencers.
<b>Lekela Corporate Stakeholders</b>	Lenders, shareholders, project partners, Lekela employees

### Stakeholder Analysis

A preliminary stakeholder analysis was conducted to assign importance to stakeholders, understand their roles with respect to the project, and help prioritise engagement. Once the EPC contractor is on board further stakeholder identification and analysis will be completed to capture new stakeholders such as local supply companies, trade unions and workers.

The categorisation levels have been split into two main areas – a stakeholder’s interest in the project and their ability to impact the project’s development. A third category sets out the priority contact level based on the outcomes of the first two categories – interest and impact.

Analysis has been limited because many stakeholders, in particular, community stakeholders are unaware of the Project. The outputs, therefore, are provisional and will be validated following further consultations.

**Table 3.0 – Preliminary Stakeholder Analysis**

Stakeholder	Level of Interest L / M / H	Ability to Impact L / M / H	What we want from the stakeholder	Priority Level L / M / H
<b>National Government &amp; Permitting Authorities</b>	H	H	<ul style="list-style-type: none"> <li>▪ Ongoing support &amp; assistance</li> <li>▪ Timely approvals</li> </ul>	H
<b>Regional Government</b>	H	H	<ul style="list-style-type: none"> <li>▪ Ongoing support &amp; assistance</li> <li>▪ Timely approvals</li> </ul>	H
<b>Local Government</b>	H	H	<ul style="list-style-type: none"> <li>▪ Ongoing support &amp; assistance</li> <li>▪ Timely approvals</li> <li>▪ Provision of services</li> </ul>	H
<b>Local Businesses &amp; Industry</b>	H	M	<ul style="list-style-type: none"> <li>▪ Assistance &amp; information</li> <li>▪ Provision of local goods and services</li> </ul>	M
<b>Utilities</b>	L	M	<ul style="list-style-type: none"> <li>▪ Provision of services</li> </ul>	M
<b>NGOs</b>	M	M	<ul style="list-style-type: none"> <li>▪ Assistance &amp; information on local socio-economic context.</li> <li>▪ Potential community investment partnerships.</li> </ul>	M
<b>Communities (inc minority groups, vulnerable groups and religious groups)</b>	M	M	<ul style="list-style-type: none"> <li>▪ Provision of information, goods &amp; services.</li> <li>▪ Feedback stakeholder concerns to inform project risks.</li> <li>▪ Dissemination of information.</li> </ul>	M
<b>Health</b>	L	L	<ul style="list-style-type: none"> <li>▪ Provision on medical / health services.</li> <li>▪ Possible community investment partnerships.</li> </ul>	M
<b>Education</b>	M	L	<ul style="list-style-type: none"> <li>▪ Provision of labour and training services.</li> <li>▪ Information (research bodies).</li> <li>▪ Possible community investment partnerships.</li> </ul>	M
<b>Media</b>	M	M	<ul style="list-style-type: none"> <li>▪ Factual / accurate press coverage.</li> </ul>	M

			<ul style="list-style-type: none"> <li>▪ Dissemination of information.</li> </ul>
<b>Lekela Corporate Stakeholders</b>	H	H	<ul style="list-style-type: none"> <li>▪ Assistance and cooperation to manage risk</li> <li>▪ Possible community investment partnerships</li> </ul>

## 6.0 Stakeholder Engagement Plan

This section of the SEP provides details of the engagement to be undertaken by Lekela and / or the EPC contractor during pre-construction (and mobilization), construction and operations. Once the EPC contractor is onboard, the SEP will be reviewed in detail as they will have an important role in supporting Lekela’s stakeholder engagement efforts.

The SEP is a live document and will be reviewed regularly against the project risk register to ensure that engagements are meaningful and contribute to delivery of the project. Future engagement activities will be adjusted to ensure effective and meaningful information disclosure and consultation over the life of the project. Conversely, feedback from stakeholders (via engagements and community feedback) will inform the project risk register.

The SEP has been developed in line with IFC, EBRD and OPIC requirements and has been customized to the local socioeconomic context and cultural norms in Ras Gharib. It also accounts for the current status of the project.

All engagements with external stakeholders will be planned and documented. Commitments made during engagements and as a result of registered grievances and feedback will be reported on a monthly and quarterly basis. A supporting engagement log template is provided in Appendix 2.

