

NOOR Laayoune 65 MW Photovoltaic
Power Project and 225kV Power Line
Laayoune Province



Stakeholder Engagement Plan

Prepared for:



ACWA Power

December 2016

DOCUMENT INFORMATION

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LIST OF ABBREVIATIONS

| Abbreviation | Meaning |
|--------------|--|
| AC | Alternate Current |
| ACWA Power | Arabian Company for Water and Power |
| AGCE | Authorite Gouvernemental Charge de L'Environment |
| CLO | Community Liaison Officer |
| CNEIE | Committee National de EIE |
| CSP | Concentrated Solar Power |
| DC | Direct Current |
| EHS | Environmental, Health and Safety |
| EIE | Etude de l'Impact Environmental |
| EMS | Environmental Management System |
| EPC | Engineering, Procurement and Construction |
| EPFIIs | The Equator Principle Financial Institutions |
| EPs | Equator Principles |
| ESMP | Environmental and Social Management Plan |
| FESIA | Framework Environmental and Social Impact Assessment |
| ha | Hectares |
| IFC | International Finance Corporation |
| IFI | International Finance Institution |
| LC | Local Council |
| MASEN | Moroccan Agency for Solar Energy |
| MEMEE | Moroccan Ministry of Energy, Mines, Water and Environment |
| O&M | Operation and Maintenance |
| OECD | The Organisation for Economic Co-operation and Development |
| ONE | Office National d'Electricité et de d'Eau Potable |
| PCOD | Project Commercial Operation Date |
| PS | Performance Standards on Environmental and Social Sustainability |
| PV | Photovoltaic |
| SEP | Stakeholder Engagement Plan |
| SESEA | Specific Environmental and Social Impact Assessment |
| SF | Solar Field |
| TOR | Terms of Reference |
| WB | World Bank |
| WHO | World Health Organisation |
| 5 Capitals | 5 Capitals Environment and Management Consultancy |

1 INTRODUCTION

The Moroccan Government plans to develop a 65 MW photovoltaic (PV) power plant in the rural community of Edchera (or Decheira or Ad Dchira), province of Laayoune. The Moroccan Agency for Solar Energy (MASEN), the company that sponsors solar energy, has declared ACWA Power as the preferred bidder for the PV facility. ACWA will be responsible for the design, engineering, procurement, financing, construction, permitting, completion, start-up, testing, commissioning, operation and maintenance of the 65 MW Laayoune PV Project (henceforth the Project) for a 25-year period.

The proposed site for the 65 MW Laayoune PV is a greenfield desert area located 10 km southeast from Edchera (village) and 26 km southeast from the city of Laayoune. The specific plot for the project has a total area of 240 ha and will be connected to Edchera by a ~11 Km road. The Project includes the construction of a 225 kV power line (PL) to connect the PV to an existing power line located 25 km north (straight line).

ACWA Power aims to manage the Environmental and Social (E&S) aspects of the Project in accordance with the World Bank/International Finance Corporation (IFC) Performance Standards (PS) on Environmental and Social Sustainability (2012), which require to implement a meaningful stakeholder engagement process during the lifetime of the project. This document is the Stakeholder Engagement Plan (SEP) for the SESIA of the NOOR Laayoune Project.

5 Capitals Environmental and Management Consulting (5 Capitals), an independent environmental and social consultancy, has been commissioned by ACWA Power to undertake the Specific Environmental and Social Impact Assessment (SEIA) and prepare an SEP for the proposed Project in line with IFC standards.

1.1 Objectives of the Stakeholder Engagement Plan

Stakeholders are persons or groups of communities who are directly or indirectly affected by a project, as well as those who may have interests in a project and/or the ability to influence its outcome, either positively or negatively. Stakeholders may include locally affected communities or individuals and their formal and informal representatives, national or local government authorities, politicians, religious leaders, civil society organizations and groups with special interests, or other businesses.

Stakeholder engagement is an on-going process that starts at the SEIA phase and should extend through the lifetime of the project. Stakeholder engagement involves a range of activities such as public disclosure of appropriate information, consultation with stakeholders, and mechanisms by which people can make comments and raise grievances.

