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Final Report Environmental and Social Impact Assessment – Stakeholder Engagement Plan (SEP)

Feasibility Study

Wind Power Plant Bitovnja

Bosnia and Herzegovina

BMZ No. 2013 67 176

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1 Introduction

1.1 Background information

The JP Elektroprivreda BiH d.d. - Sarajevo (Employer, EP BiH), plans to establish a wind power plant at Bitovnja, a site located approx. 30 km west of Sarajevo (43°48'16"N 17°56'22"E). The wind power plant Bitovnja (WPP Bitovnja) is scheduled for implementation within the Long-term Development Plan of JP Elektroprivreda BiH as one of the necessary production energy facilities based on renewable energy sources.

The site stretches for about 6 km on a barren ridge with an elevation of ca. 1530 - 1700 m, thus characterized by complex terrain and harsh weather conditions during winter months.



Figure 1-1 Overview of the proposed Bitovnja wind farm area (orange)

The development of project documentation for WPP Bitovnja project is financed by the Federal Government of Germany through KfW Development Bank (Financier) and managed by the Employer.

Pre-feasibility study was developed in August 2022 and eight variant solutions were proposed with regard to the position and height of wind turbines (variants from J to R) with the number of wind turbines from 15 to 17 pieces and with the resulting total installed capacity up to 96 MW. Based on the preliminary assessment of the grid connection, five grid connection proposals for WPP Bitovnja were given and then further analysed through feasibility study.

Trough 2023, Feasibility study further developed possible wind turbines layout options together with substation location, route of access road and possible transmission line that are proposed in this draft document to Employer.

1.2 Preliminary environmental and social impact assessment

The Environmental and Social Impact Assessment - Scoping Report formed the basis for a comprehensive environmental and social impact assessment (ESIA), the study of the baseline status of birds and bats and the development of the stakeholder engagement plan (SEP).

With reference to SEP, a desk review of publicly available data was carried out, identifying some of the concerns, i.e. the impact of the proposed Bitovnja wind farm on local informal economic activities (blueberry and cranberry picking). However, no public consultations and information activities were organised by the consultant during the scoping phase, apart from ongoing communication with institutions in BiH to collect the data needed for the preparation of the scoping report.

On the other hand, EP Elektroprivreda BiH was in contact with representatives of the Konjic municipality during the scoping phase, as already communicated in the scoping report, where the Bitovnja wind farm project was "specifically discussed" during the high-level meeting in February 2021, and according to the article, they support the project.¹

2 Stakeholder engagement plan

The SEP is prepared to meet good international practice for stakeholder engagement and public consultation and disclosure, i.e. [IFC Stakeholder Engagement Good Practice Handbook \(2007\)](#) and [World Bank ESS10: Stakeholder Engagement and Information Disclosure Guidance](#).

The SEP aims to provide clear and practical guidance for stakeholder engagement and compliance handling procedures (grievance procedures) to guide the stakeholder engagement activities to be undertaken during the different Project stages for the Project lifetime. The SEP should also inform the ESIA process and disclose the outcomes of the ESIA.

Even though the formalised stakeholder engagement process is in most cases required by law and/or EU and international standards, it should not be seen "as another pointless legislative and/or administrative burden."

In the race to accelerate the development of renewable energy projects, which are seen as critical to reducing the EU's dependence on Russian fossil fuels and achieving the EU's goal of climate neutrality by 2050, it is even more important to get the stakeholder engagement process right. A proactive approach to stakeholder engagement is an essential management tool for reputation and risk management, building good relations with key stakeholders in a timely and fair manner, and eventually, obtaining the "Social Licence to Operate."

2.1 National legislation requirements

According to national legislation, wind farms with more than 4 wind turbines belong to the group of projects for which the Federal Ministry decides whether an EIA procedure is required on the basis of the project characteristics, location and the presence of sensitive areas.

1

<http://www.indikator.ba/Vijest.aspx?p=1&id=31477&naslov=lzvršena+mjerenja+i+pripreme%3A+Elektroprivreda+BiH+radi+na+projektu+VE+Bitovnja>

In the Federation of BiH, responsibilities for environmental impact assessment are divided between the federal and cantonal ministries of environment. In FBiH, environmental impact assessment is carried out as part of the procedure for issuing an environmental permit.

The procedure for issuing an environmental permit in the Federation of BiH is prescribed by:

- Law on Environmental Protection ("Official Gazette of FBiH", No. 15/21),
- Regulation on projects for which an environmental impact assessment is mandatory and projects for which a decision on the necessity of an environmental impact assessment is made ("Official Gazette of the Federation of BiH", No. 51/21, 33/22).

The Environmental Protection Act is based on European Union directives and international conventions, and fully or largely incorporates the provisions of four EU directives and one regulation:

- SEA Directive (Strategic Environmental Assessment) - Strategic Environmental Assessment.
- EIA Directive (Environmental Impact Assessment) - Directive on Environmental Impact Assessment.
- IED Directive - The Industrial Emissions Directive.
- SEVESO III Directive - The Seveso III Directive.
- EMAS (The EU Eco-Management and Audit Scheme) - EU Regulation on the Eco-label and Eco-Management and Audit Scheme.

The Regulation defines:

- Installations and facilities for which an environmental impact assessment is required; and
- Installations and facilities for which the environmental impact assessment is carried out on the basis of the assessment of the Federal Ministry

The construction of wind farms is one of the projects listed in Annex II of the Regulation for which the environmental impact assessment, i.e. the preparation of the environmental impact study is carried out on the basis of the assessment of the Federal Ministry of Environmental Protection and Tourism, as 3. Energy industry; (h) Installations using wind power to produce electricity with more than 4 wind turbines.

Project promoters listed in Annex II of this Regulation are required to apply for a preliminary environmental impact assessment to the Federal Ministry on the form contained in Annex III of the Regulation. Fulfilment of the conditions for a preliminary environmental impact assessment is determined on the basis of a checklist for the examination of applications for a preliminary environmental impact assessment given in the Annex VI of this Regulation.