### a. Previous Stakeholder Engagement & Consultation

As part of the RCREEE led *Strategic and Cumulative Environmental and Social Impact Assessment* process and, as required by Egyptian legislation, a public hearing was held by RCREEE, together with the office of the Rea Sea Governorate, in Hurghada in October 2017. Minutes from this meeting are currently not available. As part of the site specific ESIA process, Lekela also recently hosted a public hearing nearby Ras Gharib (4 April 2018) and minutes from this meeting are publicly available via local authorities and also on the project website – see b. Channels for Future Stakeholder Engagement.

As the Lekela BOO project is covered by the RCREEE impact assessment, through which public consultation for the development of the wind energy projects in this part of the Gulf of Suez was to be undertaken, and due to the project location away from populations, Lekela has had limited engagement with local stakeholders to date.

This SEP aims to build on and expand the engagement which has been undertaken to date. Lekela will prepare a robust engagement programme prior to construction in order to establish

productive relationships and provide the company and contractors with a better understanding of the operating context, key risks and opportunities.

### b. Channels for Future Stakeholder Engagement

Based on discussions with local stakeholders, the following preferred communication channels have been identified.

Table 4.0 – Proposed Communication Channels

Mechanism	Description
<b>Social media</b>	Community representatives consulted in Ras Gharib indicated that they use Facebook as a primary source of information. They provided several Facebook groups with membership ranging from 15,000 - 57,000 members. Some of the Facebook sites are community groups and others are official pages of the City Council and other government offices.
<b>Project website</b>	The project is in the process of developing a specific project website which will contain key project information and updates. Until that point updates on the project can be found at <a href="http://www.lekela.com">www.lekela.com</a>
<b>Coffee shops and small gatherings</b>	Many community members exchange and discuss information in coffee shops and through informal small gatherings.
<b>Face-to-face (one on one)</b>	Some of the women consulted preferred to receive information through their husbands. As with all vulnerable groups who are either illiterate or have no access to the internet, face-to-face communication is the preferred method of communication. Lekela intends to establish a local Community Resource Office in Ras Gharib to facilitate more effective face-to-face community engagement. The office will be manned by a project representative and will contain project information and updates.
<b>NGOs</b>	NGOs in Ras Gharib were found to be very active, engaged in their communities with extensive outreach to the most vulnerable groups. The single local Environmental NGO contacted is also embedded in the community and can assist with more targeted outreach in matters related to the environment.
<b>Bedouin Sheikhs</b>	The only way to communicate with the Bedouins in the area is through the Sheikh of their tribe/s.

There is no known newspaper specific to Ras Gharib, but a local newspaper called 'Red Sea News'<sup>4</sup> was referred to in materials provided by an NGO. No mention of this newspaper, however, was found online.

### c. Pre-construction & Mobilisation Engagement Activities

Project construction is currently planned to commence in Q4 2018. Between Q2 and Q3 2018. Prior to this a number of engagement activities will be implemented to strengthen relations with project stakeholders and refine the stakeholder engagement list and key stakeholder issues.

<sup>4</sup> Note: RCREEE also note the presence of a newspaper in the Strategic & Cumulative Impact Assessment - this requires verification.

- A **project kick-off conference / meeting** at the Governorate and local level will be undertaken creating an engagement opportunity with targeting regional and local government representatives and other key stakeholders. Invitations will also be extended to NGOs and community representatives. The EPC Contractor will also attend and participant in this meeting once onboard.
- The initial conference / meeting will be communicated through the authorities, appropriate media as well as community Facebook sites. The conference / meeting will be hosted by key project representatives and aim to provide a detailed project description and update. It will also provide an overview of key impacts (both negative and positive), associated mitigations, key recruitment / contracting processes, the community feedback procedure and expectations with regards to stakeholder engagement. Sufficient time will also be allocated to Q&As.

**Project Information Disclosure (PID) or communication materials** will be produced in the local language and include (but not necessarily be limited to):

- Key project fact sheets:
  - Company and project overview (including contact details);
  - Project information and key facts (including maps and project schedule);
  - Wind farm basics (including technical fundamentals); and
  - Frequently asked questions and answers.
- Simplified summary of the key findings of the ESIA.
- Stakeholder engagement process.
- Community Feedback Procedure and supporting forms.
- Recruitment policy and process.
- Contracting and procurement policy and process.
- Lekela community investment overview and selection criteria.

Depending on the target audience, for example the local business community, specific materials will need to be produced including an overview of the contracting and procurement process.