This Stakeholder Engagement Plan has been prepared with the aim of:

-
- Identify the stakeholder engagement requirements;
 - Outline a systematic approach to build and maintain a constructive relationship with the project stakeholders; and
 - Set up a system to appropriately manage and responding to grievances from the local communities and other stakeholders.

2 REGULATIONS AND REQUIREMENTS

This chapter aims to give an overview of the regulatory requirements applicable to the Project for stakeholder engagement. A more complete review of all the applicable environmental and social legislation of Morocco and all applicable international environmental and social requirements for the project is provided in the regulatory review of the SESIA Vol.2.

2.1 National Requirements

The requirements for public information as part of the environmental and social impact studies are established by Decree No. 2-04-564 of 5 Kaada 1429 (November 4th 2008) that "establish the procedure for organizing and holding the public inquiry for projects subject to environmental and social impact studies" under Law No. 12-03 related to environmental impact studies and promulgated by Dahir No. 1-03-60 of 10 rabii I 1424 (May 12th 2003).

The main provisions of this decree are:

The request to open a public inquiry is filed by the petitioner accompanied by a file including the following documents in Arabic and French languages:

- a fact sheet highlighting the main technical characteristics of the project submitted to a public inquiry;
- a non-technical summary of the draft impact assessment, i.e. a clear and comprehensible document for the public including the information and main data contained in the EIA, specially including those related to the positive and / or negative impacts of the project on the environment and the measures envisaged to eliminate, reduce or offset any adverse effects of the project on the environment;
- a site plan indicating the limits of the expected impact zone of the project.

The public inquiry is opened by order of the prefecture or province's concerned governor within a period not exceeding ten (10) working days from the date of the request.

The conduct of the public inquiry is entrusted to a committee chaired by the local administrative authority of the place where the project will be implemented and is composed of:

- president (s) of the municipality or municipalities concerned or the representative;
- representative of the government authority responsible for the environment (MEMEE);
- representative or governmental authorities (s) responsible for the sector concerned by the project at national or regional level, as appropriate;

-
- any person invited by the president to help the commission in its work, including an expert, if deemed necessary, for particular aspects.

The public inquiry opening order must specify:

- the nature of the project, its consistency and its location;
- the population affected by the public inquiry within the limits of the project impact area subject to EIA;
- the opening and closing dates of public inquiry;
- the place or places of consultation as well the place (s) where public comments and proposals will be collected;
- the names and positions of the President and Members of the Committee referred to in Article 4 above, that are responsible for the implementation of the public inquiry

The order with the opening of the public inquiry is brought to public knowledge at least fifteen days before the opening date through publication in at least two daily newspapers, of which one must be in Arabic, authorized to receive legal notices, and displayed in the premises of municipalities concerned. This display is maintained throughout the duration of the public inquiry. Furthermore, the Commission may use any other appropriate means of communication, including audio-visual means, ensuring that the necessary information on the public inquiry reaches the population.

For the duration of the inquiry, the president of the Commission must take all necessary steps to enable the population concerned to access the consultation file, making it available at least at the headquarters of the municipalities concerned.

The president also makes public a registry in order to record observations and suggestions about the project.

The duration of the public inquiry is twenty (20) days. Upon expiry of this deadline, the Commission shall formulate the public inquiry report on the basis of the observations contained in the registry and summarizing the comments and proposals made by the population concerned about the project.

The public inquiry report and registry shall be forwarded by the President to the chairman of the National Committee on EIA (CNEIA), or to the president of the Regional Committee of the impacted study area within eight (8) days from the closing date of the public inquiry.

In summary, Moroccan law requires a public inquiry of 20 days, during which the population, previously informed by the regional ministry by means of press publication is invited to consult the Project environmental and social documentation (including a non-technical summary), and provide their observations in a registry, which will then be taken into account in the final

report of the commission. Note that the regulation does not specifically require public meetings, but it also does not proscribe it. In practice, most large projects do not just provide the project documentation to the public, but also organize public information meetings and consultations in the framework of public inquiries.

