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Stakeholder Engagement Plan for
“Agriculture Modernization Project”
Republic of North Macedonia
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**Abbreviations**

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>ABP</td>
<td>Animal by-products</td>
</tr>
<tr>
<td>AFSARD</td>
<td>Agency for Financial Support in Agriculture and Rural Development</td>
</tr>
<tr>
<td>AMP</td>
<td>Agriculture Modernization Project</td>
</tr>
<tr>
<td>AREC</td>
<td>Agency for Real Estate Cadaster</td>
</tr>
<tr>
<td>CPF</td>
<td>Country Partnership Framework</td>
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<tr>
<td>ESF</td>
<td>Environmental and Social Framework</td>
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<td>ESS</td>
<td>Environmental and Social Standard</td>
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<td>EU</td>
<td>European Union</td>
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<tr>
<td>FVA</td>
<td>Food and Veterinary Agency</td>
</tr>
<tr>
<td>IBRD</td>
<td>International Bank for Reconstruction and Development</td>
</tr>
<tr>
<td>IPARD</td>
<td>Instrument of Pre-accession assistance for rural development</td>
</tr>
<tr>
<td>MAFWE</td>
<td>Ministry of Agriculture, Forestry and Water Economy</td>
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<tr>
<td>MoF</td>
<td>Ministry of Finance</td>
</tr>
<tr>
<td>NGOs</td>
<td>Non-Governmental Organizations</td>
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<tr>
<td>OG</td>
<td>Official Gazette</td>
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<tr>
<td>OHS</td>
<td>Occupational Health and Safety</td>
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<tr>
<td>PEMP</td>
<td>Public Enterprise for Management of Pasture</td>
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<td>PMT</td>
<td>Project Management Team</td>
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<tr>
<td>PPE</td>
<td>Personal Protective Equipment</td>
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<td>SEP</td>
<td>Stakeholder Engagement Plan</td>
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<td>WB</td>
<td>World Bank</td>
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<td>ZELS</td>
<td>Association of units of Local Self Government</td>
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1 INTRODUCTION AND PROJECT DESCRIPTION

1.1 Introduction

Stakeholders are defined as persons or groups who are directly or indirectly affected by a project as well as those who may have interest in a project and/or the ability to influence its outcome, either positively or negatively. The current Stakeholder Engagement Plan (SEP) is designed to establish an effective platform for productive interaction with the potentially affected parties and others with interest in the implementation and outcomes of the Agriculture Modernization Project (AMP). Meaningful stakeholder engagement throughout the project cycle is an essential aspect of good project management and provides opportunities for the MAFWE to incorporate feedback into the project design, assess the risks as well as mitigation measures, and clarify the project scope and impacts to manage expectations.

The objective and purpose of the present SEP is to inform how stakeholders will be involved throughout the course of the project, who were the previous engagements within the AMP, and outline the responsibilities of the relevant institutions and contractors in the implementation of upcoming engagement activities etc.

This SEP identifies the major stakeholders affected by the project either directly or indirectly (including vulnerable groups) as well as those with other interests that can influence decisions about the project. It outlines the engagement approach undertaken and planned, and articulates a range of strategies for timely, relevant and accessible stakeholder engagement throughout the project life cycle. The SEP is also prepared in compliance and with the application of the World Bank Performance Environment and Social Standard 10 on stakeholder engagement and information disclosure.

National Strategy for Agriculture and Rural Development 2014-2020 sets the objectives, policies and measures to develop agriculture and rural areas in the country. The Strategy’s key policy goal is “increasing the competitiveness of North Macedonia agriculture and food industry, rural development and sustainable management of natural resources”, with four specified priority areas: the improvement of technological and market infrastructure; strengthening integration in the agri-food sector; providing access to production factors; and improving rural infrastructure. The proposed project would support several strategic objectives of the National Strategy.

The proposed project is aligned with the World Bank Country Partnership Framework (CPF) 2019-2023 for North Macedonia. Specifically, it responds to the CPF objective to improve connectivity and access to markets. The CPF stipulates support investment in agricultural modernization and expansion access to markets.

Improve competitiveness in targeted agricultural sub-sectors and strengthen agricultural public sector readiness for EU accession. Through advisory services and establishment of purchasing and distribution centres, the project aims to increase capacity to adopt technology and innovate and increase sector competitiveness through uptake of improved production practices by agricultural producers and increased access to domestic and international markets. The project is also in line with IBRD engagement goals, one of which is to contribute to a more productive rural economy with the potential to increase incomes for underserved groups that face greater barriers to achieving sustainable livelihoods, such as women, young people, and minority groups.
1.2 Project Description

The Agriculture modernization project (AMP) aims to improve the competitiveness of North Macedonia’s agriculture sector and strengthen public institutions in the framework of the country’s accession process to the EU. The project is structured along three complementary components as follows:

Improve competitiveness in targeted agricultural sub-sectors and strengthen agricultural public sector readiness for EU accession

**Component 1**: Agriculture sector competitiveness. This component aims at enhancing farm-level competitiveness and fostering agricultural produce aggregation and market integration. This component will include the following two sub-components:

1.1 Access to Training and Advisory Services. Providing targeted high-quality advisory services for agricultural producers and agribusinesses;

1.2 Agriculture Food Distribution Centers Including two collection and conditioning centers to be developed in areas that produce fruit and vegetables (Resen and Strumica), and an agri-food platform composed of a wholesale market and a logistics area for cross docking and storage operations for export and/or main retailers in the Skopje suburban area.

**Component 2**: Institutional Capacity for EU accession. This component aims at enhancing public support services, including the capacity to design and deliver support to the agriculture sector. This component will include the following three sub-components:

2.1 Evidence-Based Policy-Making in Agriculture and Rural Development by (i) establishing a sustainable and effective monitoring and evaluation system for agricultural and rural development policy; and (ii) enhancing the Ministry of Agriculture, Forestry and Water Economy capacity to manage state-owned agriculture and pasture land;

2.2 Strengthening IPARD Implementation Capacity by providing additional required infrastructure, both in terms of office rehabilitation and equipment, to the Agency for Financial Support in Agriculture and Rural Development (i.e. Paying Agency) to ensure its capacity to implement the rural infrastructure measure according to the IPARD requirements;

2.3 Developing a System for Safe Disposal of Animal By-products ensuring the proper collection and processing of all categories of materials of animal origin subject to disposal, defined in the EU negotiations Chapter 12 Food safety, veterinary and phytosanitary policy. This is foreseen to take place in the municipality of Lozovo.

**Component 3**: Project Management. This component will provide overall coordination and implementation of project activities.

The exact locations of the concrete interventions, scope, and designs the physical investments will only be finalized and agreed upon during project implementation.

Following are some more details about the interventions.

A) **Agri-food platform in Skopje**

The agri-food platform (wholesale market and logistics area) in Skopje will be the focal infrastructure for the organization of fresh food distribution in North Macedonia (in particular for fruits and vegetables) and potentially also in the Balkan region and will be connected to different satellite collection and conditioning centers.

Based on the benchmark of different agri-food platforms and the volumes of food products transiting in Skopje, the agri-food platform should comprise an area of about 14 hectares.
B) Collection and conditioning station in Resen

Apples amount to about 60% of the total fruit production in the last decade in North Macedonia. The average annual production for the period 2008-2018 amounted to 116,700 tons. The total annual consumption of apples in the country is 25 million kg or 12 kg/capita (SSO3, 2018), while the average yield in a normal year production is 40 tons/ha. The production of apples is mainly concentrated in Pelagonia, with obvious dominance in the municipality of Resen, which represents 95% of the total apple production in the region, and 84% of the total apple production in the country. In 2018 the total production of the region amounted to 104,793 tons. Its potential is about 150,000 tons.

