



# **Stakeholder Engagement Plan**

## **Lakhami HPP**

**Prepared by:**

**Lakhami HPP ESG Team**

**2025**

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Abbreviations	Description
Fund	Caucasus Clean Energy Holding
HPP	Hydro Power Plant
E&S	Environment and Social
ESG	Environmental, Social and Governance
H&S	Health and Safety
NGO's	Non-Governmental Organization's
PAC	Project Affected Community
IFC	International Financial Corporation
EIB	European Investment Bank

## **1. Introduction**

This Stakeholder Engagement Plan (SEP) has been developed as part of the Environmental and Social Management System (ESMS) for the Lakhmi Hydropower Plant. The Plan establishes the framework for systematic engagement with stakeholders throughout the operational phase of the project.

Stakeholder engagement is an important component of environmental and social management and aims to ensure transparent communication between the project and individuals or groups who may be interested in or affected by project activities. Through structured engagement processes, the project seeks to maintain constructive relationships with local communities, public institutions, and other relevant stakeholders.

The Stakeholder Engagement Plan defines the principles, procedures, and responsibilities for identifying stakeholders, providing relevant information regarding project activities, receiving stakeholder feedback, and addressing concerns related to the environmental and social performance of the project.

Implementation of this Plan supports compliance with applicable national legislation, environmental permit conditions issued for the Lakhmi Hydropower Plant, and relevant international environmental and social standards, including the requirements of the International Finance Corporation (IFC) and the European Investment Bank (EIB) related to stakeholder engagement and transparency.

The Plan is implemented in coordination with other environmental and social management plans developed under the ESMS, including the Community Liaison Implementation Plan and the project grievance mechanism procedures.

### **1.1. Objectives**

The objectives of the SEP are to ensure that relevant and accessible information regarding the Lakhmi HPP is communicated to stakeholders who may be interested in or affected by project activities.

The Plan also aims to establish clear procedures for receiving and considering stakeholder feedback, questions, and concerns related to the environmental and social performance of the project.

In addition, the SEP incorporates a grievance mechanism that provides stakeholders with an accessible channel for submitting concerns or complaints and enables the project to address such issues in a timely and transparent manner.

## **2. Roles and Responsibilities**

Roles and responsibilities for the implementation of this Stakeholder Engagement Plan during the operational phase of the Lakhmi HPP are defined as follows:

The Holding ESG and Sustainability Lead is responsible for overall oversight of the SEP and for ensuring that stakeholder engagement practices remain aligned with corporate ESG policies, sustainability commitments, and applicable international standards.

The Company ESG Manager is responsible for coordinating and supervising stakeholder engagement activities at the project level and for ensuring that engagement processes are implemented in accordance with the ESMS.

To support accountability and effective implementation of the Stakeholder Engagement Plan during operations, the following monitoring and management measures are applied:

- Key performance indicators (KPIs) related to stakeholder engagement are monitored on a periodic basis. These include grievance resolution rate (percentage of grievances resolved within 30 days), participation levels in stakeholder meetings where conducted, and stakeholder satisfaction indicators where applicable;
- The grievance management procedures and complaint forms support monitoring of grievance handling processes, responsibilities, and response timelines.
- ESG performance related to stakeholder engagement is reviewed periodically, including quarterly internal ESG reviews. The results of these reviews are documented in internal meeting records.

Based on monitoring results, stakeholder feedback, and operational observations, the ESG Manager prepares proposed updates or amendments to the SEP where necessary. Proposed revisions are communicated to the Holding ESG and Sustainability Lead for approval and subsequent implementation within the ESMS framework.

### **3. Compliance Framework**

#### **3.1. Legal Requirements of Georgia**

The Constitution of Georgia (1995) guarantees public access to information and the right of individuals to obtain full, unbiased and timely information about their working and living environment. In the context of the Power Plant, the Georgian legislation presently rules only the stakeholder engagement activities related to the environmental permitting process: as of 2018, there are no legal requirements applicable to the construction or operation phase.

With the progressive integration of the EU legislation into the Georgian legislation, the Power Plant is likely to see new stakeholders with whom it will have to engage, such as the basin agencies. The SEP will for that reason be updated on an annual basis.

#### **3.2. International Financing Institutions Requirements**

The Project is subject to IFC Performance Standards and to EIB Environmental and Social Standards.