2.2 IFC Requirements

All the IFC Performance Standards (2012) require meaningful stakeholder engagement. The first performance standard "Social and Environmental Assessment and Management Systems" describes the stakeholder engagement requirements in more depth. It states the following:

Stakeholder Engagement

Stakeholder engagement is an on-going process that may involve, in varying degrees, the following elements: stakeholder analysis and planning, disclosure and dissemination of information, consultation and participation, grievance mechanism, and on-going reporting to Affected Communities. The nature, frequency, and level of effort of stakeholder engagement may vary considerably and will be commensurate with the project's risks and adverse impacts, and the project's phase of development.

Stakeholder Analysis and Engagement Planning

Clients should identify the range of stakeholders that may be interested in their actions and consider how external communications might facilitate a dialog with all stakeholders. Where projects involve specifically identified physical elements, aspects and/or facilities that are likely to generate adverse environmental and social impacts to Affected Communities the client will identify the Affected Communities and will meet the relevant requirements described below.

The client will develop and implement a Stakeholder Engagement Plan that is scaled to the project risks and impacts and development stage, and be tailored to the characteristics and interests of the Affected Communities. Where applicable, the Stakeholder Engagement Plan will include differentiated measures to allow the effective participation of those identified as disadvantaged or vulnerable. When the stakeholder engagement process depends substantially on community representatives, the client will make every reasonable effort to verify that such persons do in fact represent the views of Affected Communities and that they can be relied upon to faithfully communicate the results of consultations to their constituents.

Disclosure of Information

Disclosure of relevant project information helps Affected Communities and other stakeholders understand the risks, impacts and opportunities of the project. The client will provide Affected Communities with access to relevant information on:

- (i) The purpose, nature, and scale of the project;
- (ii) The duration of proposed project activities;
- (iii) Any risks to and potential impacts on such communities and relevant mitigation measures;
- (iv) The envisaged stakeholder engagement process;
- (v) The grievance mechanism.

Consultation

When Affected Communities are subject to identified risks and adverse impacts from a project, the client will undertake a process of consultation in a manner that provides the Affected Communities with opportunities to express their views on project risks, impacts and mitigation measures, and allows the client to consider and respond to them. The extent and degree of engagement required by the consultation process should be commensurate with the project's risks and adverse impacts and with the concerns raised by the Affected Communities. Effective consultation is a two-way process that should:

- (i) Begin early in the process of identification of environmental and social risks and impacts and continue on an on-going basis as risks and impacts arise;
- (ii) Be based on the prior disclosure and dissemination of relevant, transparent, objective, meaningful and easily accessible information which is in a culturally appropriate local language(s) and format and is understandable to Affected Communities;
- (iii) Focus inclusive engagement on those directly affected as opposed to those not directly affected;
- (iv) Be free of external manipulation, interference, coercion, or intimidation;
- (v) Enable meaningful participation, where applicable; and
- (vi) Be documented.

The client will tailor its consultation process to the language preferences of the Affected Communities, their decision-making process, and the needs of disadvantaged or vulnerable groups. If clients have already engaged in such a process, they will provide adequate documented evidence of such engagement.

External Communications and Grievance Mechanisms

External Communications

Clients will implement and maintain a procedure for external communications that includes methods to

- (i) Receive and register external communications from the public;
- (ii) Screen and assess the issues raised and determine how to address them;
- (iii) Provide, track, and document responses, if any; and
- (iv) Adjust the management program, as appropriate. In addition, clients are encouraged to make publicly available periodic reports on their environmental and social sustainability.

Grievance Mechanism for Affected Communities

Where there are Affected Communities, the client will establish a grievance mechanism to receive and facilitate resolution of Affected Communities' concerns and grievances about the client's environmental and social performance. The grievance mechanism should be scaled to the risks and adverse impacts of the project and have Affected Communities as its primary user. It should seek to resolve concerns promptly, using an understandable and transparent consultative process that is culturally appropriate and readily accessible, and at no cost and without retribution to the party that originated the issue or concern. The mechanism should not impede access to judicial or administrative remedies. The client will inform the Affected Communities about the mechanism in the course of the stakeholder engagement process.