The collection station will be part of a national food distribution strategy, becoming one of different satellites centers organized around a food hub with a wholesale market and an agri-logistics platform in Skopje.

C) Collection and conditioning station in Strumiça

The main areas for vegetable production are located in the southeast (Strumica-Radovis valley Gevgelija-Valandovo valley). The total production of the 5 main national crops in 2018 represented 58% of production with a total volume of about 380,000 tons realized in the Southeast region, of which 370,000 tons were produced in the following 7 municipalities Strumica, Vasilevo, Gevgelija, Bosilevo New village, Bogdanci and Valandovo.

The collection station will be part of a national food distribution strategy, becoming one of numerous satellites centers organized around a food hub with a wholesale market and an agri-logistics platform in Skopje. It will be also dedicated to export because of the positioning of the agriculture production in the region.

C) System for animal by-products (ABP) processing and safe disposal

The aim of the sub-component is to support North Macedonia in establishing a system for ABPs processing and safe disposal thus fulfilling a number of conditions, including the proper collection and processing of all categories of materials of animal origin subject to disposal, defined in the EU negotiations Chapter 12 Food safety, veterinary and phytosanitary policy.

In addition to the establishment of the necessary ABPs Facility, the activities envisaged will also include support for the gradual operationalization of the official control system for ABPs along the entire chain (production, separation, storage, transport, and disposal and/or processing), training of inspectors and business operators, establishing documented procedures and check lists for the approval of establishments and inspection thereof, completing the alignment as necessary of the legal and regulatory framework in line with the current and relevant EU acquis and launching a public information and awareness campaign addressed to the associated food production/processing industry.

1.3 Project location and context

The Republic of North Macedonia is a country, located in the heart of the Balkan Peninsula. It covers the area between 40°50’ and 42°20’ North Latitude, and between 20°27′30″ and 23°05′ East Longitude. Through the country very important transportation routes pass, which serve to connect central and eastern Europe with the southern and south-eastern parts of the continent, continuing towards the countries of the Near East and beyond. It borders two EU member states, Bulgaria to the east and Greece to the south, as well as Albania to the west and Kosovo and Serbia to the north.
It has a total area of 25.713 km² and a population of about 2 million according to the Census in 2002. The average population density is 78.5 residents per square kilometer, of which 60 percent leave in urban areas. The capital of Skopje is located in the northern part of the country. The country is administratively divided into 84 municipalities, and the city of Skopje, as a separate entity, composing of ten municipalities.

The average population density is 78.5 residents per square kilometer, of which 60 percent leave in urban areas. The capital of Skopje is located in the northern part of the country. The country is administratively divided into 84 municipalities, and the city of Skopje, as a separate entity, composing of ten municipalities.

AMP Project within the 3 components include construction activities as follow:

- Establishment and operation of collection and storage centers for fruits and vegetables in Resen and Strumica,
- Establishment and operation of Agri-Food Platform in Skopje,
- Construction and operation of facilities for Animal By-products (ABP) processing and safe disposal in the Municipality of Lozovo.

City of Skopje
The city of Skopje is located in the central part of the Skopje Valley, covering an area of 571 km². Skopje has in total 578,144 inhabitants. The density is 319 person/km². The city is surrounded by high mountains: Zeden and Osoj to the west; Skopska Crna Gora to the north; Katlanovski Rid to the east and Jakupica to the south. The basic orientation of the valley is from northwest to southeast, shaped by the flow of the River Vardar. Skopje is the most important administrative, economic, cultural and educational centre in the Republic of North Macedonia. The City of Skopje is a separate local government unit, regulated by the Law on the City of Skopje, and is comprised of ten municipalities: Aerodrom, Butel, Gazi Baba, Gjorce Petrov, Karposh, Kisela Voda, Saraj, Centar, Chair and Shuto Orizari.

Strumica
The Municipality of Strumica is located at 41° 22' northern latitude and 22° 35' and 23° 45' east longitude and located on the south-western part of the Strumica region and covers an area of 322 km² with a total population of about 55,000 inhabitant. It covers the far south-eastern part of the
Republic of North Macedonia just below the boundary between the state borders with Bulgaria to the east and Greece to the south. The region is located on the valley between the mountains Belasica, Ograzden and Elenica. The Strumica region is situated on the south-east of the Republic of North Macedonia with the biggest town of Strumica.

According to the territorial organization of the local government units of 2005, the territory of Municipality of Strumica covers the city of Strumica and 24 populated surrounding areas: Banica, Bansko, Belotino, Veljusa, Vodocha, Gabrovo, Gradsko Baldovci, Dabilja, Dobrejci, Dorlombos, Zleshevo, Kosturino, Kuklish, Memeshli, Murtino, Ormanli, Popchevo, Prosenikovo, Raborci, Rich, Sachevo, Svidovica, Tri Vodi and Chepeli.

Resen

The Municipality of Resen is situated in the Prespa Basin, in the southwestern most part of Republic of North Macedonia, which covers an area of 739 km². Out of which, 562 km² are on land, while 177 km² are on water (Lake Prespa). It is a separate geographical area, which is located around the point of latitude 41°N and longitude 21°E.

The Municipality of Resen borders with the municipalities of Bitola, Ohrid and Demir Hisar. There are 44 settlements in the municipality, out of which 43 are rural (39 active and 4 inactive/abandoned) and one urban settlement – the city of Resen.

Lozovo

Lozovo is a municipality in eastern Republic of North Macedonia. Lozovo Municipality is part of the Vardar Statistical Region. The municipality borders Sveti Nikole Municipality to the north, Štip Municipality to the east, Veles Municipality to the west and Gradsko Municipality to the south.

1.4 Project Benefits

The proposed Project Development Objective is to improve competitiveness in selected sub-sectors and strengthen public institutions in the agriculture sector in North Macedonia. The main project interventions will result in the following benefits:

**Agri-food platform** in Skopje will provide:
- Access to the market i.e. food for the consumers;
- Food safety and food hygiene improvement;
- Employment for the Small and medium enterprises;
- Food loss reduction due to proper waste management.

**Collection and conditioning stations in Resen and Strumica** will provide:
- Access to the market to local production;
- Improvement of the food safety and quality (compliance with international standards);
- Compliance with the international standards for export;
- Enhancement of the competitiveness of the apple value chain;
- Enhancement of the horizontal integration of small holders;
- Contribution to the organization of a national food distribution system; and
- Creation of an enabling environment for private investments.
The construction of a **system for animal by-products (ABP) processing and safe disposal** will provide proper collection and processing of all the materials from animal origin that need to be disposed. This project will lead to considerable positive socio-economic impact in the field of agriculture production because there is a functional agri-market infrastructure, which will help them to further continue with agricultural production and even increase the production. Will initiate product competitiveness in the agriculture on national level. Also the quality product competitiveness in the agriculture is expected to rise on the national level. The small retailers will obtain greater quality for lower price, which in turn will decrease their operational costs and in an event of incident higher demands for a certain product they will secure their supply chain. The project will pursue the creation of equal opportunities for women and vulnerable groups to increase participation, including in benefitting from the advisory one-stop shop activities. At the collection and conditioning stations it is anticipated a minor decrease of the rural poverty and rural to urban emigration.

