



AQUATIM S.A., TIMISOARA, Romania

Stakeholder Engagement Plan

28 March 2013

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## **ABBREVIATIONS**

**ANRSC**- *Autoritatea nationala de reglementare a serviciilor comunale de utilitate publica (English translation - National Regulating Authority for Public Utility Community Services)*

**EBRD** -*European Bank for Reconstruction and Development*

**EIA** - *Environmental Impact Assessment Procedure*

**EU** - *European Union*

**IB** - *Intermediately Body*

**IDA** - *Intercommunity Development Association*

**ISO** - *International Standardization Organization*

**MA** - *Managing Authority*

**NGO** - *Non-Governmental Organization*

**PIU** - *Project Implementing Unit*

**REPA** - *Regional Environmental Protection Agency*

**ROC** - *Regional Operating Company*

**SEP** - *Stakeholder Engagement Plan*

**SOP** - *Sectorial Operational Programme*

## 1 INTRODUCTION

### 1.1 Background

The Stakeholders Approach is linked with the organizational management related to the business values and morality. The Stakeholders are people, groups, organizations having a direct or indirect interest with the organization/project/business development and which can affect or can be affected by the objectives, activities or policies of the Company.

The Stakeholders could be divided in two categories:

- Internal Factors
- External factors

At the same time the Internal Factors can be divided in two categories:

- Primary stakeholders - directly affected
- Secondary stakeholders - indirectly affected

The typology of the Stakeholders has attributes like: legitimacy, power and urgency.

- Legitimacy is related with the main actors involved as owners, employers, employees, customers;
- Power is related with the ability and capacity to produce an effect;
- Urgency is related with the level of interest and immediate answer from the organization in relation with these factors.

The Stakeholders Engagement Plan (SEP) is a tool developed by IDOM together with Aquatim S.A. representatives, as part of the Environmental and Social Due Diligence completed in August-September 2011.

SEP includes a brief description of the Company's stakeholders as identified during the due diligence process. It also takes into account the best international practices in relation to disclosure of information and outlines the general engagement principles that the Company is currently enforcing within their relationships with their stakeholders. The Company will work to improve improving the engagement level of its stakeholders.

### 1.2 Brief description of the company

The Regional Operating Company is Aquatim S.A., is a public company that extended its area of operation in 11 urban areas and 35 water supply systems in the rural area. The operator has already experience in implementing large scale investment programmes financed through international (ISPA) and local sources.

Aquatim S.A. is the commercial successor (in 2007) of the former "Regia Autonoma Aquatim" established in 1991 as a Romanian government agency owned by the Timisoara City Council. In 2007, Aquatim undertook the first step in the regionalisation process by signing up the concession contracts with the Municipalities of Deta, Jimbolia and Timisoara. This process was continued, according to SOP requirements, in March 2008, when the shareholders of the Company were completed with the following municipalities: Timisoara, Deta, Jimbolia, Buzias,

Sannicolau Mare, Ghiroda and Timis County. The headquarters of the company are placed in Timisoara.

The City Council Timisoara is the main shareholder and is a member of the Intercommunity Development Association (IDA ) together with the County Council Timisoara, 8 towns, and 42 communes. During the regionalization process, in March 2008, an Association Agreement between Timis County Council and the Local Authorities of 43 localities, including Timisoara Local Council, has been concluded. In line with the SOP provisions, the local municipalities in the project area created the Intercommunity Development Association “Apa-Canal Timis” to which they transferred, by a power of attorney, the right to exercise for them and on their behalf the competencies related to the management of water and wastewater services.

In October 2009 the General Assembly of the IDA stakeholders took place and then it was decided that out of the 52 members, including Timis County, only 43 would delegate their services to the Regional Operating Company (ROC), namely Aquatim S.A.