These standards can be summarised as follows:

Stakeholder consultation as an ongoing process continuing throughout the life of the Hydro Power Plant.

Stakeholder engagement involves:

- stakeholder identification
- proactive stakeholder engagement
- availability of a grievance mechanism openness to all stakeholders
- regular monitoring

## 4. Stakeholders

### 5.1 Categories of stakeholders

The HPP stakeholders include all people who have a direct or indirect interest in relation with the Project:

Local stakeholders:

- Residents;
- Local business holders;

Parties affected by the Hydro Power Plant:

- Neighbouring communities
- Landowners  
Land or natural resources users (pastureland, forest) Ecosystem services users

River and water users:

- Fishermen
- River water consumers

Government and local authorities:

- Municipality representatives
- Central Governmental authorities (and their regional branches) involved in authorizations, permits, and inspections: Ministry in charge of Environment, Energy, Regional Development and Infrastructure  
Technical services: GSE, Energo-Pro
- Police
- Civil security, first aid and medical services

Civil society organizations:

- Local civil society organizations
- National civil society organizations involved in the Project area
- NGOs both local and national
- Academia and scientific society

Media:

- Journalists
- Newspapers
- Radio
- TV channels
- Online informational portals

Employment:

- Personnel hired by the Hydro Power Plant
- Job seekers

Third-parties:

- HPPs located downstream of the Project

### 5.2 Vulnerable stakeholders

Vulnerable stakeholders are stakeholders, who for a variety of individual reasons, might be disproportionately affected by the HPP or might have difficulties to assert their rights. They include:

- Pensioners
- Elderly people
- Multi-children families
- Single-parent families (including women-headed ones)
- Families registered as living below the poverty level
- People with disabilities
- Internally displaced people
- People who might have difficulties to access information, or might need specific assistance to assert their rights
- People exposed to pandemic events

## 5. STAKEHOLDER ENGAGEMENT ACTIONS

### 6.1 Preparatory activities

These activities are to be implemented at the beginning of the operation phase, and maintained across the lifetime of the Hydro Power Plant.

Activity	Means	Key messages	Targeted stakeholders
Webpage	Stakeholder engagement through the web	<ul style="list-style-type: none"> <li>- Brief project description</li> <li>- ESG impacts management</li> <li>- Public documentation</li> <li>- Grievance mechanism</li> <li>- Project ESG Manager identification, address, and contact</li> </ul>	<ul style="list-style-type: none"> <li>- All stakeholders</li> </ul>
Worker's information folder	Information binder in the Lakhmi 2 Powerhouse	<ul style="list-style-type: none"> <li>- Organizational chart;</li> <li>- Grievance mechanism/form;</li> <li>- Grievance box;</li> <li>- Project ESG manager identification, address, and contact</li> </ul>	<ul style="list-style-type: none"> <li>- workers</li> </ul>
Set-up a stakeholder register	Internal register	<ul style="list-style-type: none"> <li>- Record of all stakeholder engagement activities and enquiries</li> <li>- Keep a minute of specific meetings</li> </ul>	<ul style="list-style-type: none"> <li>- All stakeholders</li> </ul>
Identification of vulnerable persons	Internal document	<ul style="list-style-type: none"> <li>- List of households / individuals eligible as vulnerable in the Hydro Power Plant area of influence, and specific stakeholder engagement measures required</li> </ul>	<ul style="list-style-type: none"> <li>- Vulnerable stakeholders</li> </ul>

## 6. SPECIFIC ENGAGEMENT ACTIVITIES

Activity	Means	Key messages	Targeted stakeholders
vulnerable persons	vulnerable stakeholders in the project area of influence	<ul style="list-style-type: none"> <li>- Vulnerable stakeholders will receive the attention and assistance they need regarding the project equally to other stakeholders</li> <li>- Grievance mechanism</li> </ul>	<ul style="list-style-type: none"> <li>-Women-headed households</li> <li>-Elder-headed households ≥ 60/65 years</li> <li>-IDPs / Refugees / Eco migrants</li> <li>-Households with members with disabilities</li> <li>-Economically vulnerable (leaving below the poverty)</li> <li>- People exposed to pandemic events</li> </ul>
NGO and Civil society	Project web page	<ul style="list-style-type: none"> <li>- Hydro power Plant presentation</li> <li>- E&amp;S standard</li> <li>- Grievance mechanism</li> </ul>	Interested NGO and Civil society organizations
Media	Project web page	<ul style="list-style-type: none"> <li>- Hydro Power Plant presentation</li> <li>- E&amp;S standard</li> <li>- Grievance mechanism</li> <li>- Press release upon request</li> </ul>	Interested Media

## 7. Grievance Mechanism

The Hydro Power Plant operation may potentially lead to disagreements or disputes. In order to timely and effectively prevent them, or help resolving them in an amicable way, the Hydro Power Plant has established a permanent mechanism for receiving and handling stakeholders' grievances and concerns.