### 1.5 Objectives and Scope of the Stakeholder Engagement Plan

Stakeholder engagement is an inclusive process conducted throughout the project life cycle. Where properly designed and implemented, it supports the development of strong, constructive and responsive relationships that are important for successful management of environmental and social risks identified in a project. Communicating early, often, and clearly with stakeholders helps manage expectations and avoid risks, potential conflict, and project delays. In addition, the plan assists in managing stakeholder expectations, which will have a bearing throughout the lifespan of the project. Hence, this SEP provides a plan to interact effectively with stakeholders to support project interests.

In order to provide clear and smooth communication between all interested and affected parties, Ministry of Agriculture, Forestry and Water Economy has developed this Stakeholder Engagement Plan (SEP), which is carrying out stakeholder engagement in line with the laws of North Macedonia, as well as the requirements of World Bank (ESS standards).

The Key Objectives of the SEP can be summarised as follows:

- Understand the stakeholder engagement requirements of North Macedonia legislation;
- Provide guidance for stakeholder engagement such that it meets the standards of WB;
- Identify key stakeholders that are affected, and/or able to influence the Project and its activities;
- Identify the most effective methods, timing and structures through which to share project information, and to ensure regular, accessible, transparent and appropriate consultation;
- Develops a stakeholder’s engagement process that provides stakeholders with an opportunity to influence project planning and design; the initial stakeholders’ consultation has taken place;
- Establish formal grievance/resolution mechanisms;
- Define roles and responsibilities for the implementation of the SEP;
- Define reporting and monitoring measures to ensure the effectiveness of the SEP and periodical reviews of the SEP based on findings.
The SEP document will be continuously updated for the entire period of implementation of all project activities.
2 REGULATORY REQUIREMENTS FOR STAKEHOLDER ENGAGEMENT

2.1 National Legislation requirements

According to the *Law on Environment*¹, public disclosure and consultation activities should be carried out during the full environmental impact assessment (EIA) procedure. The relevant procedures for disclosure and consultations include the following steps:

- The public is informed about details of disclosure of the draft plan/document (where the hard copy is available for review, the dates and time when it can be reviewed) through the media; citizens/organizations are invited to send comments and/or attend public consultations;
- Public consultations are held in an appropriate local venue and the plan/document is presented;
- Comments received from all stakeholders are processed, and the plan/document has been revised to reflect them.

Construction of collection and conditioning centers (CCCs) as a part of AMP belongs to the category of activities for which an EIA Elaborate Report should be prepared (not a full-scale EIA procedure), so for the lower category projects the public disclosure and consultation is not mandatory according to the national legislation.

Throughout the process of development and adoption of urban and spatial planning documents (which is in line with the Law on Urban and Spatial Planning), the public must also be informed and consulted.

According to the Law on construction (OG of RM no. 130/09, 124/10, 18/11, 36/11, 54/11, 13/12, 144/12, 25/13, 70/13, 79/13, 137/13, 150/13, 163/13, 27/14, 28/14) - Decision for Approval of the EIA Report is a precondition for approval of infrastructure projects.

Article 16 of the Constitution of North Macedonia guarantees "access to information and the freedom of reception and transmission of information".

The Law on Free Access to Information of Public Character (Official Gazette of RM” No. 13/06, 86/08, 06/10, 42/14) allows individuals and legal entities to obtain information from state and municipal bodies and all others who are performing public functions.

In 1999, FYR Macedonia ratified the Aarhus Convention on Access to Information, Public Participation in Decision Making and Access to Justice in Environmental Matters. The Aarhus Convention grants the public rights regarding access to information, public participation and access to justice, in governmental decision-making processes on matters concerning the local, national and transboundary environment. Article 2(c) of the Convention states that the Convention applies not only to government at all levels, but also to “any other natural or legal persons having public responsibilities or functions, or providing public services, in relation to the environment, under the control of [a public authority].” In line with the Convention, the Company is required to: respond to requests from the public for environmental information (any member of the public can make a request, regardless of citizenship, nationality or domicile); regularly collect and disclose environmental information to the public and notify the public that the information is available; and provide information for emergencies.

¹ O.G. of FYR Macedonia, No. 53/2005, with the latest amendments in 99/18
2.2 World Bank Requirements

WB has set out a comprehensive set of specific Environmental and Social Standards (ESS) that projects are expected to meet. Stakeholder engagement in line with the World Bank requirements is associated with ESS 10.

The World Bank’s Environmental and Social Framework (ESF)’s Environmental and Social Standard (ESS) 10, “Stakeholder Engagement and Information Disclosure”, recognizes “the importance of open and transparent engagement between the Borrower and project stakeholders as an essential element of good international practice”. Specifically, the requirements set out by ESS10 are the following:

- “Borrowers will engage with stakeholders throughout the project life cycle, commencing such engagement as early as possible in the project development process and in a timeframe that enables meaningful consultations with stakeholders on project design. The nature, scope and frequency of stakeholder engagement will be proportionate to the nature and scale of the project and its potential risks and impacts.

- Borrowers will engage in meaningful consultations with all stakeholders. Borrowers will provide stakeholders with timely, relevant, understandable and accessible information, and consult with them in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation.

- The process of stakeholder engagement will involve the following, as set out in further detail in this ESS: (i) stakeholder identification and analysis; (ii) planning how the engagement with stakeholders will take place; (iii) disclosure of information; (iv) consultation with stakeholders; (v) addressing and responding to grievances; and (vi) reporting to stakeholders.

- The Borrower will maintain and disclose as part of the environmental and social assessment, a documented record of stakeholder engagement, including a description of the stakeholders consulted, a summary of the feedback received and a brief explanation of how the feedback was taken into account, or the reasons why it was not.” (World Bank, 2017: 98).

A Stakeholder Engagement Plan proportionate to the nature and scale of the project and its potential risks and impacts needs to be developed by the Borrower. It has to be disclosed as early as possible, and the Borrower needs to seek the views of stakeholders on the SEP, including on the identification of stakeholders and the proposals for future engagement. If significant changes are made to the SEP, the Borrower has to disclose the updated SEP. According to ESS10, the Borrower should also propose and implement a grievance mechanism to receive and facilitate the resolution of concerns and grievances of project-affected parties related to the environmental and social performance of the project in a timely manner.

Identification of stakeholders will ensure wide participation in project acceptability and the project design. To ensure that there is citizen participation in the project life spun, a SEP has been drafted clearly stipulating the process of consultation and disclosure of key project information which will be made public relevant stakeholders during the preparation and implementation of the project.
3 PREVIOUS STAKEHOLDER ENGAGEMENT

In order to set the priorities for financing in the agricultural sector since November 2018 the Ministry of Agriculture, Forestry and Water Economy started intensive consultations with farmers, agricultural cooperatives, municipalities dominated by agricultural land, ZELS, agricultural experts and in parallel with World Bank representatives. Representatives of the World Bank were on several missions in the country.

At the same time the Study on production, purchase and trade in fruit and vegetables in North Macedonia was prepared by the Faculty of Agricultural Science and Food of Skopje. The Study highlights competitiveness as the key challenge and proposes a number of recommendations including supporting the establishment of collection centers with cooling and sorting capacities in the main production areas in parallel with supporting improvement of the production quality and standards, promoting the use of contract farming, the establishment of producers’ organizations, the vertical integration of the main actors in the value chain and traceability of fruit and vegetables in the chain. The study also emphasizes the need to strengthen the advisory service to provide the producers and processors with access to knowledge and information.

Based on the realized meetings and the conclusions of the Study, the Ministry of Agriculture, Forestry and Water economy decided to prepare the Agriculture Modernization Project.

A World Bank team organized visits in North Macedonia on July 15 - 19 and July 29 – August 6, 2019 to advance the preparation of the Agriculture Modernization Project (AMP). The purpose of the mission was to agree on project activities, their costs and proposed indicators, confirm implementation arrangements, and follow-up on project preparation activities as agreed during the May mission, including safeguards requirements.