The Incorporation Act of the ROC has been modified and the Delegation Contract (DMSC) was signed in January 2010, in accordance with the current legal provisions and with the framework contract provided by the Ministry of Environment, between the IDA, represented by the President of Timis County Council, and the existing ROC. Once the delegation contract has been signed, Aquatim took over the operation and started incorporating all the rural community members of the IDA which had water and waste water infrastructure. These rural communities are organized around the head office in Timisoara, the Water and Sewerage Departments in Timisoara and the 5 branches (Faget, Buzias, Deta, Jimbolia and Sannicolau Mare).

The delegation contract establishes the specific obligations and rights of each party with regard to the development of investment programs and the achievement of subsequent levels of service performance. The ROC is appointed to manage, operate, maintain, upgrade, renew and expand, where appropriate, all of the public assets designated in the contract.

The ownership of public assets and the responsibility for the supply of adequate water and wastewater services at an affordable cost remain with the Local Authorities. The regionalization requires groups of Local Authorities located in a specific region to coordinate efforts to implement integrated service development programmes aiming to meet performance objectives established by the SOP, and to proceed with territorial reorganization of the services by delegating the implementation of the regional development plans and the management of services to a ROC.

Fixed assets remain in public property and must be taken back by the public owner (administrative territorial unit) on termination of the contract. The delegation contract is a long-term commitment, depending on the period of time of the depreciation of investments carried out by the ROC. The tariff policy is aimed at full cost recovery and set by the ROC in compliance with applicable regulations set by the National Authority for Regulation of Community Services (ANRSC), under control and acceptance of the administrative territorial unit.

### ***1.3 Summary of The Project “Extension And Modernization Of Water Supply And Sewerage System In Timis County”***

The overall objective for the investment measure is to improve the water and wastewater infrastructure in Timis County in order to meet the water compliance obligations as per the Accession Treaty and the objectives of the SOP Environment and Priority Axis I under which water projects have to be submitted.

The specific objectives of the project are:

- to ensure compliance with the national and EU legislation within the transition periods agreed between Romania and EU for environmental sector;
- to ensure an optimal utilisation of EU funds.

The Project co-financed from the European Union Cohesion Fund by the Sectoral Operational Programme Environment has a value of 118,871,000 Euros (509,635,639 lei) out of which:

- 1.73% from the local authorities (Timiș County Council and Timișoara Local Council),
- 11.30% from the state budget,
- 13.04% from Aquatim SA,
- 73.93% grant, from the EU Cohesion Fund.

The Financing Agreement was signed on February 24, 2011.

The works include the extension and rehabilitation of the sewerage system by 200 km, extension and rehabilitation of the water supply network by 100 km, the construction of 7 new WWTPs, and the construction of 3 new water treatment plants.

The projects include investments for the improvement of water and waste water treatment, distribution and collection facilities in **Timișoara, Jimbolia, Deta, Sannicolau Mare, Buzias, Recas, Gataia, Faget, Ciacova, Sacalaz, Sanmihaiu Roman** and **Utvin** located in Timis County, in the western side of Romania.

By implementing the project, the following results will be achieved:

- For water supply:

- provision of drinking water meeting the standards of EU Directive 98/83/EC on the quality of water intended for human consumption transposed into national legislation by the Law 458/2002 on drinking water quality amended by Law 311/2004;
- assurance of population with quality drinking water;
- improved security of supply through rehabilitation of structurally defective facilities;
- reduced physical water losses.

- For wastewater:

- compliance with the treatment standards of the EU Directive 91/271/CEE, transposed into national legislation by the Law GD 352/2005 amending GD 188/2002, regarding collection and treatment of the urban wastewater and to avoid discharge of untreated urban wastewater into natural body rivers;
- increase of the surface water recipient quality;
- mitigation of health risk by extending the sewerage network to cover population serve with reduction in associated risk of surface and ground water pollution;
- reduction in infiltration into the system.

The project includes the following:

- rehabilitation and extension of feed pipes from ground water sources and water treatment plants;
- rehabilitation and upgrade of the facilities (water storage tanks, pumping stations etc.);
- extension and upgrade of the water supply networks;
- extension and upgrade of the waste water collection and treatment systems;
- technical assistance for the ROC;
- technical assistance for design activities, supervision and publicity.