In considering the application for an environmental permit, the Ministry shall consider the following criteria, which are listed in the Annex IV of the Regulation:

- Project characteristics (size, cumulation with other installations, use of natural resources, waste production, pollution and disturbances, risk of accidents, risk of major accidents and / or disasters relevant to the project in question, including those caused by climate change, in line with scientific evidence, risks to human health (i.e., due to water or air pollution)).
- Project location and environmental sensitivity of the geographical areas that could be affected by the project (existing land use, availability, quality and regenerative capacity of natural resources, receptivity of the natural environment: wetlands, coastal zones, protected areas, etc.),
- Characteristics of potential impacts (magnitude of impacts, transboundary nature of impacts, extent and complexity of impacts, likelihood of impacts, duration, frequency and reversibility of impacts, cumulative impacts with other projects, possibility of effective mitigation of impacts).

The Environmental Protection Act defines the principle of public participation and access to information in Article 10, i.e. matters of environmental protection are realised through public participation. Individuals, regardless of their gender, age, religion or status and organisations, have adequate access to information on the environment. The public has the right to participate in proceedings conducted at the request of operators and investors in accordance with the provisions of the Environmental Protection Act or other regulations.

Article 40 requires federal and cantonal ministries to ensure public participation in decision-making when conducting all procedures related to environmental decision-making. The federal ministry shall ensure public participation in decision-making for:

- (a) projects for which a preliminary assessment and/or an environmental impact assessment is carried out, in the form of a public hearing.
- (b) all existing installations and new installations for which an environmental impact assessment is not required, in the form of a public examination; and
- (c) the cessation of works, closure or demolition of installations and facilities, in the form of a public hearing

After initiating the administrative procedure, the relevant Ministry shall inform the public of:

- (a) the application for an environmental assessment, the application for an environmental permit and the applicant's proposed activities and technologies;
- (b) the type of public participation (public hearing or public insight);
- (c) the place where the documents may be reviewed;
- (d) the environmental information relevant to the proposed activities;
- (e) the period for submitting comments, proposals, opinions and questions.

The public shall be notified in writing of the date of the public hearing and the procedure for the presentation of evidence through written information in media and the website of the relevant ministry. The public may, within 30 days from the date of publication of the information in written form, submit comments, information, analysis or opinions which they consider essential for the resolution of the proceedings in question.

The results of the public participation shall be taken into account in the decision, of which the public shall be informed via the website of the competent ministry, while interested parties who submitted their comments during the public participation procedure shall be informed in writing within the time limits applicable to the applicant.

Article 41 requires that, upon request, information must be made available to the public within 15 days, either by handing out the information or by making it available on the Ministry's website, of which the applicant will be informed in writing.

The information relates to:

- (a) A description of the location, physical and technical characteristics of the proposed activity,
- (b) A description of the significant effects on the environment,
- (c) A description of the measures envisaged to avoid and/or reduce the impact, including emissions;
- (d) A non-technical summary,
- (e) A presentation of basic alternative solutions
- (f) Reports and expert opinions

g) Environmental impact study

EP BiH d.d. submitted the application for an environmental permit in accordance with the old Law on Environmental Protection ("Official Gazette of FB &H" No. 33/03, 38/09), which was in force until 03/02/2021. On the basis of the application of EP BiH d.d., **the Federal Ministry of Environmental Protection and Tourism has determined that the project in question for the construction of the Bitovnja wind farm does not require an environmental impact assessment**, i.e. the preparation of an environmental impact study, but certain environmental protection measures should be applied.

2.2 KfW requirements

All the Financial Cooperation measures (FC measures) financed by KfW Development Bank are subject to a comprehensive and systematic assessment of environmental and social aspects as well as other relevant development aspects. In addition, KfW actively supports the implementation of international human rights as defined in the KfW Human Rights Declaration and existing instruments as part of its business activities.

As defined in the KfW's [Sustainability Guideline Assessment and management of Environmental, Social, and Climate Aspects: Principles and Procedures](#) "Stakeholder Engagement e.g., in form of public hearings, are to be scheduled for the scoping phase of the ESIA process and for the presentation of the draft ESIA report, in order to consult with the affected persons and/or their community representatives, stakeholders, cooperatives or non-governmental organisations (NGOs)."

In addition, GfK requires that the executing agency, i.e., recipient of FC measures, "Conducts a meaningful participation and consultation process that allows affected people and interested stakeholders to express their views and concerns on project risks, impacts and the proposed mitigation measures. At the same time, the process shall also enable the executing agency to take these views into account and react. For the sake of transparency, the executing agency is required to disclose relevant information and a non-technical summary on the environmental and social assessment of the FC-measure via appropriate media channels at an accessible location and in a timely, culturally appropriate manner."

Finally, the executing agency is required to establish a grievance process for the FC-measure for receiving and dealing with concerns and complaints of employees and members of the affected public. "The procedure should be culturally appropriate and proportional to the FC-measure. Grievances and their processing and resolution are to be documented and form part of the reporting to KfW Development Bank."

As for IFC, the following good practices pointers during the Feasibility Studies and Project Planning were identified:

- Systematically identify project stakeholders and their interests.
- Review regulatory and financing requirements for stakeholder engagement on projects.
- Involve stakeholders in the "scoping" phase of ESIA studies.
- Seek input from stakeholders on how they wish to be consulted.
- Prepare a stakeholder engagement plan commensurate with project impacts.
- Provide information ahead of consultations on environmental and social impacts.
- Employ good practice in meeting or exceeding ESIA requirements on consultation.
- Use consultation to enhance mitigation and agree compensation and benefits.
- Maintain involvement with government-led consultation.
- Gauge the level of stakeholder support for your project.
- Keep partnerships short-term prior to the investment decision.
- Facilitate access to community liaison staff.
- Revisit prior consultation if it may become a source of grievance.
- Report changes in the evolving project design to stakeholders on a regular basis.
- Document the process and results of consultation.

Accompany your ESIA consultants and stay involved in the process. • Integrate stakeholder information across the project planning functions“.

3 Stakeholders' identification and analysis

In the development of the Bitovnja WPP, the following stakeholder groups based on their role, interest, or influence (power to influence the project) have been identified. The stakeholders are classified in the following main groups:

- Stakeholders who issue permits, adopt spatial plans or have relevant data, i.e., ministries, institutes, funds (institutional stakeholders);
- Stakeholders who are directly affected by the project (and/or who can directly or indirectly impact the project) and have/can have interest in the project, i.e., residents, vulnerable and disadvantaged groups, local authorities, local companies, prominent individuals who can become a voice for the local community, depending on the issue at stake;
- Stakeholders who are directly or indirectly involved in the project, i.e., EP BiH, international institutions supporting the project development;
- Stakeholders that can have moderate or increased interest in the project, depending on the project phase and the issues raised, i.e., the media, non-governmental organizations, experts, etc.