The Bank team met with Minister of MAFWE, representatives of the Ministry of Agriculture, Forestry and Water Economy (MAFWE), Ministry of Finance (MOF), Agency for Financial Support in Agriculture and Rural Development (AFSARD), Food and Veterinary Agency (FVA), Agency for Real Estate Cadastre (AREC), Public Enterprise for Management of Pasture (PEMP), stakeholders and development partners. The Bank team carried out field visits and met with associations of producers in Resen and Strumica.

The mission held detailed discussions with the MAFWE Preparation Team as well as AFSARD, FVA and the EU Delegation to agree on project activities within each component, project implementation arrangements, and overall costing of activities.
4 Identified Stakeholders and Specific Communication Requirements

The WB ESS 10 recognizes two broad categories of stakeholders:
- Project Affected Parties
- Other Interested parties and
- Disadvantaged / vulnerable individuals or groups.

Project-affected parties includes those likely to be affected by the project because of actual impacts or potential risks to their physical environment, health, security, cultural practices, well-being, or livelihoods. These stakeholders may include individuals or groups, including local communities. They are the individuals or households most likely to observe/feel changes from environmental and social impacts of the project.

The term “Other interested parties” (OIPs) refers to: individuals, groups, or organizations with an interest in the project, which may be because of the project location, its characteristics, its impacts, or matters related to public interest. For example, these parties may include regulators, government officials, the private sector, the scientific community, academics, unions, women’s organizations, other civil society organizations, and cultural groups.

It is particularly important to understand project impacts and whether they may disproportionately fall on disadvantaged or vulnerable individuals or groups, who often do not have a voice to express their concerns or understand the impacts of a project.

There are number of key stakeholders that are relevant for the implementation of the AMP Project, so they have been identified according their interest, influence and importance. All stakeholders who have a regulatory role and responsibility for the implementation of the Project on a central level, as well as relevant stakeholders that could be involved in any way with the implementation of the Agriculture Modernization project activities or affected by its activities with their responsibilities are presented in the following table.

<table>
<thead>
<tr>
<th>Stakeholder Category</th>
<th>Sub group/ Department Sector</th>
<th>Responsibilities</th>
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<tbody>
<tr>
<td>Governments and regulatory</td>
<td>- Ministry of agriculture, forestry and water economy</td>
<td>- Ensuring proper and effective implementation of the AMP project regarding national legislation and WB requirements,</td>
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<tr>
<td>bodies</td>
<td>- Rural development sector</td>
<td>- Raising remarks upon construction activities,</td>
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<td>- Agriculture and policy analyses</td>
<td>- Ensuring safety during construction activities,</td>
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<td>- Ministry of local – self government</td>
<td>- Ensuring environmental protection during the execution of the work</td>
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<td>- State Inspectorate for agriculture</td>
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<td>- Water Management Authority</td>
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<td>- Phytosanitary Directorate</td>
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<td>- State Phytosanitary Laboratory</td>
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<td>- Seed and Seedling Administration</td>
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<td>- Agency for financial support of agriculture and rural development</td>
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<td>- Agency for real estate Cadaster (AREC)</td>
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<td></td>
<td>- Paying agency</td>
<td>- Providing finances for the ongoing project activities. employing persons from the agriculture sector and experts for the different project components</td>
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<td>National institutions</td>
<td>- National Extension Agency</td>
<td>- Support the MAFWE for efficient implementation of the AMP,</td>
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<tr>
<td></td>
<td>- Food and Veterinary Agency</td>
<td></td>
</tr>
<tr>
<td>Stakeholder Category</td>
<td>Sub group/ Department Sector</td>
<td>Responsibilities</td>
</tr>
<tr>
<td>---------------------------</td>
<td>-----------------------------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td>- Public Enterprise for Management of Pastures</td>
<td>- Giving advice to farmers and managers responsible for managing distribution centers</td>
</tr>
<tr>
<td></td>
<td>- Association of Agriculture and Food Industry of the Economic Chamber of Macedonia</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Statistical office</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- National extension Agency branch offices</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Public enterprise for state forests “National Forest”</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Faculty of agricultural sciences</td>
<td></td>
</tr>
<tr>
<td>Community</td>
<td>- Farmers,</td>
<td>- Support the MAFWE for efficient implementation of the AMP,</td>
</tr>
<tr>
<td></td>
<td>- People living near the project activities: Skopje, Strumica Lozovo and Resen,</td>
<td>- Active participation during the project implementation.</td>
</tr>
<tr>
<td></td>
<td>- Federation of farmers in the Republic of North Macedonia</td>
<td>- Opportunity for engagement of representatives from each group</td>
</tr>
<tr>
<td></td>
<td>- Vulnerable groups (individual farmers, roma people, people with low social standard, people with disabilities, old people, women’s)</td>
<td></td>
</tr>
<tr>
<td>Local and regional</td>
<td>- ZELS</td>
<td>- Support the MAFWE and PMT for efficient implementation of the AMP,</td>
</tr>
<tr>
<td>authorities</td>
<td>- Municipality of Strumica</td>
<td>- Adoption of the technical documentation for the realization of the project,</td>
</tr>
<tr>
<td></td>
<td>- Municipality of Resen</td>
<td>- Issuing the Decision for approval of the EIA Report/Elaborate for the construction of the distribution centers,</td>
</tr>
<tr>
<td></td>
<td>- City of Skopje</td>
<td>- Supervision of the construction activities,</td>
</tr>
<tr>
<td></td>
<td>- Municipality of Sveti Nikole</td>
<td>- Ensuring the full implementation of the OH&amp;S and environmental standards during the construction activities.</td>
</tr>
<tr>
<td></td>
<td>- Municipality of Lozovo</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Center for development of the Pelagonija planning region</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Center for development of the South – east planning region</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Center for development of the Skopje planning region</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Bureau for regional development</td>
<td></td>
</tr>
<tr>
<td>Suppliers, clients, service providers</td>
<td>- Contractors (SMEs),</td>
<td>- Implementation of good construction practice, OH&amp;S measures and environmental protection,</td>
</tr>
<tr>
<td></td>
<td>- Construction companies,</td>
<td>- Quick intervention and elimination of consequences from adverse incidents,</td>
</tr>
<tr>
<td></td>
<td>- Subcontractors,</td>
<td>- Efficient and timely execution of construction work.</td>
</tr>
<tr>
<td></td>
<td>- Transportation contractors,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Suppliers of goods and services,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Contracted waste management companies,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Local community services</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Emergency Services: Fire Brigade and Police,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- MEPSO,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- EVN Macedonia</td>
<td></td>
</tr>
<tr>
<td>Non-governmental</td>
<td>- National and local NGOs</td>
<td>- Following the implementation of the AMP project and raising concerns regarding the issues that need to be overcome.</td>
</tr>
<tr>
<td>organizations and</td>
<td>- Consumer Organization of Macedonia</td>
<td></td>
</tr>
<tr>
<td>professional organizations</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**Figure 2 Identified stakeholders group within the AMP project**

- **National and local NGOs**
- **Consumer Organization of Macedonia**
- **Anima Mundi**

- **Contractors (SMEs)**
- **Construction companies**
- **Subcontractors**
- **Transportation contractors**
- **Suppliers of goods and services**
- **Contracted waste management companies**
- **Emergency Services: Fire Brigade and Police**
- **MEPSO**
- **E VN Macedonia**