99% of the population will be connected to the water supply network and will have access to safe water. The rate of connection to the sewerage system will reach an average of 99.8% in the respective localities. The population who will have a connection to the water supply network will be of 370,436 inhabitants. The population who will have a connection to the sewerage system will be of 372,896 inhabitants.

The implementation of the projects will also affect positively other communities, as additional connections to the regional infrastructure implemented by this project will be provided.

## 2 REGULATORY REQUIREMENTS

The SEP developed for the Project will comply with the national regulations for stakeholder engagement and public disclosure of information in Romania in line with good international practice.

Romanian legislation states that in the procedure for EIA, the assessment of the social and economic environment should be carried out. Romanian legislation requires citizen participation (public participation) in decision-making process for environmentally significant issues at all the project planning stages. Mechanisms for public participation are set forth in legislative and other regulatory and legal acts in accordance with the constitutional “right of any person for a healthy and ecologically balanced environment”. The EIA procedure is led by the competent environmental authorities, with the participation of the central and local public authorities with specific environmental responsibilities and remits, as applicable.

Public information and consultation on environmental issues resulting from an economic activity may be carried out, under the law, in several stages of the project, as before the construction stage, during the operational stage and during the decommissioning stage.

At the start of the operational phase, the Company has to obtain, for each site, the operation authorization, which includes the environmental authorizations and the water management authorization.

According Order 1798/2007 modified and completed by Order 3839/09.11.2012 regarding the procedure of issuing environmental permits, “when submitting the documentation to obtain of the environmental permit, the holder must prove that the request has been made public. Furthermore, the environmental authority must make public the decision for the issuance of the environmental permit, as well as the schedule for the inspection of the

The general issues of public information and participation in the EIA procedure are stated in Government Decision 445/2009 regarding the framework procedure for the evaluation of environmental impact for certain public and private projects. and detailed in Order 1284/14.04.2010 regarding the approval of the methodology of impact evaluation for public and private projects.

Public information has been provided by the stakeholders in various ways during the EIA procedure development, according to the provisions of Order 1284/14.04.2010 as follows:

- application for an Environmental Agreement concerning the project: the competent environmental authority, in the local or national media and the titleholder by posting it at the local council offices and on its own website ,
- decision of the screening stage: the titleholder in the press, mentioning the place and hours reserved for project consultation and address to the public environmental authority, so that the affected people can send justified proposals concerning to the EIA ,

- public hearing of the stakeholders concerning to the EIA Report statements, the competent environmental authority and the titleholder must inform the public in a notice in the media and on the competent environmental authority website on the place and time of the public hearing, the place and date when the EIA Report is made available for consultation, the address of the public environmental authority where justified proposals may be sent by the public regarding the EIA Report ,
- the decision of the Environmental Impact Assessment Report quality review stage - the competent environmental authority on its own website or by posting at its main offices regarding the content of the decision, and the date by which public comments are to be received.

Aquatim Timisoara has the licence for water and waste water services approved by the National Regulator (ANRSC).

License / Permit	Issuing authority	Ref Number	Expiry Date
License for water and wastewater service	ANRSC	1 <sup>st</sup> class. 1311/20.01.2011	17.02.2016

Aquatim has implemented an Integrated Management System (quality, environment, health and safety), obtaining the following certificates ISO 9001:2000, ISO 14001:2004, OHSAS ISO 18001:2004.

The company's integrated policy for quality, environment, health and safety is available on the website.

The company observes fully the legal requirements regarding the free access to the public information (Law 544/2001).

The relationship that Aquatim established with its customers is well-balanced, fair and transparent, based on dialogue and proximity policy. Communication with the public may occur by direct contact (customer assistance desks, reception and customer-management meetings), by telephone, e-mail or via the company's website ([www.aquatim.ro](http://www.aquatim.ro)).