In addition to disseminating the materials directly, to maximize outreach, project information could also be posted on high-membership Government-related or community-based Facebook sites.

Once the EPC contractor is onboard, a detailed stakeholder engagement schedule will be developed and implemented with their support and cooperation.

#### **d. Construction Engagement Activities**

During construction, the project will use PIDs, employment announcements, one-on-one meetings and Focus Group Discussions (FGDs). Based on the feedback received via these activities, the stakeholder register, stakeholder analysis, project risk register and commitments register will be updated on a quarterly basis.

**Table 5.0 – Proposed Engagement Mechanisms**

Mechanism	Description
<b>One-on-one meetings</b>	To support engagement with vulnerable or marginalized groups, one-on-one meetings, will be scheduled with the assistance of local NGOs (as required).
<b>Advertising (employment &amp; procurement opportunities)</b>	<p>Employment advertisements will include information on skills required, the nature of employment contracts and duration, the range of compensation provided and application details. Employment opportunities will be posted on the project’s website, high-membership Facebook sites, project community resource office bulletin board and information boards at local mosques and churches.</p> <p>Procurement opportunities will include the nature and scope of procurement opportunity, summary of key standards that will apply in selection and contact details for further information and application.</p>
<b>Focus Group Discussions (FGDs) with vulnerable groups</b>	<p>Project Community Liaison Officers (CLOs) will hold annual FGDs with vulnerable groups such as the elderly, women, illiterate people, people with special needs and any community members who may not be able to participate in formal meetings.</p> <p>CLOs will share the same information provided in PIDs in a simple way. Pictures and illustrations will be used to facilitate clear and effective communication. CLOs will be responsible for sending meeting invitations, arranging meeting venues and ensuring participants have a proper means of transportation to the venue. However, it should be clarified that participation in these meetings is unpaid.</p>
<b>Project Updates</b>	<p>Quarterly project update meetings will be held with project stakeholders at a national, regional and local level. Lekela recognises the importance of ensuring that local leaders are kept abreast of project developments as they are a very effective channel for disseminating information within the local community.</p> <p>Regular project updates will be provided at least on a semi-annual basis (or at key project milestones) and against agreed project metrics. The information will include progress updates, project-related activities such as traffic plans and any activities that may disrupt communities in any way, planned stakeholder engagement activities, employment opportunities, key project contacts and other relevant information.</p> <p>Updates will be available on project office notice boards, the project website and on high-membership Facebook sites including the official City Council page. Project updates will also be posted on NREA’s website.</p>
<b>Annual project reporting</b>	<p>An Annual Project Report should be developed and disseminated electronically and made available in public places. It can also be made available on NREA’s website.</p> <p>The report should provide project updates, progress against the environmental and social management plans, statistics on local hiring and procurement as well as providing a summary of grievances made. It can also be discussed with vulnerable groups in separate meetings.</p>
<b>Community Feedback Procedure (CFP)</b>	The CFP plays an important role in providing feedback on the project regarding community issues and concerns that need to be addressed through stakeholder engagement activities. Receiving a number of grievances / comments regarding a specific issue may be an indicator of a fundamental issue requiring intervention or change.

## Engagement Plan Summary<sup>5</sup>

Table 6.0 – Preliminary Construction Engagement Plan

Stakeholder	Potential issues / concerns	Key messages	Communication mechanism	Frequency	Relationship Owner
<b>National Government<sup>6</sup></b>	Approvals, work permits, project schedule, investment, updates	TBA Per project information and disclosures.	One-on-one meetings, written correspondence, participation in Government forums and conferences	As required / respected depending on project status and progress.	Lekela GM EPC GM
<b>Regional Government (Rea Sea Governorate)</b>	Permitting & approvals, security, employment and business opportunities, community investment initiatives	TBA Per project information and disclosures.	Project public hearing and kick-off conference / meeting, one-on-one meetings, written correspondence, participation in Government forums and conferences	Bi-annually or as required	Lekela GM EPC GM
<b>Regional Ministry of Manpower (Rea Sea Governorate)</b>	Employment & business opportunities, labour sourcing, work permits.	TBA Per project information and disclosures.	One-on-one meetings, written correspondence	In advance of sub-contracting. Bi-annually or as required	Project Human Resource representatives Key local contractors (as required)
<b>Regional Ministry of Social Solidarity (Rea Sea Governorate)</b>	Community investment initiatives	TBA Per project information and disclosures. Lekela Community Investment Strategy & annual project report.	One-on-one meetings, written correspondence, participation in Government forums and conferences	In advance of community investment plan development. Bi-annually or as required	Lekela GM EPC GM

<sup>5</sup> Note: once the EPC contractor is onboard, a detailed project engagement schedule should be developed and executed. Refer Section 7.0.