- **National extension Agency**
- **Food and Veterinary Agency**
- **Public Enterprise for Management of Pastures**
- **Association of Agriculture and Food Industry of the Economic Chamber of Macedonia**
- **Statistical office**
- **National extension Agency branch offices**
- **Public enterprise for state forests “National Forest”**
- **Faculty of agricultural sciences**

- **Ministry of agriculture, forestry and water economy**
- **Rural development sector**
- **Agriculture and policy analyses**
- **Ministry of local – self government**
- **State Inspectorate for agriculture**
- **Water Management Authority**
- **Phytosanitary Directorate**
- **State Phytosanitary Laboratory**
- **Seed and Seedling Administration**
- **Agency for financial support of agriculture and rural development**
- **Ministry of finance**
- **Paying agency**
- **Agency for real estate Cadaster (AREC)**

- **Ministry of agriculture, forestry and water economy**
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- **Agriculture and policy analyses**
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- **Phytosanitary Directorate**
- **State Phytosanitary Laboratory**
- **Seed and Seedling Administration**
- **Agency for financial support of agriculture and rural development**
- **Ministry of finance**
- **Paying agency**
- **Agency for real estate Cadaster (AREC)**

- **ZELS**
- **Municipality of Strumica**
- **Municipality of Resen**
- **City of Skopje**
- **Municipality of Sveti Nikole**
- **Center for development of the Pelagonija planning region**
- **Center for development of the South – east planning region**
- **Center for development of the Skopje planning region**
- **Bureau for regional development**

- **Farmers**
- **People living near the project activities: Skopje, Strumica and Resen**
- **Federation of farmers in the Republic of North Macedonia**
PMT will discuss different issues with each group of stakeholders depending on their role, responsibility and importance as stakeholder. The following table contains the main issues that will be discussed with different stakeholders.

Figure 3 Key issues to be discussed with different groups of stakeholders

<table>
<thead>
<tr>
<th>Governments and regulatory bodies</th>
<th>National institutions</th>
<th>Community</th>
<th>Local and regional authorities</th>
<th>Non governmental organizations and professional organizations</th>
<th>Suppliers, Clients, Service providers</th>
</tr>
</thead>
<tbody>
<tr>
<td>➢ Compliance with national regulations (EIA procedure, other issues related to the construction and operation of the new kindergarten – noise level, air emission/dust, traffic congestion, improper waste disposal, etc.);</td>
<td>➢ Designing the projects and other project documentation, (Main projects for construction of the distribution centers, studies, etc.)</td>
<td>➢ Information on the nature of the AMP Project, duration of the Project, potential impacts on the environment, social and economic impacts</td>
<td>➢ New investments for development of the storage infrastructure for agricultural products;</td>
<td>➢ Construction of distribution centers according the Main Designs and respecting the measures prescribed in the documents regarding the environmental protection, H&amp;S and labor conditions for the project</td>
<td>➢ Construction of distribution centers according the Main Designs and respecting the measures prescribed in the documents regarding the environmental protection, H&amp;S and labor conditions for the project</td>
</tr>
<tr>
<td>➢ Environmental, OH&amp;S protection;</td>
<td>➢ Supervision during the construction activities and recommendations for improvement (exp. during the construction of the distribution centers, etc.)</td>
<td>➢ Accessible grievances and complaints forms</td>
<td>➢ New employments;</td>
<td>➢ Tender procedure and relevant issues</td>
<td>➢ Tender procedure and relevant issues</td>
</tr>
<tr>
<td>➢ Health and safety of workers, farmers and local people in Skopje (Mun. Gazi Baba), Strumica and Resen; Lozovo?</td>
<td>➢ Recommendations for management of the distribution centers</td>
<td>➢ Possible traffic disruption during construction of the distribution centers in Skopje (Mun. Gazi Baba), Strumica and Resen.</td>
<td>➢ Development of the local economy;</td>
<td>➢ Health and safety at work (PPE for all persons on site, license to work or drive the specific vehicles, first aid trainings, first aid kits on site, firefighting equipment, etc.)</td>
<td>➢ Health and safety at work</td>
</tr>
<tr>
<td>➢ Issuing different permits (construction permit; electricity supply, water and sewage supply, etc.);</td>
<td>➢ Conducting training for farmers for production and delivery of quality agricultural products in accordance with international standards.</td>
<td>➢ Discussions for transport and traffic safety</td>
<td>➢ Increased sales of agricultural products;</td>
<td>➢ Supervision during the construction activities</td>
<td>➢ Supervision during the construction activities</td>
</tr>
<tr>
<td>➢ Inspection on the construction sites for building the distribution centers in Skopje (Mun. of Gazi Baba), Strumica and Resen.</td>
<td>➢ Support of local economy by engagement of the SMEs from the local communities within the project areas</td>
<td>➢ During construction activities, machinery and heavy vehicles on local roads will generate noise that may temporarily affect local population in Skopje (Mun. Gazi Baba), Strumica and Resen.</td>
<td>➢ All permits that should be issued on local level (Decision for approval of the EIA Report);</td>
<td>➢ Communication with local citizens about the issues related to the construction activities (ex. driving speed, vehicle safety, noisy mechanization etc...)</td>
<td>➢ Communication with local citizens about the issues related to the construction activities</td>
</tr>
<tr>
<td>➢ Support of local economy by engagement of the SMEs from the local communities within the project areas</td>
<td>➢ New employments of local people from the affected Municipalities</td>
<td>➢ New construction activities</td>
<td>➢ Employment of local people from the municipalities in the surrounding of the project locations.</td>
<td>➢ Proper signalization of the project sites</td>
<td>➢ Reporting.</td>
</tr>
</tbody>
</table>

- New investments for development of the storage infrastructure for agricultural products;
- New employments;
- Development of the local economy;
- Increased sales of agricultural products;
- All permits that should be issued on local level (Decision for approval of the EIA Report);
- Temporary traffic regime during the construction of the distribution centers and communal safety (around the construction location and along the streets entering/exiting the locations);
- Discussion about the pollution prevention measures and environmental protection and human health
- Sustainable usage of natural resources and organic producing of agricultural products
- Organizing public consultation meetings, trainings and individual consultation meetings as necessary for such issues
- Community Health and safety
- Employment of local people from the municipalities in the surrounding of the project locations.
List of stakeholders during the project implementation will be continuously updated and they will be incorporated in the SEP document.

A variety of communication methods will be used as appropriate for each set of stakeholders. In general, these include: a) Public and individual meetings, b) Announcements in media and portals, c) Provision of general information on notice-boards at public locations, d) Regular mail and email correspondence and Publication of relevant project information on the website of the MAFWE (http://www.mzsv.gov.mk) and other relevant institutions.

There are a variety of engagement techniques used to build relationships with stakeholders, gather information from stakeholders, consult with stakeholders, and disseminate project information to stakeholders.

When selecting an appropriate consultation technique, appropriate consultation methods, and the purpose for engaging with a stakeholder group should be considered. The techniques mostly used are presented in the following table.

