

EBRD's stakeholder engagement requirements for water sector projects

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Background of the Bank

- Regional multilateral financial institution investing in various sectors across 29 countries in Europe and central Asia, with prime focus on private sector clients
- Sustainability commitments by mandate
- Promoting corporate transparency, accountability and stakeholder engagement
- Environmental and Social Policy and Performance Requirements, Public Information Policy



Typical water sector projects

- Aim to raise quality / efficiency of water services and improve public health
- Rehabilitation / modernisation and/or expansion of existing water & wastewater systems and facilities (e.g. water/wastewater mains, groundwater wells, pumping stations, treatment facilities etc.)
- Construction of new water treatment facilities, wastewater treatment plants, sludge biogas facilities etc.





PR 10: Information Disclosure and Stakeholder Engagement



- Build and maintain constructive relationships with stakeholders
- Identify people or communities affected by the project
- Information disclosure and meaningful consultation on the project



PR10 - Key Concepts

- During project preparation:
 - Stakeholder identification and analysis
 - Stakeholder Engagement Plan (SEP)
 - Information disclosure
 - Meaningful consultation
- During project implementation
 - Reporting and community engagement
- Grievance mechanism



Stakeholder engagement

- a part of the E&S due diligence
- disclosure of relevant and adequate information
- consultations when need arises
- focused on E&S risks and adverse impacts
- outlines the proposed measures and actions to mitigate and monitor the impacts
- continues throughout project implementation



Key positive aspects

- Informing people prevents misconceptions and creates enabling environment
- Rigorous requirements:
 - go beyond local/national requirements in many cases
 - driven by EU requirements and best practice
 - support Aarhus Convention approach even in areas where it has not been ratified
- *Explicit* requirements on disclosure of relevant information and meaningful consultation



Key challenges

- General lack of awareness of Clients / Water Companies about the requirements / process / resources needed
- Weak corporate governance of water service providers in many cases
- Perception of high cost / time / complex logistics
- Lack of guidance for Water Companies on access to information and public participation



Need for Practical Guidance

- ▶ EBRD would strongly encourage the development of a Guidance note for companies in relation to access to information and public participation, to include:
 - Obligations for companies (private or public) as opposed to authorities;
 - Handling requests from stakeholders (e.g. letter templates);
 - Providing info in advance of works (e.g. to affected people);
 - Handling grievances/complaints;
 - Good-practice record-keeping