Analysis of publicly available data indicates that unlike some other projects of the EP BiH, such as construction of 15 small hydropower plants on the river of Neretvica, construction of Bitovnja WPP is considered as “much better for environment, capable of producing more electricity and profit”². However, some concerns were already raised related to natural plantations of blueberries and cranberries as a source of income in local population which could be jeopardized (destroyed) if the WPP Bitovnja is constructed or accusations that now when EP BiH failed on rivers, they switch to the “usage of air”³.

On the other hand, EP BiH is in contact with representatives of Municipality Konjic, where Bitovnja WPP was “specially discussed” during the high-level meeting in February 2021 and according to article “have their support”⁴. In addition, in September 2022 director at the time of Elektro distribucija Mostar announced investment in the wind farm Bitovnja “which will certainly lead to new investments, a reliable power supply and a long-term reduction in dependence on energy imports”⁵.

There is no doubt that EP BiH wants to open a new chapter in the development of the energy sector in Bosnia and Herzegovina. According to the report [Comply or Close Bosnia and Herzegovina](#) and [Bank Watch](#), Bosnia and Herzegovina has addressed the 2021 energy crisis by delaying power plant closures and is struggling with high emissions from coal-fired power plants, i.e. sulphur dioxide and dust in particular.

Acceleration of renewable energy projects becomes even more important as the European Commission in its 2021 and 2022 country reports identifies “only limited progress, notably on renewable energy”, although the Podveležje wind farm (48 MW) started energy production in January 2021, and in “green agenda”. According to *Key findings of the 2022 Report on Bosnia and Herzegovina*⁶ „the country is at an early stage on energy, environment and climate change“.

² <https://www.novikonjic.ba/index.php/bih/item/9878-vjetroelektrana-bitovnja-postaje-stvarnost>

³ https://m.facebook.com/permalink.php?id=191598890942268&story_fbid=3196140607154733

⁴ <http://www.indikator.ba/Vijest.aspx?p=1&id=31477&naslov=Izvršena+mjerenja+i+pripreme%3A+Elektroprivreda+BiH+radi+na+projektu+VE+Bitovnja>

⁵ <https://biljesak.info/gospodarstvo/ulaganja/svako-domacinstvo-u-hercegovini-moze-bit-energetski-neovisno/393853>

⁶ https://ec.europa.eu/commission/presscorner/detail/en/country_22_6093

Table 3-1. Project stakeholders

Stakeholder	Role	Interests and motivations
Institutional stakeholders		
Federal Ministry of Environment and Tourism	Issuance of environmental permit. Supervision of the prescribed monitoring program defined by the environmental impact assessment procedure or environmental permit. Continuous public information.	Effective framework for permitting to accelerate the Green Agenda for the Western Balkans
The Federal Ministry of Energy, Mining and Industry	Monitors and analyses the work of companies in the field of energy to control the fulfilment of public interests and tasks for which the company was founded, as well as monitoring the rationality of their business, purposeful spending, business success, and in case of disturbances in business taking appropriate measures; monitoring of all current development projects; preparation of priority projects in accordance with the national energy strategy.	Accelerating progress in the green agenda, i.e., redirection from coal to renewables.
Ministry of Agriculture, Forestry and Water Management	Monitoring the situation in the field of forest ecology, the state of forests and forest land, as well as their general useful functions, taking measures to improve the situation, and initiating the resolution of certain issues in these areas;	
The Ministry of Economy of the Herzegovina-Neretva Canton	The Ministry is responsible for issuing a concession for the use of land for the purpose of building WP Bitovnja.	
Federal Hydrometeorological Institute	Air quality monitoring, monitoring of meteorological parameters	
Herzegovina-Neretva County/Canton Ministry of Trade, Tourism and Environmental Protection	Monitors the state of the environment and protected nature areas, proposes measures for the protection and improvement of the environment and natural values. The Ministry establishes and maintains the Register of Installations and Pollution and performs professional activities of issuing environmental permits, consents and nature protection conditions.	
Commission to Preserve National Monuments of Bosnia and Herzegovina	The Commission to Preserve National Monuments of Bosnia and Herzegovina take decisions on the designation of movable and immovable property as a national monument, based on the Ordinance on the criteria for the valuation, division and categorization of national monuments.	

Stakeholder	Role	Interests and motivations
Agency for the Adriatic Sea Basin	The Agency organizes monitoring of groundwater and surface water. The Agency is in charge of issuing water acts according to the regulations and issuing expert opinions from the point of view of water when obtaining an environmental permit. For the project of construction of WP Bitovnja, the Agency issued a notification that the construction of the wind farm does not belong to the activities for which a water act is required.	
Stakeholders who are directly affected by the project (and/or who can directly or indirectly impact the project) and have/can have interest in the project		
City of Konjic	Administrative area of project implementation. The spatial development plan of the Municipality of Konjic provides for the production and distribution of energy and the development of production. The Bitovnja wind farm is one of the possible production facilities planned on the territory of Konjic. Spatial plan of the Municipality of Konjic planned the measurement of wind potential and solar potential on the project area. The Development Strategy for Konjic 2018-2027 does not mention any renewable energy projects or the development of the Bitovnja wind farm.	Expectations about the benefits of the project for the local community – annual and one-off concession fee payments, possible participation in construction works ⁷ , etc.
Residents of Konjic (improved quality of life due to fees to municipal administration)	The 34,500 inhabitants of Konjic live in 175 villages and settlements organised into 16 local municipal units. They already have a general idea of the project, but as the project develops they will ask for more information to assess how far the project can further their interests. Usually, local communities do not receive feedback on the amount of fees paid and the extent to which the fees to the local government have contributed to improving the quality of life. Therefore, EP BiH and the representatives of City of Konjic need to agree on how to address the issue.	Expectations about the benefits of the project to the local community and potential negative impacts during construction. In both cases, interests and motivations relate to quality-of-life issues, i.e., what they (can) get out of the project. Allocation of annual and one-off concession fee payment for the local projects and purposes.
Residents of Konjic and other nearby areas that use Bitovnja for harvesting wild blueberries and cranberries in the summer times	They harvest wild blueberries and cranberries as a source of the most likely additional income.	Possible influence of construction works and access to power plant following the construction on harvesting.
Residents of Bradina, Donja Raštelica and Repovci	They live in the villages located along current access roads to the Bitovnja wind plant.	During construction an increase in traffic and the associated increase in noise levels is to be expected.