### 3 SUMMARY OF STAKEHOLDERS ENGAGEMENT ACTIVITY

In order to improve performance and public image, a company has to constantly pay attention to all stakeholders which are relevant for its activity.

Aquatim is aware that the stakeholder engagement plan is very important for “the sustainable development” agenda. Without engaging stakeholders, there can be no common enduring agreement and support for the project.

#### *PRINCIPLES*

- The Company is aware about this and makes efforts **to keep the communication channels open** with all local, regional, national and international stakeholders. The stakeholders are directly informed about the Company’s activities via meetings and discussions. Projects and programs are designed based on mutual understandings. Consultations and negotiations are also forms of stakeholders’ involvement when relevant.
- **The Company focuses on having a good relationship with its public, including the media.** Therefore a dedicated , Communication and Public Relations office was established. Its main task is to promote the company’s activities and objectives, to identify public communication opportunities and to maintain and improve the company’s image.
- **Information management was regulated in the whole society**, by establishing a clear track, with responsibilities and obligations as well as limitations and prohibitions on data transmission.
- **The Company employs several communication channels and tools in order to reach all its target groups.**

#### *CHANNELS AND TOOLS*

**The web-page (www.aquatim.ro)** contains general information for different audiences (customers, partners, authorities, other companies, academic environment...). The information available on the website is updated on a regular basis. The daily updates include interruptions in water supply due to maintenance works. A free newsletter is distributed daily to a subscription list.

Statistically, 150-200 visitors access the company’s website everyday. The online statistics (available on [trafic.ro](http://trafic.ro)) clearly indicated a pattern of behavior – more frequent visits in the first days of the week dropping by 50% during the weekend. The website audience statistics revealed a major rise in 2010, when the monthly number of visitors increased from 1,500 (2009) to 1,700 (2010). One can say that occasionally, certain events generate more interest from the public for the website. Such events are World Water Day and World Environment Day, celebrated annually on 22 March and respectively, 5 June, and usually declared Open Doors Days for Aquatim facilities.

**Press releases and press articles** are also important tools of media communication - which a significant impact on Aquatim's image. The public relations department monitors the local, regional and national press daily to get feedback on PR's activity or company's image and to keep records. Based on these findings, the PR and the management should develop and adjust the communication strategy accordingly. The number of newspaper articles mentioning the company is higher in the months that the Company has issued more press releases and also when a major event (positive or negative) involving Aquatim has occurred.

In recent years, there was an increase in the number of newspaper articles featuring a positive image of the Company. This is due to a reinforcement of the external public communication strategy and a more effective public relations and promotion of the activities.

In addition, the liaison between the Company and the media improved, through the role of the spokespersons, who have been available to respond to any requests for information. Press releases are written in a journalistic style in order to avoid distortion of the message. In addition, during periods when journalists lack topics, spokespersons send them more press releases containing positive information about Aquatim. This creates a win-win situation for both parties: journalists have topics while Aquatim gets the desired coverage.

That good relationship between the Company and the media has been especially relevant to explain the great success of events such as the Open Journey.

**Aquaștiri** (in eng. Aquanews) is a company publication used as a communication tool with stakeholders (internal and external). It is issued monthly and contains corporate information of general interest (events, achievements, exclusive information on company's history etc.). The publication is distributed in print (1,000 copies) through the company's own pay points and public relations desks, the Municipality public assistance office and is also posted on the website and distributed electronically to an emailing list, including individuals, businesses public organisations, other water and sewerage operators etc

The reason for such a small print run is that Aquatim, as operator of water supply and sanitation, supports the protection of natural resources by using them as low as possible and encourages the use of the online media for information transmission and search. In addition, newspaper transmission through Internet provides access to the targeted audience at a lower cost.

Since the first issue of the publication, it was enthusiastically received by employees because Aquatim publishes information about the company's history and legends about the "personalities" within the firm. Thus, the employees (and especially the youngest ones) have the opportunity to know better the company in which they work.

The paper has also a section dedicated to the employees with special personal or professional achievements). This is a measure that proved successful in terms of human resources, since the employees feel that the Company appreciates them, supports them and creates a sense of belonging and pride.