<sup>6</sup> A separate Government Relations Plan is being developed which specifically addresses engagement requirements at a National Government level.

<b>Regional Ministry of Housing &amp; Urban Development (Rea Sea Governorate)</b>	Worker accommodation solutions & management	TBA Per project information and disclosures.	One-on-one meetings, written correspondence	Bi-annually or as required	Lekela GM EPC GM
<b>Intergovernmental agencies</b>	Project schedule & updates	TBA Per project information and disclosures.	One-on-one meetings, written correspondence, participation in forums and conferences	Annually	TBA
<b>Existing industry &amp; businesses (Transglobe, GUPCO, EGPC, GPC, AMAPETCO, Siemens Gamesa)</b>	Impact of construction activities on their operations; Collaboration on security, community investment etc.	Project schedule, issue of mutual interest	One-on-one meetings.	As required	Lekela GM EPC GM CLOs Security managers
<b>Subcontractors &amp; service agents</b>	Project schedule & updates, opportunities available	TBA Per project information and disclosures	Local content forums	As required	Lekela GM EPC GM
<b>NGOs</b>	Community investment initiatives, Community H&S Assistance with outreach to vulnerable groups	Per project information and disclosures	One-on-one meetings, FGDs, participation in forums and conferences	As required	CLOs
<b>Religious groups</b>	Project schedule & updates.	Per project information and disclosures	Social media	Post quarterly updates	CLOs
<b>Health service providers</b>	Worker & community H&S.	Health related risks, impacts and mitigation plans.	One-on-one meetings, written correspondence.	As required	Project EHS representatives
<b>Education providers (specifically technical /vocational training institutes)</b>	Project schedule & updates, opportunities available	Skill requirements, per project information and disclosures	One-on-one meetings	As required	Project Human Resource representatives
<b>Communities (Heads of tribes, heads of</b>	Project information	Per project information and disclosures	One-on-one meetings, FGDs, social media	As required	CLOs

<p><b>prominent families, parliamentary representatives, Sheikhs and youth centers)</b></p>	<p>(impacts and mitigation plans), opportunities available, community investment initiatives</p>				
<p><b>Vulnerable or marginalized groups</b></p>	<p>Project information (impacts and mitigation plans), opportunities available, community investment initiatives</p>	<p>Per project information and disclosures</p>	<p>One-on-one meetings, FGDs, social media</p>	<p>As required</p>	<p>CLOs</p>

**e. Operations Phase Engagement Activities**

The SEP will be reviewed and updated prior to project commissioning to ensure that it is fit-for-purpose as the project enters steady state operations.

However, during the early construction phase, specific attention will be paid to opportunities which may be available to recruit and train local candidates for the operational phase. This will be done via a local content development programme targeting skills development amongst local community members.

**7.0 Detailed Engagement Schedule**

Once the stakeholder identification, mapping and analysis is completed, a detailed stakeholder engagement schedule (or tactical plan) will be developed to ensure there is a robust and well planned approach to engagement and that appropriate resources and responsibilities are allocated to the team. The detailed schedule will be reviewed by the team on a weekly basis, particularly in the lead up to project mobilisation.

The engagement schedule will include (as a minimum):

- Key project milestones dates and key supporting engagements required;
- Engagement objective (required disclosure, introductory meeting, risk to be managed etc.) and target date;
- Target stakeholder/s;
- Engagement method/s;
- Location;
- Supporting communications materials required;
- Resources and responsibilities allocated.

Below is an example of what will be developed in conjunction with the EPC contractor for each engagement exercise

### Engagement Schedule – Public Hearing Example

ID	Task Name	W-6		W-5		W-4		W-3		W-2		W-1		W1		W2		W3		W4		
		-45	-42	-39	-36	-33	-30	-27	-24	-21	-18	-15	-12	-9	-6	-3	1	4	7	10	13	16
1	Brief ESIA Consultant on revised scope																					
2	Conduct preliminary stakeholder mapping for public hearing																					
3	Meet with EEAA to discuss public hearing																					
4	Meet with Red Sea Governate to agree stakeholders and logistics																					
5	Prepare project materials and messaging																					
6	Rehearse Lekela project team for public hearing																					
7	Public Hearing (Hurghada)																					
8	Public Hearing (Ras Gharib)																					
9	Complete hearing minutes																					
10	Update project risk register																					
11	Update project commitments register																					

## 8.0 Resources

The implementation of the SEP requires a systematic approach to informing, listening, taking onboard feedback from stakeholders and revising the plan, as necessary. Lekela is in the process of recruiting a community liaison team which will be based in Ras Gharib.