⁷ Usually, local communities have a vague idea of this, but project developers often hear this expectation. It is up to the developers to convey/offers such opportunities if they are realistic, i.e. participation in construction, new employment opportunities (temporary or more permanent), etc. Municipality representatives can act as facilitators and in some cases they take on this role in clarifying possible opportunities.

Stakeholder	Role	Interests and motivations
Local Forest Service employees engaged in forest management and maintenance of forest roads	Local employees of the forestry service involved in forest management and maintenance of forest roads	The possible impact on the exploitation of the forest area, and possible impact of increased traffic and noise.
Forestry Prenj d.d. Konjic	Owner of plots on which WPP Bitovnja should be located (mostly on plot 3212, k.o. Bulatovići).	Ownership interests. The possible impact of the exploitation of the forest area.
Municipality of Kreševo	The municipality borders the municipality of Konjic. The Municipal Council has adopted the decision to grant permission for the construction of the wind farm. The Wind Farm Bitovnja is the registered production capacity for Indicative Production Plan 2012-2021 (Kreševo Development Strategy 2018-2022). The area of the Mountain Bitovnja within municipality's boundaries is designated as a protected area in the valid spatial planning documentation with the purpose of development tourism, sports and recreation.	Use of wider area for tourism, based on nature, sports and recreation.
Recreational users (mountaineers, cyclists, hunters, ornithologists)	Usage of space for recreational / research purposes.	Possible restrictions on access to the proposed site for the construction and exploration of the Bitovnja wind farm.
Agencies and cycling societies	Organizers of Bitovnja cycling tours	Possible restrictions on access to the proposed site of the Bitovnja wind farm, i.e., impact on cycling and mountain bike trails - 58 km long route that connects mountains Bitovnja and Bjelašnica.
Mountaineering Association of Bosnia and Herzegovina	Organizer of Bitovnja climbing tours	Possible restrictions on access to the proposed site for the construction and exploration of the Bitovnja wind farm, i.e., organization of climbing tours.
Mountaineering Association PD Bitovnja Kreševo	Organizer of Bitovnja climbing tours	Possible restrictions around the microlocations of individual WTGs in the phase of their construction. After construction, the area will be unrestricted.
Association of Hunting Organizations of Bosnia and Herzegovina Hunting Association of the Herzegovina-Neretva Canton	Organizers of Bitovnja hunting activities.	Possible restrictions on access to the proposed site for the construction and exploration of the Bitovnja wind farm, i.e., hunting activities.
Federal Institute for the Protection of Monuments	Competent authority for the protection of cultural and historical heritage	
Stakeholders who are directly or indirectly involved in the project		
EP BiH	Bitovnja wind firm project developer (the Project Executing Agency-PEA).	Enables energy transition from a system that predominantly uses fossil fuels for energy production to one based on the use of renewable energy sources.

Stakeholder	Role	Interests and motivations
EP BiH employees and contractors	Directly (the project team) or indirectly (other employees) contribute to Bitovnja wind farm project development	Support smooth project development and implementation of one of the business goals of JP EP BiH
KfW	Financing of a Pre-Feasibility Study and a Feasibility Study	Supports the sustainable economic development of Bosnia and Herzegovina, i.e., financing the country's first wind farms to better exploit the enormous potential for renewable energy.
Elektroprijenos BiH	National company responsible for electricity transmission and all activities related to electricity transmission, which include but are not limited to electricity transmission, maintenance, construction and expansion of the electricity transmission network in Bosnia and Herzegovina	Responsible for final decision on transmission line route and grid connection of WPP Bitovnja.
Stakeholders that can have moderate or increased interest in the project, depending on the project phase and the issues raised		
Fondacija Atelje za društvene promjene – ACT Foundation Atelier for social change - ACT	The organization very active in the field of the environmental protection, i.e. protection of wild rivers, construction of small hydropower plants, protection of woods, anti-corruption, etc.	Foundation participated in the Bitovnja project presentation in Bradina although they have not commented the project before.
CEE Bank Watch Networks	The organization monitors public finance institutions (EBRD and EIB, and EU funds) that are responsible investments. Some of the campaign areas being monitored are beyond fossil fuels and funding the energy transformation.	Investigates the impact and scrutinizes the work of public financial institutions in Central and Eastern Europe. Closely observes the energy transition in Bosnia and Herzegovina, KfW financing plans as well.
Media	Informative national (EU) and local media, as well as specialised media The country has a very fragmented media market with about 40 TV stations, 150 radio stations, several daily newspapers and news agencies, nearly 200 magazines and other periodicals, and about 600 web offerings ⁸ .	As a rule, the media are interested in timely and accurate information and appreciate a proactive approach. The media may also report extensively on an issue or project if it is controversial or raises concerns.

4 Plan for engaging with stakeholders

Stakeholder engagement and consultation is a dynamic process, subject to many different types influences and changes in the environment. For this very reason, it cannot be managed in the same way as technical projects, where the focus is on technical, financial, regulatory, legal and administrative aspects of the project and where individuals and groups are usually seen as a means to achieve business objectives. In contrast, in stakeholder engagement, individuals and groups are seen as those who need to be properly informed and meaningfully involved in project development based on the project impacts and context, which means that “techniques,

⁸ <https://rsf.org/en/country/bosnia-herzegovina?fbclid=IwAR0YHgKdLDrqN1Q0LHI3xuuAoLdsRN99ez4GzfwVuQlv1qae9wuJ4LsDioc>

methods, approaches and timetables will need to be tailored for the local situation and the various types of stakeholders being consulted “⁹. Due to the dynamic nature of stakeholder engagement, the SEP should be updated regularly, especially regarding project stakeholders (their relevance to the project and potential impact are not the same at all stages of the project), key topics of interest and reputational risks, and channels and tools for communication.

4.1 Main objectives and strategies

The key objectives of the stakeholder engagement plan are as follows:

- Establish a platform for continuous communication with stakeholders (timely disclosure of information and two-way communication, i.e., dialogue between the project company and its stakeholders) and provide sufficient staff with the right capabilities and/or external support,
- Establishing simple and easy to follow procedures for the timely identification of and response to stakeholder comments, concerns and complaints (grievance management),
- Ensure consistency and credibility in communication (requires internal communication channels that ensure timely flow of information and effective coordination),
- Building and maintaining a good reputation for the project and its developers.