<table>
<thead>
<tr>
<th>Stakeholder group</th>
<th>Engagement Technique</th>
<th>Phase of the projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community/Local and regional authorities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Publishing information on the extent, timing and duration of planned works and any expected disruptions and inconveniences on the central bulletin board in the branch offices of the Municipalities at least two weeks prior to the start of any construction works,</td>
<td></td>
<td>Before starting with implementation of the project activities</td>
</tr>
<tr>
<td>• Public consultation meeting, and individual meetings as necessary</td>
<td></td>
<td>-Before starting with implementation of the project activities -During the construction works</td>
</tr>
<tr>
<td>• Informing through the media – radio/TV/social media (announcements),</td>
<td></td>
<td>-Before starting with implementation of the project activities -During the construction works</td>
</tr>
<tr>
<td>• Direct information through the local authorities</td>
<td></td>
<td>-Before starting with implementation of the project activities -During the construction works</td>
</tr>
<tr>
<td>• Communication through bulletin boards (placed in appropriate places) and posting project information/notices there</td>
<td></td>
<td>-Before starting with implementation of the project activities -During the construction works -During the operational phase of the distribution centres</td>
</tr>
<tr>
<td>• Group meetings with farmers</td>
<td></td>
<td>-Before starting with implementation of the project activities -During the construction works -During the operational phase of the distribution centres</td>
</tr>
<tr>
<td>• Direct communication with residents, companies etc.</td>
<td></td>
<td>-Before starting with implementation of the project activities -During the construction works -During the operational phase of the distribution centres</td>
</tr>
<tr>
<td>Stakeholder group</td>
<td>Engagement Technique</td>
<td>Phase of the projects</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>---------------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------------</td>
</tr>
</tbody>
</table>
| Governments and regulatory bodies/National institutions | ▪ Direct information via a contact person or person responsible for the implementation of the SEP. | -Before starting with implementation of the project activities  
-During the construction works  
-During the operational phase of the distribution centres |
|                                              | ▪ Official correspondence                                                               | -Before starting with implementation of the project activities  
-During the construction works  
-During the operational phase of the distribution centres |
|                                              | ▪ Meetings, public hearings                                                              | -Before starting with implementation of the project activities  
-During the construction works |
|                                              | ▪ One on one meetings                                                                     | -Before starting with implementation of the project activities  
-During the construction works |
| Non-governmental organizations and professional organizations | ▪ Public consultation meetings, and individual consultation, meetings as necessary       | -Before starting with implementation of the project activities  
-During the construction works  
-During the operational phase of the distribution centres |
|                                              | ▪ Direct email communication                                                              | -During the construction works |
|                                              | ▪ Media/ press releases.                                                                  | -During the operational phase of the distribution centres |
| Suppliers, clients, service providers         | ▪ Information through tender procedure and Contracts                                    | Before starting with implementation of the project activities |
|                                              | ▪ Communication via supervising engineers                                                | During the construction works |
|                                              | ▪ Toolbox talks at construction sites on health and safety topics                        | During the construction works |
|                                              | ▪ Monthly reports on progress of works to be submitted by contractors during construction works | During the construction works |
5 STAKEHOLDER ENGAGEMENT PROGRAM

5.1 Introduction
During the preparation of the SEP, different communication and information channels have been designed for all identified stakeholders in accordance with their needs. The engagement process will be used to obtain suggestions/comments for the Project activities, which may reflect the Project design and lead to extended benefits of relevant stakeholder’s groups. The MAFWE recognises that timely engagement of different stakeholders can enable the success of the Project.
AMP Project stakeholders have been identified in order to address the different consultation requirements. Stakeholders include persons or groups that are:
• directly and/or indirectly affected by the Project;
• have certain interests in the Project and its activities;
• have the ability to affect the Project itself and its final outcome.

5.2 Responsibility for SEP Implementation
MAFWE will be responsible for Project implementation, including the implementation of this SEP, under the supervision of the Lenders. Until now, the PMT is not established. The PMT will consist: Project Director, Project Coordinator, Component Leaders, Procurement Specialist, Financial Management Specialist, Safeguards Specialist, and Technical Specialist. There are only nominated representatives from each of the main stakeholders groups for the relevant project components (MAFWE, AFSARD and FVA will be appointed as Component Leaders for the relevant activities.).
All contractors in charge of carrying out specific Project activities will also be required to implement the relevant provisions of SEP. The grievance mechanism requirements will be laid out in the tender documentation and contracts signed with the sub-contractors.

5.3 Proposed Strategy for information disclosure
All prepared documents within the AMP project will be publicly available on the MAFWE web site (http://www.mzsv.gov.mk):
For that purpose Project disclosure package should be prepare and should contain following documents:
• Environmental and Social Management Framework (ESMF) for AMP,
• Resettlement Framework Policy (RFP) for AMP,
• Stakeholder Engagement Plan (SEP) for AMP,
• Labor Management Procedures for AMP,
• Environmental and Social Commitment Plan (ESCP) for AMP,
• Grievance and Redress Mechanism (GRM) for AMP,
• Environment and Social Management Plan (ESMP)
These documents will remain in the public domain for the duration of the Project. The SEP will be periodically updated.
All information regarding AMP project shall be available on the MAFWE website, also on Municipalities Information Boards (where the distribution centers will be constructed) that will serve as a media tool/channel for communications with the local residents. Information in relation to the Grievance Mechanism will also be included (see below). Stakeholders, including the public, will also be able to use the Grievance Mechanism. Furthermore information regarding the Grievance Procedure will also be widely disseminated to affected municipalities and affected local communities.

Information prior and during project implementation will be made available through brochures, in the Municipalities and regions were activities will be conducted. Most of the Municipalities have local community radio stations, therefore, information will transmitted through these radio stations.

The MAFWE through the Municipalities will be responsible for disclosure of commencement of the project, SEP and GRM so that the community is made aware of channels to bring out their complaints.

Regarding the WB requirements for environmental protection for the project that are classified with moderate risk (construction of collection and storage centres, Agri-Food Platform, facilities for Animal By-products (ABP) processing and safe disposal) ESMP document will be prepared.

Prepared documents regarding the environmental protection ESMF and RPF and ESMPs will be publicly available on the MAFWE website for submitting comments within 14 days.

Public hearing event will be organized for ESMF and RPF and for the sub-projects with moderate risks/impacts, the prepared ESMP will be presented on public hearing event. The announcement for organization of public hearing event for draft version of ESMF and RPF will be published in two newspapers (Macedonian and Albanian languages).

The event will be organized during the 14-day period specified for the availability of the ESMF and RPF or EMP document. If necessary, separate meetings will be held to ensure that the stakeholder engagement is gender responsive.

The PMT from MAFWE will carry out public consultations trough organizing public hearing events. For that purpose Project disclosure package should be prepare and should contain following documents:

**Disclosure package for draft versions of ESMF and RPF:**

- Public Announcement for organization of the public hearing events for prepared ESMF and RPF (published in two newspapers in Macedonian and Albanian languages, on the web site of the MAFWE);
- Draft version of ESMF and RPF documents;
- Agenda for public hearing events;
- Minutes of Meeting from the organized public hearing event;
• Final version of the ESMF and RPF including the minutes of meeting for the public hearing event, List of participants and public announcements.

Disclosure package for draft versions of Environmental and Social Management Plan document for sub-projects with moderate risks/impacts:

• Public Announcement for organization of the public hearing events for prepared ESMP document;
• Draft version of Environmental and Social Management Plan (ESMP) document developed for each sub-project;
• Form for submitting comments and suggestions site specific ESMP document;
• Agenda for public hearing events;
• Minutes of Meeting from the organized public hearing event;
• Final version of the ESMP document including the MoM for the public hearing event, List of participants and public announcement.
• Grievance form to be used during the construction of the sub-project.

The disclosure package will be publicly available in Macedonian and for some sub-projects in Albanian language immediately upon its availability, on the websites of the relevant Municipalities (on which territory the distribution centers will be constructed: Skopje, Strumica, Lozovo and Resen), and the MAFWE (www.MAFWE.gov.mk).

After the 14-day period for submitting comments for the prepared documents (ESMF and RPF/ESMP) and after the conducted public hearing event for ESMF and RPF and ESMP, the submitted comments will be included in the final version of the relevant document and they will be posted on the MAFWE web site.
6 GRIEVANCE MECHANISM

6.1 WORLD BANK GRIEVANCE REDRESS SYSTEM

Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB’s Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB’s independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. All information on how to submit complaints to the World Bank’s corporate Grievance Redress Service (GRS), are presented on the following website - http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service.