The grievance mechanism is open to all stakeholders, notably the PACs and workers. Only inquiries related to the Project activities are eligible. They can be sent to the Project ESG manager verbally, in writing, via email or telephone.

The grievance mechanism will be coordinated by the ESG manager who will enter any received inquiries in the Grievance Database. Questions and requests that have not been answered to the satisfaction of a stakeholder twice will be escalated to the Holding level. If the Holding cannot answer satisfactorily the complainant twice, the complainant is informed about its right to the court.

Both signed and anonymous inquiries might be received by the Company. However, if an inquirer would like to receive a reply, he/she has to provide contact details. Depending on the form of the inquiry, the Company ESG manager will reply within minimum 10 days and maximum 30 day to the complainant, ensuring that the inquiry will not be closed until the party is satisfied with the answer or chose to follow further complaint procedures.

## 8. STAKEHOLDER ENGAGEMENT REGISTER

Successful stakeholder engagement depends on continuous effort, performance monitoring, analysis and adapting to changed circumstances and stakeholder information needs. A systematic record of all stakeholder inquiries, questions and grievances will be kept.

## 9. MONITORING

The Project will apply the following monthly indicators to track stakeholder engagement performance and improve SEP implementation:

#	indicator	Gender desegregated data	
		yes	No
1	formal meetings held	X	
2	number of queries received	X	
3	number of queries closed	X	
4	average time to answer queries		X
5	% of queries answered within 10 days	X	
6	% of queries elevated as grievances:	X	

7	number of court cases: launched closed	X	
8	Number of visitors to the camp (when established) and topics of inquiries	X	
9	Number of grievances remaining unresolved	X	
10	Number of publications /broadcasts on the Project implementation process in local, regional, and national media	N/A	N/A

### 9.1. Gender balance

The Company ESG Manager will monitor the participation of women across the stakeholder engagement events organized by the Hydro Power Plant. If a systematic imbalance is observed in general or for some specific types of events, the Company ESG manager will take measures to rebalance the engagement with men and women, taking into the consideration local context related sensitivities.

### 10. REVISION

The Stakeholder Engagement Plan (SEP) shall be formally reviewed on an annual basis by the end of January. Any necessary revisions will be proposed and implemented by the personnel responsible for ESG management of the Hydro Power Plant, based on monitoring results, stakeholder feedback, and project developments.