On-going Reporting to Affected Communities

The client will provide periodic reports to the Affected Communities that describe progress with implementation of the project Action Plans on issues that involve on-going risk to or impacts on Affected Communities and on issues that the consultation process or grievance mechanism have identified as a concern to those Communities. If the management program results in material changes in or additions to the mitigation measures or actions described in the Action Plans on issues of concern to the Affected Communities, the updated relevant mitigation measures or actions will be communicated to them. The frequency of these reports will be proportionate to the concerns of Affected Communities but not less than annually.

3 STAKEHOLDER IDENTIFICATION AND ANALYSIS

3.1 Identified stakeholders

The stakeholders of the project are classified in two categories:

- Affected Stakeholders, i.e. the people or institutions that may potentially be affected by one or more of the potential impacts of the project.
- Interest Based Stakeholders, which potentially include public agencies concerned with any of the project activities, national and international non-governmental organizations and the interested part of the civil society.

The table below outlines the identified stakeholders and their interest in the project. Where applicable this SEP will include differentiated measures to allow the effective participation of those identified as disadvantaged or vulnerable stakeholders.

Table 3-1 List of Stakeholders

| Stakeholders | Type |
|---|------------------------------------|
| Agence National de l'Emploi et de la Promotion des Compétences | Interest Based – Government Agency |
| Direction provinciale de l'Equipement | Interest Based – Government Agency |
| Direction régionale de l'environnement de Laayoune | Interest Based – Government Agency |
| Autorité locale – direction province de l'urbanisme et de l'environnement de la province de Laayoune. | Interest Based – Government Agency |
| Agence urbaine de Laayoune | Affected Stakeholder |
| Commune of Edchera (local leaders and local population) | Affected Stakeholder |
| City of Laayoune (local leaders and local population) | Affected Stakeholder |
| Délégation de Energies et Mines (Laayoune) | Interest Based – Government Agency |
| Délégation de l'ABHSM (Agence du Bassin Hydraulique de Sakia Al Hamra) | Interest Based – Government Agency |
| Délégation du commerce et de l'industrie | Interest Based – Government Agency |
| Délégation du Ministère de la Santé | Interest Based – Government Agency |
| Centre Régional d'Investissement - Laayoune | Interest Based – Government Agency |
| Délégation Provinciale du Tourisme | Interest Based – Government Agency |
| Direction provinciale de l'Equipement | Interest Based – Government Agency |

| Stakeholders | Type |
|--|------------------------------------|
| Direction Provinciale de l'ONEE-branche eau (Office National de l'Electricité et de l'Eau Potable) | Affected Stakeholder |
| Direction Provinciale de l'agriculture | Interest Based – Government Agency |
| MASEN | Interest Based – Government Agency |
| Office de la Formation Professionnelle et de la Promotion du Travail | Interest Based – Government Agency |
| ONEE –Branche Electricité - Laayoune (Office National de l'Electricité) | Affected Stakeholder |

3.2 Vulnerable Stakeholders

From the point of view of the stakeholder engagement process, vulnerable stakeholders are groups that, due to one or more specific characteristics, might have specific difficulties participating in the stakeholder engagement process. The stakeholder analysis and the review of available information during the scoping phase has indicated no vulnerability for Interest Based Stakeholders. The following sources of vulnerability are expected among Affected Stakeholders (community members, land owners/users):

- Women: The Gender Development Index in Morocco was 0.555 for women, compared to 0.670 for men in 2014. The Gender Inequality Index (2014) was 0.525. These UNDP indicators show that women are disadvantaged and this vulnerability is generally higher in rural areas;
- The poor: Poor community members are less likely to attend stakeholder engagement activities, specifically when there is a specific cost associated with attendance (e.g. transport costs);
- The illiterate: Illiterate community members are not able to review disclosed documents or provide written feedback, and may face difficulties to meaningfully engage with the information provided;
- The disabled: Disabled or sick community members face additional challenges attend certain stakeholder engagement activities such as meetings, focus groups or workshops;
- Computer illiteracy / lack of Internet access: The SESIA requirements include online disclosure of SESIA documentation. The lack of internet access or computer illiteracy can prevent some community members to access this information.