**E-mailing and SMS customer notifications and reminders service** was introduced in 2009. The company approached a new modern, fast and efficient communication tool. The service is used to inform the targeted customers registered into a database about the scheduled interruptions in the supply, the meter reading program or to send payment reminders on overdue invoices. This service can send automatically the same message to a large number of recipients and the costs

covered by Aquatim. The campaign to inform the customers about the new SMS service has been done by sending brochures attached to the bill and proved to be successful. The feedback was positive and it can be stated that the acceptance has been quite high. The e-mail address of the company have received many encouraging and greeting messages coming both from consumer and representatives from public institutions and other public service providers.

The management strongly believes that by this service the company comes closer to customers needs.

**Brochures, flyers and informative letters were sent to the customers attached to the bill or were distributed through company's own payment points.** The covered various topics such as metering accuracy and meter protection against freezing, payment of services for collection and treatment of storm water, the status of the EU funded investment projects .

**Community and social responsibility.** Every year, Aquatim organizes and participates at a series of events in the local and professional community. The most important events are: World Water Day, celebrated on 22 March May; World Environment Day on 5 June; the Expo Apa event in June and the Quality Week, in November. On these occasions, Aquatim, associates with stakeholders from other utility companies, water authorities, professional associations etc initiates and conducts events, cultural activities and educational programs addressed to children, young students and specialists of the field.

During these days, the Company organizes visits to water treatment plants, where those present can learn more about the history of original water supply (as they can visit the historic city water plant supplier). At the end of the tour, visitors are invited to "taste" a glass of fresh water from the plant.

It is a fact that from year to year, the number of participants at the events is growing. The most successful project is Open Doors Day at the water treatment station, which Aquatim is especially proud of, as the visit to the facilities gives opportunity to create a positive image (both because of large number of visitors and the media wishing to conduct interviews to the Company managers present at the event).

Aquatim considers environmental education a priority for any organization working on environmental market and communal services. The objective of the proposed actions each year are to raise awareness about the importance of protecting small consumers on water resources from pollution as the main factor that threatens water quality and quantity.

**Relationship with customers.** One of the simplest methods by which a company can define its identity and create a positive customer perception is the direct communication. In Aquatim, the customers can address directly, can file a complaint or request information about the company to the employees of the Customer Care Permits, Invoicing departments, Customer Relations and Public Relations Offices. To improve the effectiveness of communication with customers, a customer relationship performance indicator was introduced, establishing a maximum response time of 10 working days, although the law stipulates that the length of this field response should not exceed 30 working days.

**Round the clock Dispatch Unit.** If water and sewer services are not appropriate: interruptions in supply, low pressure, water cloudy, faulty water: water meter, broken pipe, clogged sewerage pipe , missing manhole lids. The customers can notify the company by phone non-

stop. In addition there is a program in which the customers can meet the management to address them personally their complaints.

**Ad-hoc meetings between company management representatives of owners and tenants associations in Timisoara.** The purpose of the meetings is to enable participants to express their suggestions to the company, directly addressing management, and improve the company's activity based on information received from customers. During these meetings participants receive various materials of interest to customers. Meetings, attended by a large number of representatives of tenants associations, are intended to be a dialogue, free, face to face, the management Aquatim SA comes with news and explanations to those questions addressed to them frequently. They are part of the company's strategy of direct communication with customers. The directors or presidents of associations can be considered a strategic interface for communicating with tenants blocks, they represent the interests of three quarters of Timișoara. Generally, after such meetings, by e-mail messages the company is receiving much thanks and congratulations from the participants and not only encouraging the company to continue to organize such meetings.

**Participation Advisory Councils with the district municipality.** The multitude of reports on infrastructure, green spaces, public lighting, transport, require periodic grouping them according to their priorities for inclusion in the annual lists of municipal investment. By creating advisory councils sought to increase citizen awareness of the neighbourhood of the works to be executed in its area of interest. It was also aimed at increasing social cohesion in the community. The participation of citizens from various social, age, professional meetings in the neighbourhoods or the organization and the events in their own neighbourhoods, people know each other, exchange ideas and opinions, socialize and develop interpersonal relationships.