6.2 GRIEVANCE MECHANISM FOR THE AGRICULTURE MODERNIZATION PROJECT

In compliance with the World Bank’s ESS10 requirement, a specific grievance mechanism will be set-up for the project. Dedicated communication materials (GRM pamphlets, posters) will be created to help local residents familiarize themselves with the grievance redress channels and procedures. A GRM guidebook/manual will also be developed and suggestion boxes installed in each affected municipality. In order to capture and track grievances received under the project, a dedicated GRM Management Information System/database/register is planned. Within the Ministry of Agriculture, Forestry and Water Economy of North Macedonia (http://www.mzsv.gov.mk/), will be established a Grievance mechanism online, including grievance registry. The aim of this mechanism is to inform all relevant stakeholders for the procedures for submitting a complaint/suggestion regarding the SEP and receiving a response of the submitted grievance.

PMT within the MAFWE will implement a Grievance Mechanism to ensure that it is responsive to any concerns and complaints particularly from affected stakeholders and communities. A grievance mechanism will be implemented to ensure that the PMT/Contractor is responsive to any concerns and complaints particularly from affected stakeholders and communities.

The PMT will go through the following steps to deal with the grievance:
Any comments or concerns can be brought to the attention of the company verbally or in writing (by post or e-mail) or by filling in a grievance form. The grievance form will be made available in the Municipalities offices that are easily accessible for all relevant stakeholders, alongside a description of the grievance mechanism as well as on the construction sites.

The following timeframe will be used:

- ✓ Written acknowledgement of receipt of the grievance: within 5 days of receiving the grievance;
- ✓ Proposed resolution: within 15 days of receiving the grievance.

Specifically nominated and trained members of staff will record grievance information in a grievance log. This will include:

- Stakeholder name and contact details;
- Details of the grievance and how and when it was submitted, acknowledged, responded to and closed out.

For each ESMP PMT within the MAFWE will establish Form for submitting comments and suggestions on ESMP (Annex 1) and Form will be published together with the prepared ESMP document for each Municipality (Strumica, Resen, Lozovo and Skopje).

For the purposes of receiving comments from the stakeholders PMT will establish Grievance Form for the construction phase of the project that will be available in printed and electronic form. Printed version will be available at the construction site in each Municipality were the construction activities will be performed.

The Grievance Form for the construction phase of the project (Annex 2) will be revealed on the:

- Websites of the Ministry of Agriculture, Forestry and Water Economy (http://www.MAFWE.gov.mk/) and relevant Municipalities, where the project activities will be implemented; and
- Available printed copies in the premises of the relevant Municipalities (when the construction work activities will start) and the premises of the local communities, located near the project areas;
The grievance can also be submitted directly to the Contractor that will forward any such received concerns/comments to the PMT without postponement to allow the PMT (within MAFWE) to further process the concerns/comment (i.e. verify, acknowledge and respond to the grievance in the timeframes defined below). The Contractor is obliged to hand out the Project Grievance - explain the grievance mechanism to the concerned citizen(s)/local population and forward the filled-in Grievance Form to the PMT, but also, to undertake all proposed corrective actions to react on received grievance.

All complaints will be verified by the PMT in the Grievance Registry and assigned a number, and acknowledged within 5 calendar days (the flowchart for processing complaints is enclosed in Annex D). The Registry will have all necessary elements to disaggregate the grievance by gender of the person submitting it as well as by type of grievance. Each grievance will be verified in the registry with the following information: a) description of grievance, b) date of receipt of grievance and when acknowledgement returned to the complainant; c) description of actions taken (investigation, corrective measures, and preventive measures); d) date of resolution and closure provision of feedback to the complainant.

In cases when the grievance/complaint is indefinite or not clear enough, the PMT will assist and provide advice in formulating/redrafting the submission, in order for the grievance/complaint to become clear, for purposes of an informed decision by the PMT, in the best interests of persons affected by the Project.

If the PMT is not able to address the issues raised by immediate corrective action, a long-term corrective action will be identified. The complainant will be informed about the proposed corrective action and follow-up of corrective action within 25 calendar days upon the acknowledgement of grievance. In situation when the PMT is not able to address the particular issue verified through the grievance mechanism or if action is not required, it will provide a detailed explanation/ justification on why the issue was not addressed. The response will also contain an explanation on how the person/ organization that raised the complaint can proceed with the grievance in case the outcome is not satisfactory. At all times, complainants may seek other legal remedies in accordance with the legal framework of Republic of North Macedonia, including formal judicial appeal.

For the workers, which will be engaged for the implementation of the project activities, a separate grievance mechanism will be available.

The process is shown in Figure 4.
Information received (in verbal or written format)

YES
Inform compliant of corrective action and validate complainant satisfaction with proposed action

NO
Inform compliant of the proposed corrective action or clarify why action is not required within 15 days

Immediate action enough to satisfy complaint

Identify any long-term corrective action required

Record the date in the Grievance Registry

Implement the corrective action and carry out the follow-up of the corrective action

Follow-up to verify successful implementation of corrective action

Record the date. Close the case.

Figure 4 Steps within the Grievance procedure

Information Boards at Municipalities and construction sites

Information boards in each Municipality will provide local residents with information on stakeholder engagement activities, construction updates, contact details for the Contractors etc. The Contractors will set up information desks/boxes, on the construction sites on visible
and easily accessible places where they can meet and share information about the project and receiving grievances.

6.3 Grievance Log

The Grievance Focal Point will maintain local grievance logs to ensure that each complaint has an individual reference number and is appropriately tracked and recorded actions are completed. When receiving feedback, including grievances, the following is defined:

- Type of appeal;
- Category of appeal;
- People responsible for the execution of the appeal;
- Deadline of resolving the appeal;
- Agreed action plan.

The PMT Safeguard Specialist and focal point will ensure that each complaint has an individual reference number and is appropriately tracked and recorded actions are completed. The log should contain the following information:

- Name of the complainant, his/her location and details of his / her complaint;
- Date of reporting by the complaint;
- Date when the Grievance Log was uploaded onto the project database;
- Details of corrective action proposed, name of the approval authority;
- Date when the proposed corrective action was sent to the complainant (if appropriate);
- Details of the Grievance Committee meeting (if appropriate);
- Date when the complaint was closed out;
- Date when the response was sent to the complainant.

6.4 Monitoring and Reporting on Grievances

Monitoring and evaluation of the stakeholder process is important to ensure MAFWE is able to respond to identified issues and alter the schedule and nature of engagement activities to make them more effective. The following characteristics/commitments/activities will assist in achieving successful engagement:

- Sufficient resources to undertake the engagement;
- Inclusivity (inclusion of key groups) of interactions with stakeholders;
- Promotion of stakeholder involvement;
- Sense of trust in MAFWE shown by all stakeholders;
- Clearly defined approaches; and
- Transparency in all activities.

PMT has an obligation to prepare Monitoring Reports.
The first report will be Semi Annual Report for environmental and social aspects and reports from the public hearings events

Field Coordinators will be responsible for:

- Collecting data from the construction sites on the number, substance and status of complaints and uploading them into the single regional database;
- Maintaining the grievance logs on the complaints received at the regional level;
- Monitoring outstanding issues and proposing measures to resolve them;
- Submitting quarterly reports on GRM mechanisms to the PMT Environmental and Social Specialist.