To achieve the above key objectives, the following strategies will be used:

- Focus on the project development agenda, but maintain openness and flexibility when addressing stakeholders' concerns and expectations,
- Use consultation to broaden and discuss the range of options available to eliminate, offset or reduce potential adverse environmental and social impacts,
- Openly address the concerns and fears of all relevant stakeholders (but keep in focus those stakeholders most affected by the project and include them in decision-making (risk prevention and mitigation),
- Ensure that stakeholder expectations are met in a fair way and provide credible explanations when they cannot realistically be met,
- Consider developing a specific policy for EP BiH based on the principles of stakeholder consultation, transparency and information sharing as defined in Chapter 2 of the IFC Stakeholder Consultation document.

⁹ https://www.ifc.org/wps/wcm/connect/b66bd2e1-a511-4192-b0de-f32b644fb668/PartOne_StakeholderConsultation.pdf?MOD=AJPERES&CVID=jqetJoS

4.2 Overview of EP BiH communication activities so far

On the website EP BiH one can currently find the following information about the WPP Bitovnja.

9 rezultata pretrage za "Bitovnja"

[VE Bitovnja](#)

[Vjetroelektrana „Bitovnja“](#)

[Delegacija Ambasade Njemačke u posjeti VE "Podveležje 1"](#)

[Na RENEXPU BiH predstavljeni projekti EPBiH](#)

[RENEXPO BiH peti put u Sarajevu](#)

[Potpisan Ugovor o finansiranju za pripremu Vjetroelektrane "Bitovnja"](#)

[Prezentirani investicioni planovi JP EPBiH](#)

[SBF 2016. - Sektor energetike prilika za strane investitore](#)

[O energetskej efikasnosti i obnovljivim izvorima energije u JP EPBiH](#)

The news about the project comes from August 2018, when representatives of EP BiH and KfW signed an agreement on financing in the amount of 1.1 million euros for the preparation of the Bitovnja WPP. In addition, in the section Press on the company website Others about us (Drugi o nama)¹⁰ review of available yearly press clippings shows that Bitovnja WFF was not mentioned in media reports in the period from 2018 till 2022.

The first link leads to the news on project activities.

EP BiH also published the latest news about the project within the scope of the public presentation of the project in the local community Bradine that was organized in May 2023 and the local community Dusina (Municipality Fojnica) and the settlement Deževica in local community Kreševo.

4.3 Recommendations for the future EP BiH communication activities

For the purpose of stakeholder engagement, i.e. social assessment and presentation of the main impacts of the ESIA, EP BiH will establish a separate Bitovnja WPP **micro-website or open a new section on the existing website EP BiH dedicated exclusively to Bitovnja WPP**. The preliminary structure of the Bitovnja WPP website is as follows: 1) Project ID (main information about the project, strategic context, technical and commercial

¹⁰ <https://www.epbih.ba/stranica/drugi-o-nama>

characteristics, project financing, estimated timeframe, etc.) 2) ESIA report and summary, 3) Grievance (complaints) policy and online template for receiving comments and complaints on environmental and social aspects 4) News 5) Contact.

It will serve as a central communication platform for publishing important project information and updates. In addition, EP BiH will use the local media and other available communication channels of the City of Konjic and the Municipality of Kreševo to inform the residents of Bradina and Repovci, as well as Raštelica, Slavkovići, Dobričevići, Džanići, Bukovlje, Raotići, Gobelovina, Stojkovići, Tuhobići, Bulatovići, Budišnja Ravan and others who participated in the social assessment workshops (recreational users and associations, representatives of Kreševo forestry, etc.).

In addition, during the presentation of the main impacts of the ESIA, 'complaint' boxes will be placed to allow participants to provide written comments and concerns. Key stakeholder engagement activities will be covered through press releases, statements, interviews and briefings organised by EP BiH. Preparation of advertisements in newspapers, radio and TV as a part of stakeholder interactions, requires external support of the agency that can prepare advertisement's concept and design, including media planning and buying.

4.4 Key action points

The activities are divided into two main phases: Preparation Phase and Implementation Phase. The preparation phase includes all activities to ensure that the project has the main communication elements in place (primarily the website or project section on the EP BiH website as a central communication platform) as a necessary basis for the implementation of the activities during the ESIA consultation process and beyond.

Table 4-1 Indicative ESIA timeline and stakeholder engagement activities

Phase	Date (indicative time frame)	Activities	Responsible
Separate Bitovnja WPP micro site / EP BiH Bitovnja site section	March / April 2023	Publication of basic information on the Bitovnja WPP website as proposed in Chapter 4.2	EP BiH
Social assessment (workshops with local community)	May / July 2023	Preparation of invitation (press release) to social assessment workshops	Consultant / EP BiH
		Preparation of Background Information Document	Consultant
		Preparation of maps, pictures and posters	Consultant
		Presentation for participants of the focus groups	Consultant
		Implementation of local community focus groups	Consultant
		Preparation of the social assessment report with the main issues raised, including the SEP update	Consultant
Publication of the social assessment report on the website	EP BiH (project management team/PR team)		
Statement/interview of the representative of EP BiH (optional)	EP BiH (project management team/PR team)		
ESIA draft report	October 2023	Preparation of draft ESIA report, including the summary of stakeholder	Consultant

		interactions and main issues raised during social assessment Executive Summary of the draft ESIA report, including the executive summary of stakeholder interactions and main issues raised during social assessment	
ESIA main impacts presentation	June 2024	Preparation of the main environmental and social impacts, including the environmental and social management or action plan Presentation of the key environmental and social impacts, including the environmental and social management or action plan (Q&A part included for the purpose of keeping track of “who and what” was discussed) 'Complaint' boxes to allow participants to provide written comments and concerns Preparation of invitation (press release) to ESIA main impacts presentation Advertisements in newspapers, radio and TV Press release with the presentation summary Statement/interview of the representative of EP BiH (optional)	Consultant Consultant / EP BiH (project management team/PR team) EP BiH (project management team/PR team) EP BiH (project management team/PR team) EP BiH (project management team/PR team)
ESIA final report	June 2024	Response to comments, incorporation of suggestions into the final ESIA report where appropriate, and/or providing an explanation of why comments were not adopted	Consultant