In the immediate term, the community liaison team will report to the General Manager who will be accountable for all national, regional and local stakeholder engagement. If required, technical social performance capabilities may be retained to support the execution of the SEP and other social performance activities as required.

While accountability is devolved to the General Manager, he will liaise closely with relevant corporate functions (ESG, EHS, HR, external affairs, operations, commercial, finance and legal) taking advice as necessary and reporting regularly.

At a corporate level Lekela will retain the services of a Government Relations and Security Advisor who will work closely with the General Manager and liaise with security personnel in Ras Gharib and with the national, regional and local government departments and agencies as requested. The role will enable all stakeholder approvals to be put in place ahead of engagements, and support the development of key relationships with civil servants and government officials.

The CLOs are responsible for day-to-day management and face-to-face community engagement. They will be a central point of contact in Ras Gharib and undertake engagement activities outlined in the SEP to build and maintain robust relationships with local residents, businesses, NGOs and other stakeholder groups. The CLOs will also be responsible for ensuring that the Community Feedback Procedure is active and effective.

The SEP team will also work closely with the EHS in-country team and the EPC contractor.

The SEP team will report daily to the General Manager and regularly to Lekela's Corporate ESG function on progress against the SEP and any issues arising and changes that are required in the SEP.

When the EPC contractor is mobilised, Lekela's most senior site base manager, will liaise closely with Lekela's GM to integrate the SEP into the project's construction management system.

## 9.0 Community Feedback Procedure

The Project Community Feedback Procedure (CFP) is a critical part of the project's boarder stakeholder engagement programme. Developing and implementing a fit-for-purpose procedure enables the company and project team to react quickly to address any external stakeholder issues or concerns which may hamper project delivery.

The CFP has been developed and should be read in conjunction with this SEP. Refer '*Gulf of Suez BOO Wind Power Plant Project: Community Feedback Procedure (currently in draft)*'.

## 10.0 Monitoring & Reporting

To ensure the stakeholder engagement process, including the disclosure and consultation efforts and the CFP, are implemented meaningfully and continuously, a monitoring, analysis and reporting process will be followed by the Lekela.

While the monitoring of SEP activities should be continuous, during the pre-construction and construction phases reporting should be on a quarterly basis unless otherwise stipulated in the ESMP.

### a. Responsibilities

The monitoring and documentation of SEP activities will be the responsibility of the General Manager and CLOs. CLOs will work closely with the Government Relations and Security Advisor to cascade messages from engagements with national and regional stakeholders.

Specific responsibilities with respect to monitoring and reporting will include:

- Agree SEP key performance indicators and metrics.
- Monitoring ongoing engagement and consultation activities, tracking potential risks and / or issues.
- Ensuring consultation documentation is up to date and accessible.
- Regularly assessing the effectiveness of engagement and consultation methods and adjusting the ongoing plan accordingly.
- Supporting external reviews of the SEP and / or conducting an internal annual review of the SEP.

- Updating the stakeholder engagement plan as required to ensure it aligns with the project's objectives and supports the management of key project risks.