Other potential sources of vulnerability were assessed but not considered significant for this project, including the following:

- Language: All stakeholders and community members are Arabic speakers.
- Indigenous People: There are no indigenous groups in the project area;

-
- Religion: The major religion in Morocco is Islam. There are no religious minorities in the project area.

4 STAKEHOLDER ENGAGEMENT UNDERTAKEN TO DATE

The table below outlines the stakeholder engagement meetings undertaken for the SESIAs (PL and PV) for the Laayoune Project.

Table 2 Stakeholder Engagement meetings for the Laayoune Project

| Meeting | Methodology and location | Target audience | Date |
|--------------------------------------|---|--------------------------------------|--------------------------------|
| SESI NOOR Laayoune 65 MW PV Plant | Open Consultation Meeting Conducted in the city of Laayoune | Local Communities, Local Authorities | November 30 th 2016 |
| SESI NOOR Laayoune 225 kV Power Line | | | |

A summary of the meeting undertaken for NOOR Laayoune is provided on the section below, and the minutes of the meeting are provided in the annexes.

4.1 NOOR Laayoune Consultation meeting

Adverts were published in one regional and one national newspaper for announcing consultation activities for the SESIAs. The notices (figure below) were published in Arabic and French for a week. In addition, invitations were sent to the identified stakeholders in the Edchera Commune and Laayoune.

Figure 1 Public Consultation Meeting Notification

L'ECONOMISTE

Projet de la centrale photovoltaïque NOOR Laayoune

- Avis de Réunion de consultation publique -

L'Agence marocaine de l'énergie solaire (MASEN) a mandaté le consortium international dirigé par la société ACWA Power pour la réalisation de la centrale solaire photovoltaïque NOOR Laayoune, à Laayoune ayant une capacité de 65 MW. Actuellement, une étude environnementale spécifique est en cours de réalisation. Dans cette optique, les bureaux d'étude « 5 Capitals Environnement et Management Consulting » et « Phenixa » organiseront une réunion de consultation publique, le 30 novembre 2016 à 10h à l'Hôtel AL Massira de Laayoune, afin de présenter le projet et recenser les avis de la population locale ainsi que les parties prenantes concernée par le projet.

Pour plus d'informations, appeler le 05 37 20 80 88 ou contacter l'adresse mail suivante : Phenixa@phenixa.com

Jeudi 17 Novembre 2016

مشروع محطة الطاقة الشمسية الجديدة بورالعيون

حيث أوجلت المغربية لطاقة الشمسية "MASEN" كمسؤولة عن تنفيذ مبادرة ACWA Power لإنشاء محطة الطاقة الشمسية الجديدة بورالعيون بطاقة بقدرة 65 ميغاواط

الدراسة الخامسة للتأثير البيئي في طور الاتجاه حالياً في هذا السياق، سيعقد فكتي الدراسات "5Capitals" و "Phenixa" و "Environnement et Management Consulting" جلسة استشارية عامة للتعريف بالمشروع ورصد آراء الساكنة المحلية وكذا جميع الجهات المعنية يوم 30 نونبر 2016 بفندق 10:00

العنوان على الساعة 05 37 20 80 88 للمرزيد من المعلومات يرجى الإتصال على الرقم

phenixa@phenixa.com

رسالة الكترونية إلى:

The open meeting was conducted on November 30th 20016 in the city of Laayoune (Boulevard Mekka). The meeting was led by representatives of Phenixa, ACWA Power and MASEN. A report containing all the information recorded during the open meeting is provided in the Appendix 1.

Local Arabic and French were spoken during the meeting. When a comment or response was made in French, translation to Arabic was provided, since Arabic is the spoken language in rural areas.

Forty-five people attended the open meeting. The stakeholders present at the meeting included of the following:

The stakeholders present at the meeting consisted of the following:

- Provincial technical departments
- Elected Communal councillors
- Non- Governmental Organisations
- Government bodies

A copy of the non-technical summary in French and Arabic (Appendix 2) was provided to all attendees and an initial presentation was undertaken to outline the main elements of the NOOR Laayoune Project, summarise the baseline conditions in the study area (physical, biological and socioeconomic), outline the identified positive and negative impacts, explain the assessment undertaken and the mitigation measures that were being considered.