4.4.1 Summary of the workshops with local population

There were three workshops organized in the local community:

- 16.5.2023, Primary school Bradina, MZ Bradina, City of Konjic
- 4.7.2023, Primary school Dusina, MZ Dusina, Municipality of Fojnica
- 5.7.2023, Pilgrimage house, Deževica, Municipality of Kreševo

Main outtakes of the workshops:

MZ Bradina, City of Konjic

- The local community has needs and expectations that must be met by the investor. It is positive that the investor is EP BiH and that the project is being developed.
- The relationship between the local community and the investor must be mutual.
- There is little or no concern about possible negative impacts of the project that could affect the recreational use of the area, e.g. the possible impact on hunting.
- The berry and cranberry harvest, which takes place from June to August, is an important source of income for local people who use it to support themselves during the rest of the year. It is important that the berry and cranberry harvest remains the source of income for the local population.

- Two requests stood out: 1) the need to improve the existing road structure in the Bitovnja region, even beyond the construction of access roads to the wind farm; and 2) the demand that the local population be given priority in the creation of jobs that could be created by the wind farm, both in the operational and construction phases.
- EPBiH's position: EPBiH is a public company and acts in a socially responsible way, as in the case of Podveležje WPP, where EIPBH responded to the wishes of the local population. The Bitovnja WPP development will contribute to the local economy, especially during the construction phase, but also during the operational phase. It will also not jeopardize the berry and cranberry harvest.

MZ Dusina, Municipality of Fojnica

- The local community does not have much interest in the project as it is located in another municipality, i.e., it is not their role to demand or influence anything from this project.
- Since many people in the area depend on berry and cranberry harvesting, they wanted to know if the wind turbines will have a negative impact on their source of income.
- EPBiH's position: the City of Konjic is responsible for all administrative matters of the project and the local community should be interested in it. EPBiH as a national company can for example do something for the repair of the school or buy some computers for the children in this school as a public responsible company. The representatives of EIPBiH and MZ Dusina will stay in close contact.

Deževica, Municipality of Kreševo

- Local people have arguments both for and against the project, as the major pointed out. Bitovnja WPP is important for the municipality because it is located on the border with the City of Konjic and it should benefit from the project.
- The municipality of Kreševo has a small budget, but is traditionally connected to Bitovnja, its nature and Martin's Tomb.
- The municipality must benefit from the project and if there is no concession for the municipality, the project will not receive support, i.e., there are examples where EPBiH gave 2,6% of the project revenue to the municipalities, which can also be applied to this case. Furthermore, there are other investors from China and Russia who are interested in investing in Bitovnja WPP and are willing to pay 5% of the revenue to (municipality) in addition to the concession.
- Hiking Society "Bitovnja" Kreševo is firmly against this WPP. Bitovnja is of enormous importance for the society, which celebrated its 85th anniversary last year. The society is against "the concreting" and destruction of the natural environment in Bitovnja. As early as 1974, the society established the Bitovnja - Pogorelica - Vranica hiking route, which still exists today. There is also another important route Lisin - Lisin, which passes through Bitovnja and is to be destroyed by this project.
- The hunting association Tetrijeb Kreševo, which unites 400 hunters, took the view that there is no reason for a meeting if they cannot decide on the project, notwithstanding the feasibility study, which has undoubtedly proven the benefits and profitability of the project they do not feel sympathy.
- EPBiH's position: Bitovnja WPP is a project of national importance, but the local community should also benefit. Concession issues are defined by law and depend on the location of the project. However, there is always a "friendly neighbourhood" policy, which is important for the settlements in the project vicinity. It is a one-time payment which should not be confused with a concession. EPBiH will invest in the local community and this will be realised through an agreement. In view of the fears of possible destruction of nature in Bitovnja, EPBiH is interested to hear Hiking Society's suggestions on what can be done so that this project has as little impact on the environment as possible. The construction of the wind park will not prevent the use of the space by mountaineers and recreationalists, given that it will be a completely open space for activities that have been taking place until now. At the same time, the construction of roads will enable easier access to the project area.

Overview of the media coverage:

Media / organization	Date	Headline	Highlights
WWW.ABRASMEDIA.INFO	18.05.2023	Predstavljanje projekta izgradnje VE Bitovnja	The article reports on the participation of representatives of the Studio for Social Change Foundation - ACT in the presentation of the Bitovnja wind farm construction project in the town of Konjic. They clearly pointed out that the situation should not be repeated with the construction of four small hydroelectric power plants on the territory of this municipality, from which the local population saw practically no benefit.
www.capital.ba www.indicator.ba www.vesti.rs	26.06.2023	Elektroprivreda BiH radi na projektu vrijednom 200 miliona maraka	After many years of stagnation, the EPBiH is now intensifying work on this project. After the workshop held in mid-May in the municipality of Bradina, which, according to the company, won the support of the population for the construction of the wind farm, a new workshop is planned for 5 July 2023 in the village of Deževica (MZ Kreševo).
www.acta.ba	28.07.2023	Projekat VE "Bitovnja" predstavljen stanovnicima Dusine i Deževice	During the workshops it was pointed out that within the framework of the implementation of the project in the area, minimal measures are planned for the needs of transport and installation of wind turbines, which relate to the development of the road to the project area and the construction of transmission lines for the connection of the Bitovnja WPP. After the construction of the Bitovnja WPP, everything will be restored to its original state, with special attention to the cranberry and blueberry plantations
www.energetika-net.com	31.07.2023	Predstavljen projekt VE Bitovnja	The aim of the workshop was to familiarise citizens with the project of this new wind power plant in Bosnia and Herzegovina and to obtain the opinions of the inhabitants of the settlements of Dusina and Deževica, as well as representatives of mountaineering, hunting and other associations that use the area where the construction is planned.

4.4.2 Implementation of ESIA related activities

For the presentation of the ESIA report, the venue for the presentation needs to be selected. Best practise recommends that the venue is nearby, i.e., in Konjic (Bradina) on whose territory the WPP Bitovnja is planned ¹¹.

¹¹ According to IFC location might be municipal or/ or central government offices, public libraries, local community centres, company offices.

When planning the timing of the presentation during the working week, it should be chosen time that allows participation.