**Table 7.0 - Measuring Key Engagement Activities**

Activity	Description	Metrics
<b>Project kick-off conference / meeting</b>	<ul style="list-style-type: none"> <li>▪ Introduce Lekela and the Project to high-level stakeholders and the wider public</li> <li>▪ Address stakeholder specific concerns / issues / questions</li> <li>▪ Facilitate engagement on Ras Gharib City level</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of participants versus invitations issued</li> <li>▪ Meetings scheduled post the conference at national, regional and local level</li> <li>▪ Post conference requests for information</li> </ul>
<b>Project Information Disclosures</b>	<ul style="list-style-type: none"> <li>▪ Outreach of PIDs (availability, frequency and understanding)</li> <li>▪ Cultural appropriateness of PIDs</li> </ul>	<ul style="list-style-type: none"> <li>▪ Dates of publication and distribution</li> <li>▪ Level of information retention</li> <li>▪ Locations of distribution</li> </ul>
<b>Consultation Activities (frequency varies by stakeholder and stage of the project)</b>	<ul style="list-style-type: none"> <li>▪ Assess the engagement activities (formal and informal)</li> <li>▪ Review issues and concerns raised</li> <li>▪ Evaluate time taken to respond to issues</li> <li>▪ Ensure communication around the Community Feedback Procedure</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of engagement activities (place, dates and number of participants)</li> <li>▪ Number and types of comments by stakeholders</li> <li>▪ Assessment of stakeholder awareness of the project and the Community Feedback Procedure</li> </ul>
<b>Grievances</b> ( <i>Refer Community Feedback Procedure for details</i> )	<ul style="list-style-type: none"> <li>▪ Classification of grievances</li> <li>▪ Highlight trends and risks</li> <li>▪ Report on closed grievances</li> <li>▪ Extent of compliance to the grievance process and identification of gaps (external consultant)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of grievances by type</li> <li>▪ Severity</li> <li>▪ Recurrence of community grievances</li> <li>▪ Percentage of grievances closed</li> <li>▪ Time taken to close grievances</li> <li>▪ Segregation of grievances category (noise, dust, environment, safety, employment etc)</li> <li>▪ Assessment of stakeholder awareness of the project and the Community Feedback Procedure</li> </ul>

## b. Reporting

### Internal Reporting

During the pre-construction (and mobilization) and construction phases, the detailed engagement schedule (or tactical plan) will be reviewed weekly by the SEP team. As feedback is received from

stakeholders, the SEP will be reviewed to account for any changes on a quarterly basis together with the agreed KPIs.

A summary of key stakeholder engagement activities (previous and planned) will be included in the overall project update report, which will be issued on a monthly basis as part of the Construction (and Operations) monthly reporting obligations.

### **Public Disclosures**

Lekela is committed to providing regular project and engagement updates against key metrics to stakeholders and will utilise a range of communication mechanisms including the project website, community resource office and other channels and collateral.

In accordance with permitting requirements<sup>7</sup>, Lekela will also provide monthly progress reports on ESMP implementation (including stakeholder engagement) to both the Ministry of Electricity and Renewable Energy (New and Renewable Energy Authority) and RCREEE.

At completion of construction and during operations, the project will consider preparing an Annual Report or Summary on the project's social and environmental performance against the ESMP.

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<sup>7</sup> Refer 'Strategic and Cumulative Environmental & Social Assessment; Active Turbine Management Program (ATMP) for Wind Power Projects in the Gulf of Suez; Framework Stakeholder Engagement Plan; June 2017', p. 14. Note that the RCREEE Assessment has yet to be approved.

## 11.0 Appendix 1

### a. Project Stakeholder Register

## 12.0 Appendix 2

### a. Stakeholder Engagement Log - Template

Stakeholder Engagement Log CONFIDENTIAL – FOR PROJECT USE ONLY	
<b>Engagement Details</b> Date: dd.mm.yy Time: xx:xx Venue: xx	<b>Nature of Engagement</b> <ul style="list-style-type: none"> <li>▪ One-on-one meeting</li> <li>▪ FGD</li> <li>▪ Presentation &amp; Q&amp;A</li> <li>▪ Forum</li> </ul>
<b>Lekela / EPC Contractor Representatives</b> <ul style="list-style-type: none"> <li>▪ Names / titles of participants</li> </ul>	<b>Stakeholder Participants</b> <ul style="list-style-type: none"> <li>▪ Names / titles of participants</li> <li>▪ <i>Note: include contact details if not already known</i></li> </ul>
<b>Objectives of the Engagement</b> <ul style="list-style-type: none"> <li>▪ xxx</li> </ul>	
<b>Key Discussion Points</b> <ul style="list-style-type: none"> <li>▪ xxx</li> </ul>	
<b>Commitments Made</b> <i>(Note: material project commitments should also be captured on the Project Commitments Register)</i> <ul style="list-style-type: none"> <li>▪ xxx</li> </ul>	
<b>Other Points / Notes of Interest</b> <ul style="list-style-type: none"> <li>▪ xxx</li> </ul>	
<b>Next Steps</b> <i>(Note: allocate clear responsibilities)</i> <ul style="list-style-type: none"> <li>▪ xxx</li> </ul>	