Stakeholders that attended the meeting shared their views and opinions. The following is a summary of the perspectives and concerns of the stakeholders:

- Protection and sustainable use of freshwater resources
- Employment and training opportunities for the local population
- Renovation of health and education centres in the town of Dhira
- Communications and grievance mechanisms

The following table summarises the questions and concerns raised, and the answers provided:

Table 4-3 Summary of comments and question

| Question/Comments | Clarifications & Answers |
|---|--|
| <p>The community of Edchera is very pleased to learn of this development and is pleased with the development of the new road to the community, which has greatly facilitated the transport of goods to the residents.</p> <p>Additional social initiatives that would be beneficial to the community are:</p> <p>Renovate the school, renovate the health clinic, install public street lights.</p> | The recommendations will be considered in the SESIA |
| <p>Fresh water resources in Laayoune are very limited and to this effect a new desalination plant has been requested. Will the project owners be willing to contribute to the development of this desalination plant?</p> | Only the first phase of the PV will use water from the desalination plant. Future projects will consider alternatives sources in coordination with the appropriate authorities. |
| <p>It is noted that no hydrogeological survey has been conducted for the site. However, a deep well, over 900m underground with a salinity of 6g/l, is located 2.5km from the site. Will this well be used for the project?</p> | |
| <p>Other projects have not employed local residents on the pretext of the absence of work experience/job skills. There is grave concern that the proposed project will also not hire local people for the reason.</p> | MASEN and ACWA Power will implement the same measures that have been developed in the Ouarzazate project to ensure that local residents are employed on the project and that opportunities to improve work skills are provided. |
| <p>The announcement of this public consultation meeting was only published in French and therefore the information was not publicly available for most the population. In addition, a number of people were not allowed to access the meeting.</p> | <p>The announcement was published in both Arabic (The Assabah newspaper) and French (the Economist newspaper) languages.</p> <p>Access to the meeting has been granted to everyone that wished to attend.</p> <p>A full stakeholder Engagement Plan will be implemented by MASEN to ensure a positive and constructive relationship with all stakeholders.</p> |

Vulnerable Groups

Specific actions were be undertaken to facilitate a meaningful participation of the identified vulnerable groups.

Women:

- A female consultant was present at the consultation meeting to organise a focus group with women if required. Female participants attended the open meeting and participated on the open discussion, so the focus group was not considered necessary.

The poor:

- All materials provided in the meeting was free of charge. The possibility to organise transport from the Edchera commune was offered to local leaders, who considered it unnecessary.

The illiterate:

- Oral and visual presentations were prepared for the meetings and signboards. The consultants were available to discuss verbally and address any concerns from illiterate stakeholders.

Lack of Internet access:

- Hard copies of the disclosed documents were available at the consultation meeting.

5 STAKEHOLDER ENGAGEMENT PLAN

5.1 Methods and timeline

Table 5-1 Stakeholder Engagement Plan - Methods and Timeline

| Stage | Method | Timeline / Responsibility |
|--------------------|--|--|
| Design Phase | Disclosure of final SESIA package (SESEA, Final NTS, SEP, etc.) Hard copies to be delivered to the Local Authorities of Laayoune and Edchera; Online disclosure at Acwa Power's website, | Following approval of final SESEAs by CNEIE ACWA Power / Project Company |
| Construction Phase | Grievance mechanism (described below) | On-going from the start of the construction phase MASEN / Project Company / EPC |
| | Meetings with Local Authorities (Edchera and Laayoune) To capture observations and grievances, and provide updates on E&S procedures | Quarterly MASEN |
| Operational Phase | Grievance mechanism (described below) | On-going from the start of the operational phase MASEN / Project Company / EPC |
| | Meetings with Local Authorities (Edchera and Laayoune) To capture observations and grievances, and provide updates on E&S procedures | Yearly MASEN |

5.2 Grievance Mechanism

The aim of the grievance mechanism is to establish a system to receive and facilitate resolution of the stakeholder's concerns and grievances about the Project's environmental and social performance. The grievance mechanism has the Affected Communities as its primary beneficiaries. It seeks to resolve concerns promptly, using an understandable and transparent consultative process that is culturally appropriate and readily accessible at no cost and without retribution to the party that originated the issue or concern. The mechanism will not impede access to judicial or administrative remedies.