The announcement should indicate where to find the website where the draft final ESIA report and summary can be read and where they can be viewed in the municipality. In addition, a dedicated template will be created on the project website or in the project section on EP BiH website to allow interested stakeholders to comment on the ESIA report and summary. EP BiH will also give stakeholders who do not use the internet the opportunity to ask questions and express their concerns, preferably at the Konjic (Bradina) . All questions, views and concerns received during the presentation of the ESIA report will be recorded, reviewed and follow-up information provided on how they were addressed. All follow-up information (submission on the website, directly at the place of public inspection of the ESIA report and during the public presentation) should include an acknowledgement of receipt of the questions, views, and concerns and, if applicable, indicate which of them were accepted and included in the ESIA report and which were not and why.

4.4.3 Implementation of activities beyond ESIA

After the completion of the ESIA project phase and the subsequent project approval, EP BiH will continue to communicate with various stakeholders during the construction, testing and commission, operation and decommissioning operation phase¹². During the construction, and testing and commissioning phase the emphasis will be on communication with the authorities, i.e., delivery of reports, clarifying issues and participating in the meetings. In addition EP BiH will prepare the regular news updated about the project progress on the dedicated website (used in the ESIA phase) in chronological order, at least quarterly, as well as environmental and social progress. Additional information will be provided on regular basis to the local and national media. All media reports will be published in the section news.

¹² As the project is still in the early stages of project design, it is not possible at the moment to outline all stakeholder engagement activities throughout the project cycle. The SEP will be updated accordingly once the basic requirements are met.

5 Resources and Responsibilities

The EP BiH has overall responsibility for stakeholder engagement. According to the IFC, it is important that stakeholders know who to contact within the company if they have further questions and concerns, how and where to report, and what kind of response they can expect. EP BiH has appointed a representative to oversee and coordinate the entire stakeholder engagement process, i.e. stakeholder engagement officer. For this position, EP BiH has appointed a senior expert in renewable energy production capacity development: Elma Redžić, mail: bitovnja@epbih.ba, phone number +387333751863.

The duties of the appointed officer will include:

- EP BiH's official representative to the project stakeholders,
- Liaison between the EP BiH's project management team and project stakeholders,
- Dissemination of information about the grievance mechanisms to all affected communities,
- Maintain and regularly update a complaints database,
- Monitoring and identifying the needs of the local community and suggesting how best to meet reasonable expectations (evaluation of the effectiveness of the grievance procedure),
- Ongoing reporting to management on the results of the evaluation of complaints and recommendations for follow-up action,
- Regular updating of SEP during the project life cycle, beyond the ESIA phase.

6 Managing grievances

According to [World Bank ESS10: Stakeholder Engagement and Information Disclosure Guidance](#) “a grievance mechanism is an accessible and inclusive system, process, or procedure that receives and acts upon complaints and suggestions for improvement in a timely fashion, and facilitates resolution of concerns and grievances arising in connection with a project. An effective grievance mechanism provides project-affected parties with redress and helps address issues at an early stage”.

Consequently, if effectively implemented and continuously improved, the engagement and grievance mechanisms are an alternative to external dispute resolution. Experience shows that a significant number of complaints are based on misunderstandings and that such complaints can be avoided or minimised through consistent engagement.

6.1 Overview of grievance procedure

Steps in the grievance procedure to be adopted by EP BiH for the purpose of the Bitovnja WPP:

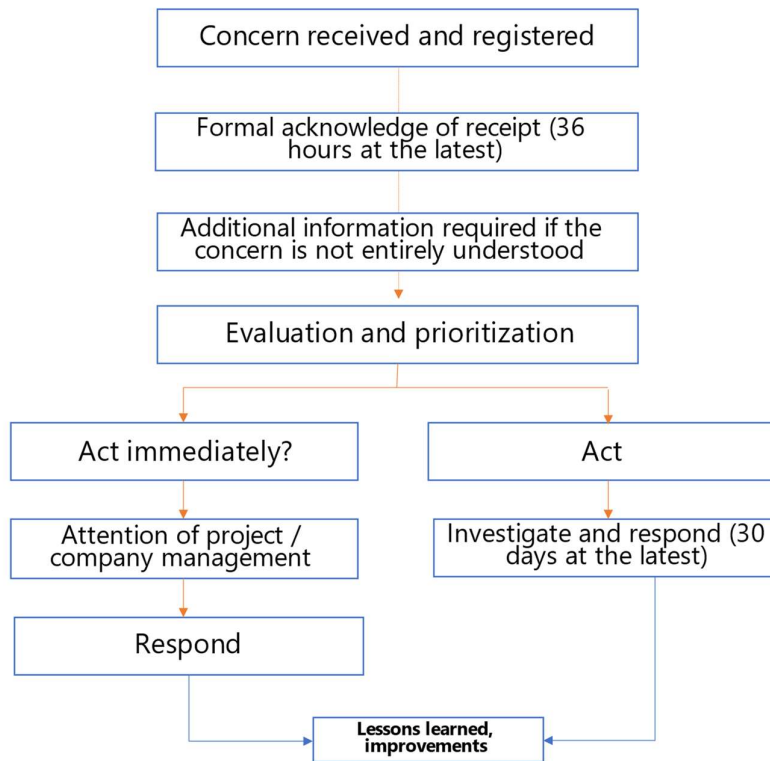
Step	Activities
Step 1	Verbal or written complaints and/or concerns are registered in the Complaint Form (accessible on the company's website and/or in the local community for residents who do not have access to the internet - available in local community grievance boxes).
Step 2	Stakeholder Engagement Officer will formally acknowledge receipt of the complaint within 24 hours, but no later than 36 hours. If the complaint is received by mail or in a council post box, acknowledgement of receipt will be sent by mail or post. If the complaint has been received verbally,



Step	Activities
	by telephone or in conversation, contact details will be requested and acknowledgment of receipt will be sent by the preferred means of communication. If a complaint (concern) is not properly understood, additional information and/or clarification will be requested. This procedure should be as simple and as quick as possible, as it helps to build trusting relationship.
Step 3	Stakeholder Engagement Officer will evaluate and prioritize complaints (concerns) and bring serious complaints (concerns) to the attention of project / company management immediately. However, all complaints must be adequately addressed, investigated and responded to within a period of no more than 30 days, preferably much sooner.
Step 4	Stakeholder Engagement Officer will regularly evaluate complaints received and follow-up actions (lessons learned), and annually propose points for improvement.