**10.1. Annex 1: Stakeholder Engagement Plan Implementation**

**Lakhmi HPP**

**Stakeholder Engagement Plan implementation**

**FORM 1: MEETING NOTES**

Date: \_\_\_\_\_

Place: \_\_\_\_\_

Written by: \_\_\_\_\_

**Participants (Name, First name, position):** Total number : \_\_\_\_\_ M : \_\_\_\_\_ F :

-

-

*If available, appendix the whole list of participants.*

**Objective of the meeting and agenda:**

-

-

**Topics discussed:**

-

-

**Points raised by the Project:**

-

-

**Points raised by other stakeholders:**

-

-

**Decisions made and follow-up actions:**

-

-

**Actions to be undertaken by the Project as a result of the meeting:**

Lakhami HPP

Stakeholder Engagement Plan implementation

FORM 2: GRIEVANCE FORM

Lakhami HPP Project Complaint Form	
ჰიდროელექტროსადგური ლახამის საჩივრის ფორმა	
<i>PART A: COMPLAINANT DETAILS / ნაწილი ა: ინფორმაცია მომჩივნის შესახებ</i>	
<i>Complaint Ref Number / საჩივრის ნომერი -----</i>	
<i>Date Received / მიღების თარიღი</i>	<i>Method of Complaint/ საჩივრის შემოტანის მეთოდი</i>
<i>Location / ქალაქი</i>	Verbal/ზეპირი <input type="checkbox"/> Written/წერილობით <input type="checkbox"/>
<i>District / უბანი</i>	Other (indicate)/სხვა (მიუთითეთ):
<i>Complainant Name / მომჩივნის სახელი</i>	Original (White copy) - for official use Pink copy - to Applicant
<i>ID Number/ პირადი ნომერი</i>	Yellow copy - Returned to Applicant upon decision ორიგინალი (თეთრი კოპია) – ოფიციალური გამოყენებისთვის ვარდისფერი კოპია – რჩება მომჩივანს ყვითელი კოპია – უბრუნდება მომჩივანს გადაწყვეტილებასთან ერთად
<i>Complainant Address / განმცხადებლის მისამართი</i>	
<i>Complainant Telephone განმცხადებლის ტელეფონი</i>	
<i>Cadastral Land Parcel No / მიწის ნაკვეთის საკადასტრო №</i>	

Filled By (name, last name)/ შეივსო(სახელი, გვარი):			
Complaint Category:/საჩივრის კატეგორია:			
Access/მისასვლელის დაზიანება ან შეზღუდვა <input type="checkbox"/> Damage/საკუთრების დაზიანება <input type="checkbox"/> Traffic Accident /საგზაო შემთხვევა <input type="checkbox"/> Livelihood /საარსებო შემოსავალზე ზემოქმედება <input type="checkbox"/> Disturbance /შეწუხება <input type="checkbox"/> Air Quality/ჰაერის ხარისხი <input type="checkbox"/> Personnel /დასაქმებული <input type="checkbox"/> Other(specify)/სხვა (მიუთითეთ): <input type="checkbox"/>			
PART B: DETAILS OF COMPLAINT /ნაწილი ბ: საჩივრის დეტალური აღწერა			
Date of Incident/შემთხვევის თარიღი:		Supporting Documentation/თანმდევი დოკუმენტაცია:	
Description of Complain/საჩივრის აღწერა:			
This part will be signed by the complainant to indicate acceptance of the complaint details described above: აქ ხელმოწერით მომჩივანი ადასტურებს საჩივრის აღწერის სისწორეს:			
Name /სახელი გვარი: _____		Signature/ხელმოწერა: _____	
PART C: DETAILS OF RESOLUTION/ნაწილი გ: გადაწყვეტილება			
Define immediate action taken/ დაუყოვნებლივ მიღებული ზომები			
Summary of complaints assessment/ საჩივრის შეფასების მოკლე ანალიზი			
Corrective Actions and Sign Off / გამოსწორებითი ქმედებები და საჩივრის დახურვა			Due Date/ შესრულების თარიღი
1			
2			
3			

<i>Sign off Date /</i> თარიღი		Signature/ ხელმოწერა	Name/სახელი, გვარი
<b>PART D: COMPLAINANT SIGN OFF /ნაწილი დ: მომჩივნის ხელმოწერა</b>			
<p><i>This part will be signed by the complainant to indicate acceptance of the complaint resolution described above:</i></p> <p>აქ ხელმოწერით მომჩივანი გამოხატავს თანხმობას მიღებულ გადაწყვეტილებასთან დაკავშირებით:</p> <p>Name/სახელი, გვარი: _____ Signature/ხელმოწერა: _____</p>			

**Response to the grievance:**

[insert date]

[insert name]

[insert address]

Our ref: [insert if any]

Your ref: [insert if any]

Our contact details (email & phone): [insert]

Dear [insert name]

Heading, eg Complaint about ...

Thank you for bringing your concerns to our attention in [your letter/your email/our conversation] of [date].

As we understand it, you are concerned that [insert your understanding of the issues of concern, using a bulleted or numbered list if there is more than one point].

We are going to be investigating your concerns. We would be happy to meet you to discuss the issues you have raised and our investigation procedures. [Suggest a date and/or provide contact details.]

I am looking into the points you have made as a matter of urgency and shall be in touch with you with a full response by [insert anticipated response time – not longer than 28 working days].

Please do contact me again in the meantime if I can be of further assistance. My email and phone number are given above.

Yours sincerely

Name

Job title

**10.1. Annex 2: Grievance/Protest/Request Log**



Bakht H-PP  
Grievance\_Protest

**10.2. Annex 3: Stakeholder Matrix**



Stakeholder  
Matrix\_2024.xlsx

**10.3. Annex 4: Guidance Note on Stakeholder Identification**



Guidance%20on%20  
Stakeholder%20identi