The PMT Safeguard Specialist will be responsible for:

- Summarizing the number, substance and status of complaints and uploading them into the single project database;
- Monitoring outstanding issues and proposing measures to resolve them;
- Submitting quarterly reports on GRM mechanisms to the PMT Environmental and Social Specialist.

PMT within the MAFWE will submit biannually Reports to the WB, which shall include Section related to GRM which provides updated information on the following:

- Status of GRM implementation (procedures, training, public awareness campaigns, budgeting etc.);
- Qualitative data on number of received grievances \ (applications, suggestions, complaints, requests, positive feedback), highlighting those grievances related to the WB ESS 2 and 5 and number of resolved grievances;
- Quantitative data on the type of grievances and responses, issues provided and grievances that remain unresolved;
- Level of satisfaction by the measures (response) taken;
- Any correction measures taken.

Community Relations/Liaisons Manager from the local branch of MAFWE, if engaged, would be responsible for:

- Establishes good relationship with all identified stakeholders;
- Organize the public hearing events for sub – projects
- Notice the stakeholder’s comments on sub-projects and records their appeals
- Prepare Semi Annual Reports and submit to the Project Director.

The PMT will be responsible for monitoring of all Project related stakeholder engagement activities, ensuring the fulfilment and updating of this SEP, and reporting to the stakeholders.
7 MONITORING AND REPORTING

Monitoring and evaluation of the stakeholder process is considered vital to ensure MAFWE is able to respond to identified issues and alter the schedule and nature of engagement activities to make them more effective. The following characteristics will help in achieving successful engagement:

- Transparency in all activities
- Promotion of stakeholder involvement
- Trust in MAFWE and other key institutions shown by all relevant stakeholders
- Sufficient resources to undertake the engagement;
- Inclusion of key groups of interactions with stakeholders;

Monitoring of the stakeholder engagement process allows the efficacy of the process to be evaluated. Specifically, by identifying key performance indicators that reflect the objectives of the SEP and the specific actions and timings, it is possible to both monitor and evaluate the process undertaken.

**Key performance indicators**

- Number of grievance files
- Number of solved grievances

In order to provide, results from the stakeholder engagement process (Number of grievance files, Number of solved grievances, Attendance to the consultation sessions) and project implementation, MAFWE has an obligation to prepare Monitoring Report on an annual base. The MAFWE will be responsible for monitoring of all Project related stakeholder engagement activities, ensuring the fulfilment and updating of this SEP, and reporting to the stakeholders.

8 MANAGEMENT FUNCTIONS

The AMP Project will be implemented by the MAFWE of the Republic of North Macedonia as the main responsible institution.

The Project Management Team (PMT) will be established for the purpose of AMP implementation and will be located in the premises of the Ministry of Agriculture, Forestry and Water Economy, staffed with experts/specialist as the following: Project Director, Project Coordinator, Component Leaders, Procurement Specialist, Financial Management Specialist, Safeguards Specialist and Technical Specialist. The PMT will be responsible for the overall AMP implementation, project planning and coordination, procurement, monitoring of the project activities and reporting.

An independent Environmental and Social Specialist(s) (ESS(s)) will be engaged by the PMT for the entire period of the project implementation. The ESS will be responsible for ensuring proper environmental management of all AMP activities, will conduct environmental supervision by carrying out document reviews, site visits and interviews with Contractor, Construction Supervisors (if any), and municipality staff. ESS will be responsible for reviewing
all environmental safeguard documentation (site-specific ESMPs) submitted by sub-project proponents, providing recommendations, advising on the sub-project category advising on the quality of, and clearing the environmental safeguard documentation on behalf of the PMT.

The management, coordination and implementation of the SEP and its integral tasks will be the responsibility of the PMT Environmental and Social Specialist. Main tasks for PMT Environmental and Social Specialist - responsible person for SEP implementation:

- Implementation of the Stakeholder Engagement Plan (SEP). ESS presents information regarding the project and receive any community concerns or complaints (grievance forms);
- Facilitate all stakeholder engagement events and disclosure of material to support stakeholder engagement events;
- Participate during all face-to-face stakeholder meetings;
- Preparation of Minutes of meeting from all engagement events; and
- Maintain the stakeholder database.
- Maintain the track results of regular meetings and specific concern/complaint received. The grievance data base need to be maintained on regular basis with all received concerns/how the concern/complaint was addressed and/or resolved, etc.
- Prepare periodic Reports on current status with implementation of SEP to the project Management Team.
9 APPENDICES

Annex 1 Form for submitting comments

<table>
<thead>
<tr>
<th>Form for submitting comments and suggestions for (ESMP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main description of the project</td>
</tr>
<tr>
<td>Electronic version and hard copy of (Name of the Document) are available on:</td>
</tr>
<tr>
<td>- Sub-project Proponent Notice Board</td>
</tr>
<tr>
<td>Contact Person:</td>
</tr>
<tr>
<td>Address:</td>
</tr>
<tr>
<td>Phone number:</td>
</tr>
<tr>
<td>e-mail:</td>
</tr>
<tr>
<td>- Sub-project Proponent (web page)</td>
</tr>
</tbody>
</table>

| - Project Office WB (web page)                           |
  | Contact Person:                                          |
  | Address:                                                 |
  | Phone number:                                            |
  | e-mail:                                                 |

If you have any comments/suggestions or amendments to the proposed measures of (Name of the Document), please submit it to the responsible persons from the List in the 14 days period after the announcement of (Name of the Document) (date of announcement: …………….). Please, submit your comments (grey fields) for improvement of (Name of the Document) submit it on the mentioned e-mail addresses of the responsible persons for the project implementation (PMT responsible person for communication with the stakeholders)

Referent number: __________________________ (fulfilled by the responsible persons for the project implementation)

<table>
<thead>
<tr>
<th>Name and surname of the person who provides comment*</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Contact information*</th>
<th>E-mail:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Phone:</td>
<td></td>
</tr>
</tbody>
</table>

Comment:

Signature __________________________ Date ________________
Annex 2 Grievance form for construction phase of the project (construction of the distribution centers in Strumica, Resen and Skopje, as well as facilities for Animal By-products (ABP) processing and safe disposal in the Municipality of Lozovo)

<table>
<thead>
<tr>
<th>Reference Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full name (optional)</td>
</tr>
<tr>
<td>☐ I wish to raise my grievance anonymously.</td>
</tr>
<tr>
<td>☐ I request not to disclose my identity without my consent.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contact information</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ By E-mail: __________________________</td>
</tr>
<tr>
<td>☐ By telephone: __________________________</td>
</tr>
<tr>
<td>☐ By Post: Please provide mailing address:</td>
</tr>
<tr>
<td>________________________________________</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Preferred language of communication</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Macedonian</td>
</tr>
<tr>
<td>☐ Albanian</td>
</tr>
<tr>
<td>☐ Other: __________________________</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gender</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Male</td>
</tr>
<tr>
<td>☐ Female</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description of Incident for Grievance</th>
</tr>
</thead>
<tbody>
<tr>
<td>What happened? Where did it happen? Whom did it happen to? What is the result of the problem?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Date of Incident / Grievance</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ One-time incident/grievance (date ________________________)</td>
</tr>
<tr>
<td>☐ Happened more than once (how many times? ________________ )</td>
</tr>
<tr>
<td>☐ On-going (currently experiencing problem)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>What would you like to see happen?</th>
</tr>
</thead>
</table>

Signature: __________________________
Date: __________________________

Please return this form to:
Attention: __________________________
E-mail: __________________________
Agriculture Modernization Project (AMP)
Ministry of Agriculture, Forestry and Water Economy
Str. Aminta III no.2, 1000 Skopje, Republic of North Macedonia