MASEN is the entity responsible for the implementation of the Grievance Mechanisms for external stakeholders for the Laayoune Project.

The grievance mechanism for the project will comply with the following principles:

- Clarify at the outset what is the purpose of the procedure;

- Assure people that there will be neither cost nor retribution associated with lodging a grievance;
- The entire process (i.e. how a complaint is received and reviewed, how decisions are made and what possibilities may exist for appeal) will be made as transparent as possible by putting it into written form, publicising it and explaining it to relevant stakeholders;

The grievance mechanism will be publicised during the construction, operational and decommissioning phases of the project at the site gate. All information about grievance procedures, grievance forms, and responses will be available in Arabic and French. Access to the mechanism will be free of cost.

Coming out with a complaint can pose risks for people, especially if it concerns issues such as corruption, misconduct, monetary compensation, or if it interferes with local social norms, including gender norms. The grievance mechanism will include precautions such as a clear non-retaliation policy, measures to ensure confidentiality and safeguarding of the personal data collected in relation to a complaint, as well as an option to submit anonymous grievances.

Handling grievances encompasses a step-by-step process as well as assigned responsibilities for their proper completion. Companies establishing grievance mechanisms will follow the process' steps discussed below.

Scope

The scope of the grievance mechanism is to cover all stakeholder's problems and concerns regarding project activities and the implementation of the mitigation and compensation measures identified at the SESIA stage. Generally, all claims from affected communities should be accepted and no judgment made prior to investigation, even if complaints are minor. However, according to best practice, the following claims should be directed outside of project-level mechanisms:

- Complaints clearly not related to the project: It is sometimes difficult to determine which issues are related to the project and which are not. If in doubt, employees designated to receive grievances should accept the complaint and assess its legitimacy;
- Issues related to governmental policy and government institutions;
- Complaints constituting criminal activity and violence: In these cases, complainants should be referred to the justice system;
- Commercial disputes: Commercial matters should be stipulated in contractual agreements and issues should be resolved through a variety of commercial dispute resolution mechanisms or civil courts. Suppliers will have access to the grievance mechanism stipulated in the previous point.

Publicizing Grievance Management Procedures

The grievance mechanisms will be publicized in the following ways as a minimum:

- Posters at the site entrance; and.
- On the SEP disclosed online and at the communities.

The information provided online and on posters will be available in all the relevant languages (i.e. Arabic, French and English) and will include at least the following:

- What project-level mechanisms are capable of delivering and what benefits complainants can receive from using the company's grievance mechanism, as opposed to other resolution mechanisms;
- Who can raise complaints (i.e. all stakeholders);
- Where, when, and how community members can file complaints (to agree during the stakeholder engagement process);
- Who is responsible for receiving and responding to complaints;
- What sort of response complainants can expect from the company, including timing of response; and
- What other rights and protection are guaranteed.

In addition, specific measures have been included in the SESIA to ensure that grievances are reported (e.g. all vehicles dedicated full time for the project and circulating on roads outside the project site will have a clearly visible unique identification number and a sign with a telephone number for any road user to report grievances when required).

Submitting a complaint

The grievance mechanism will allow for complaints to be filed, as a minimum, in the following ways:

- By post;
- By email and/or through an online form; and
- At the project gate.

Written and verbal complaints will be received at the project's gate – therefore the security personnel have to be aware and trained to deal with the complaint appropriately. The security personnel should communicate that a stakeholder wants to submit a grievance to the person responsible to receive complaints (e.g. MASEN's Community Liaison Officer). For illiterate complainants or those that prefer to submit their complaints verbally, the person responsible to receive complaints will meet them and will take notes on the details of the complainant and read them out loud to the complainant to confirm that the key elements of the complaint have been captured.