**Other channels of communication.** Continue to inform the public, the cashier at headquarters was mounted on a **monitor running all the time some information of interest to consumers**, answers to common questions of them and the company's presentation videos. In addition there is a **stand with leaflets and other materials**, such as Aquastiri publication and a bulletin board that displays the most important information about the company's activity: the price of a cubic meter of water and sanitation, charges related services offered Aquatim program and cashiers address, phone number, service dispatch, customer program offices, the possibilities of complaints and notifications, schedule hearings to company directors etc.

The Company draws up **an annual action plan on information and publicity**, including communication objectives envisaged target audience, information and publicity activities proposed budget allocated to them and the person responsible for their implementation.

The annual plan shall be submitted to both MA and the IB. Based on this plan, organize awareness and education or information campaigns, which shall inform in advance IB/MA. During these campaigns can be made: video / audio, website, publications, logos etc.

Even in markets where companies have a monopoly, such as SA Aquatim society, notoriety and reputation concerns are part of top management. If Aquatim Company needs customers in Europe and creating a sense of pride and belonging to a group of approximately 800 employees are the main concerns of management. Also, **a positive image and reputation** can be decisive in establishing partnerships with leading companies in the same field of activity in the country and abroad. Aquatim name of the association of another internationally renowned operator contributes substantially to the capital of the company's image and is different from that of another company which has a similar association.

The company will apply a sticker in a visible place or a plate, depending on the nature of objects that apply to identify the fixed assets and / or refundable (cars, furniture, equipment, supplies etc), obtained by the project co-financed European Union. They will also be used near the entry doors or buildings where such projects are carried out. Stickers will be placed in sight, the front of objects.

The Company shall establish and maintain a stakeholder's communication folder which will contain:

- annual plans on information and publicity measures;
- a copy of informative and promotional materials developed and published throughout the course projects (brochures, posters, pens, banners used in meetings etc);
- press releases regarding project implementation;
- published articles concerning the project;
- a visual evidence (photos, videos) that can test the implementation of information and publicity requirements (for example, photographs of temporary display panel and a photo to be distinguished and the location of this panel);
- spots on TV/audio to promote the project, to publish advertisements in the press and other similar materials to promote the project, if applicable;
- when possible and where appropriate, records of interviews given to radio or television and who was devoted to EU-funded project;
- compilation of correspondence with the Managing Authority for SOP Environment and Timisoara Intermediary Body for regional information and publicity measures.

#### 4 IDENTIFICATION OF STAKEHOLDERS AND COMMUNICATION

The stakeholders' analysis methodology includes a simple and straightforward approach. It was created a list of all the stakeholders direct or indirect interested with the project. There are listed the internal stakeholders and the external factors.

It is evaluated their interest in relation with the project and its objectives.

It is evaluated the possible impact with each stakeholder's interest using the symbols:

- (+) positive impact on the interest;
- (-) negative impact on the interest;
- (+/-) possible positive or negative impact in different situations;
- (?) uncertainty.

It is indicated the relative priority of each stakeholder to satisfy their own interest through the project (on a scale from 1-5, the higher priority is 1).

**Influence** represents the power of the stakeholders on the project development.

**Importance** is the priority done by the project to satisfy the needs and interests of each stakeholder.

STAKEHOLDERS	Impact	Priority	Influence
The employees	+	3	4
Worker Unions	+	4	2
Company's management	+	5	5
County and local public administration units	+	5	4
Managing Authority- SOP Environment	+	5	5
Intermediary Body for Western Region Managing Authority - SOP Environment	+	5	3
Timisoara Intercommunity Development Association	+	5	3
State Construction Inspectorate	+	2	2
Providers of utilities	+	3	2
Romanian Waters National Administration, Banat Water Basin Administration	+	3	3
Department of Public Health Timisoara	+	3	2
Emergency Inspectorate	+	3	2