6.2 Grievance complaint flowchart

Steps in the grievance procedure are also presented in the form of diagram.



6.3 Grievance complaint form sample

Below is an example of the content of the public complaint form. For the purposes of this project, Annex B provides a proposal of an official Complaint form.

6.3.1 Website

Website

First name

Last name

E-mail address

Telephone



KFW

- I consent that my personal data given in this form are used for the purpose of submitting and processing my grievance¹³
- I want to remain anonymous.

Description of incident

What has happened?

When did it happen?

Where did it happen?

To whom did it happen?

Was there any immediate harm?

What are/could be the possible consequences?

What would you like to see happen to resolve the concerns /problems?

Description of the concern/problem

Briefly describe your concern/problem

How will it affect your way of life (living conditions, earning potential....)?

What are/could be the possible consequences?

6.3.2 Printed form

First name

Last name

E-mail address

Telephone

- I consent that my personal data given in this form are used for the purpose of submitting and processing my grievance¹⁴
- I want to remain anonymous.

Description of incident

What has happened?

¹³ In line with the GDPR requirements

¹⁴ In line with the GDPR requirements

When did it happen?

Where did it happen?

To whom did it happen?

Was there any immediate harm?

What are/could be the possible consequences?

What would you like to see happen to resolve the concerns /problems?

Description of the concern/problem

Briefly describe your concern/problem

How will it affect your way of life (living conditions, earning potential....)?

What are/could be the possible consequences?

Date

Signature



7 References

7.1 Laws and regulation

1. Law on Environmental Protection ("Official Gazette of FB&H", No. 15/21)
2. Regulation on projects for which environmental impact assessment is mandatory and projects for which it is decided on the need for environmental impact assessment ("Official Gazette of the FB&H", No. 51/21, 33/22, 104/22)
3. Law on Concessions of the Federation of B&H ("Official Gazette of FB&H", No. 40/02, 61/06)
4. Law on Concessions of the Herzegovina-Neretva Canton ("Official Gazette of the Herzegovina-Neretva Canton", No. 1/2013, 7/2016, 6/2018, 9/2019 and 1/2021)
5. Ordinance on the proposal, documentation and procedure for granting a land concession for the construction of energy facilities through self-initiative bids ("Official Gazette of the Herzegovina-Neretva Canton", No. 5/14).
6. Law on Expropriation of the Federation of B&H ("Official Gazette of FB&H", No. 70/07, 36/10, 25/12 and 34/16)

7.2 References

1. KfW Development Bank Sustainability Guideline Assessment and management on Environmental, Social, and Climate Aspects: Principles and Procedures 01 February 2021
2. World Bank Group (2018): ESS10: Stakeholder Engagement and Information Disclosure
3. International Finance Corporation (2017): Stakeholder Engagement: A Good Practice Handbook for Companies Doing Business in Emerging Markets

8 Appendix A - Important definitions

Stakeholders are individuals and organizations that are directly or indirectly affected by a project, as well as those who have an interest in a project and/or the ability to influence its outcome positively or negatively.

Stakeholders may include 1. locally affected communities or individuals and their formal and informal representatives; 2. national or local government agencies, politicians, religious leaders, civil society organizations, and business associations; 3. national and local media; 4. the academic community; 5. other businesses.

Stakeholder engagement is not synonymous with stakeholder management in the sense of "manage your stakeholders (to get them to do or think what you want)". It requires a sincere commitment by project developers and other stakeholders to use stakeholder engagement as an opportunity to improve every stage of project activities. One of the most important benefits of meaningful stakeholder involvement is the "social license to operate." The term so defined also overlaps with the term "meaningful public participation" as defined in the Aarhus Convention.

The social license to operate is usually site-specific and granted by a network of stakeholders. The company may have a social license for one operation but not for another. In addition, the broader the social, economic, and environmental impacts of a project, the more difficult it becomes to obtain a social license. According to the IFC, companies that start this process early and take a long-term, strategic perspective essentially develop their local "social licence to operate"

The consultation process is an essential part of stakeholder engagement. It is two-way communication between the project developer or its representatives and local and national communities to build early and meaningful relationships with key stakeholders. The consultation process in the context of the EIA allows local communities to express their views on project risks, impacts and mitigation measures, and allows the project developer or its representatives to consider and respond to them. The consultation process must continue and be maintained throughout the life of the project.

The grievance mechanism is also an integral part of stakeholder engagement. This is essentially a procedure or process for identifying the views, concerns, and complaints (grievances) of stakeholders regarding possible adverse environmental and social impacts of the project. If properly established and managed, it significantly reduces project risks and the risk of litigation and associated costs.

Grievance is defined as "a complaint or a strong feeling that you have been treated unfairly". That feeling can be based on real or perceived wrongs, and it is a cause of distress. It applies to "any act that involves unfairness to another or violation of one's rights"

9 Appendix B – Complaint form

OBRAZAC ZA PRITUŽBE ZA PROJEKT

Broj pritužbe:	
Puno ime i prezime	Ime:
	Prezime:
<input type="checkbox"/> Suglasan /na sam da se osobni podaci navedeni u ovom obrascu koriste samo u svrhu podnošenja i obrade moje pritužbe ⁱ	
<input type="checkbox"/> Želim ostati anonimn/a	
Kontakt podaci: Molimo navedite kako Vas možemo kontaktirati	Telefon:
	Adresa:
	E-mail:
Željeni jezik komunikacije:	<input type="checkbox"/> bosanski / srpski / hrvatski <input type="checkbox"/> engleski (ako je moguće)
Opis pritužbe /zabrinutosti / problema / incidenta Što se dogodilo ? Kada se dogodilo ? Gdje se dogodilo ? Kome se dogodilo ? Je li bilo nepotrebne štete ? Može li to dovesti do ozbiljnog utjecaja na ljude i prirodu ? Koje su / mogu biti moguće posljedice ?	
Što bi se trebalo poduzeti da se riješi pritužba / problem ?	

Datum: _____

Potpis: _____

Obrazac pošaljite na:
 JP Elektroprivreda BiH d.d. - Sarajevo
 Adresa: Vilsonovo šetalište br. 15, 71000 Sarajevo
 Tel: + 387 33 751 863
 e-mail: bitovnja@epbih.ba

ⁱ Prema zahtjevima GDPR-a