Receiving Complaints

MASEN will publicly commit to a certain time frame in which all recorded complaints will be responded and to ensure that this response time frame is enforced. By letting people know when they can expect to be contacted by company personnel and/or receive a response to their complaint their frustration may be reduced.

The following receipt procedure rules will be followed for grievances:

- All incoming grievances will be acknowledged as soon as possible, no later than a week from reception. A formal confirmation—with a complaint number, or other identifier, and a timeline for response—assures the complainant that the organization is responding properly, and it gives the project a record of the allegation. As a good practice complaints received in person will be acknowledged at the same time;
- If a more complex investigation is required, the complainant will receive an update within two weeks of the grievance being received, explaining the actions required to resolve the complaint, and the likely timeframe;
- MASEN will explain in the first letter of acknowledgment, which claims are clearly outside the scope of the mechanism and what alternative mechanisms communities can use to address these potential issues.

Reviewing and Investigating Grievances

To ensure that all grievances are adequately investigated and closed out, a grievance log will be kept, documenting all the actions taken to address each grievance.

An extensive investigation may be required when grievances are complex and cannot be resolved quickly. MASEN will take full responsibility for investigating the details of grievances coming through its grievance mechanism, following the principle of "no cost to communities". MASEN is responsible to involve second parties during the investigation of grievances (i.e., ACWA Power, the Project Company, the EPC or subcontractors) when required.

In cases of sensitive grievances - such as those involving multiple interests and a large number of affected people - it may help to engage outside organizations in a joint investigation, or allow for participation of local authorities, only if the complainants agree to this approach.

For complex grievances an investigation team will have to be appointed. If the investigation team is formed internally, issues that will be taken into consideration include potential conflicts of interest, qualifications, gender composition, and budget.

Meetings with complainants and site visits can be useful for grievance investigation and will be undertaken, as appropriate.

Complainants will be informed weekly of the status of their grievance.

Grievance Resolution Options and Responses

One of the potential advantages of a grievance mechanism is its flexibility. Rather than prescribe a specific procedure for each particular type of complaint, a list of possible options appropriate for different types of grievances will be provided. Options may include altering or halting harmful activities or restricting their timing and scope (e.g. for construction noise), providing an apology, replacing lost property, providing monetary compensation, revising the community's engagement strategy, and renegotiating existing commitments or policies.

The grievance investigation team will provide a proposal to resolve the complaint, which will have the backing of the MASEN's Senior Management. The person appointed by MASEN (e.g. Community Liaison Office) will then contact the complainant to get an agreement on the proposed solution.

If all parties accept the proposed solution, the agreed actions will be implemented in the established timeframe. In the case that complainant does not accept the proposed resolution, the company should re-assess the situation and make sure that all alternatives within the grievance mechanism are explored. If agreeing on a solution acceptable to all parties is not possible within the grievance mechanism, the complaint will be referred to external mechanisms.

Close-up monitoring of a complaint will be undertaken, if possible, by collecting proof that the necessary actions have taken place. For example:

- If the issue was resolved with the satisfaction of the complainants, get a confirmation and file it along with the case documentation;
- Take photos or collect other documentary evidence to create a comprehensive record of the grievance and how these were resolved.

6 MONITORING AND EVALUATION

6.1 Process Monitoring and Reporting

The following indicators will be monitored.

Table 6-1 Key monitoring indicators

| Indicator | Source of information | Frequency Construction & Decommissioning/Operation |
|--|-----------------------------|--|
| Average time for grievance processing and close out and trends | Grievance Management System | Quarterly / bi-yearly |
| Number of grievances opened, method to submit the grievance and trends | Grievance Management System | Quarterly / bi-yearly |
| Topics raised in new grievances and trends | Grievance Management System | Quarterly / bi-yearly |

6.2 Compliance Auditing

The Project Company will procure the services of an independent external compliance auditor to check compliance with the applicable environmental and social standards, including the commitments made in the SEP.

The scope of the audits will include the following items related to the SEP:

- Inspect the grievances and close out reports;
- Inspect the key monitoring indicators and reports;

These external audits will be undertaken quarterly during construction and decommissioning, and yearly during operations.