Roads Administration	+	3	2
Department of County Cultural, Religious and culture heritage Timisoara	+	1	1
The Environmental protection Agency	+	3	4
The media	+/-	3	4
Domestic customers	+/-	4	1
Business customers	+/-	4	2
Education institutes	+	2	2
Universities	+	3	2

### Internal Stakeholders

- **Employees:** There are relationships with other employees of the Company to conduct business properly. Reports made by other departments of the company summarise relevant information and are submitted to the authorities concerned.
- **Worker Unions:** Aquatim employees have three unions, *Apa*, *Aqua* and *Sindicatul liber al salariatilor*. The representatives of these unions are invited to attend the meetings of the Board of Directors.
- **Board of Directors:** The Board has authority as regards the administration of the company, within the provisions specified in the company's by-law.
- **County and local public administration units External Stakeholders** are part of the General Assembly of Shareholders. The Ordinary General Assemblies take place at least once a year, in order to examine the financial results for the previous year and to establish the activity plan and the budget for the current year.
- **Managing Authority - SOP Environment**, inspection of technical management, financial and administrative process of implementing the project, inform the beneficiary of any decision which may affect the project and checks whenever necessary, the missions on the ground that the expenditure declared by the beneficiaries for operations are real, it has actually been incurred and complies with EU and national legislation.
- **Intermediary Body for Western Region Managing Authority - SOP Environment** is coordinated by DG Environment and SOP has the lead role in managing projects financed by delegating duties SOP Management Authority. Powers are delegated specific SOP for project management and covers:
  - o insurance Customer Support regarding SOP procedures for investment programming and implementation;
  - o data collection necessary to monitor and evaluate implementation of regional SOP;
  - o checking of reimbursement claims prepared and submitted by the beneficiary;
  - o confirm the accuracy of reimbursement claims, SOP implementation progress, payments, and reception work.

- **Timisoara Intercommunity Development Association**

According to Law no. 51/2006, Timisoara Intercommunity Development Association (IDA Timisoara) public utility service, water and sanitation is the structure of cooperation with legal personality under private law, established under the law, the administrative-territorial deliberative and executive powers within their aims and the establishment, organization, regulation, financing, operation, monitoring and management of joint water and sewer services on the area of jurisdiction of the administrative-territorial units and the joint execution of public investment projects or regional area of interest for the establishment, modernization and/or development, where appropriate, public utility systems for these services. IDA Timisoara was made of the same administrative units which will delegate the management of water service and sewage regional operators.

IDA Timisoara acts as unique interlocutor for regional operators, like an unique organism for debate and coordination, representing the common interests of territorial-administrative units regarding supply water service and sanitation, in particular on:

- regional operators;
- service development strategy;
- policy service prices and tariffs;
- service contract management delegation.

The communication between the operator and the Regional IDA Timisoara is through the dedicated compartment for the monitoring of the delegation contracts of Aquatim S.A. .

- **State Construction Inspectorate** is the authority that monitors the implementation of legislation on the quality of the investments, the participation of all execution phases of construction works (exercise state control in the construction discipline).
- **Providers of utilities** (gas, electricity, telephones) from which the work permits are obtained.
- **Romanian Waters National Administration, Banat Water Basin Administration** - obtain the permits and authorizations for water management needed to start work. Regional operator monthly report physical progress of investments and achievements in each contract of the project.
- **Department of Public Health Timisoara** gives notice of the location to obtain authorization to construct.
- **Emergency Inspectorate** gives notice of the location to obtain authorization to construct.
- **Roads Administration** site gives the permit for obtaining the building authorizations.
- **Department of County Cultural, Religious and culture heritage Timis.** This department must be notified in case of discover any archaeological or historical artefacts in the aria of works. Decision taken by the department may be different depending on the situation encountered and could influence the progress of works.
- **EPA - The Environmental protection Agency**, issuing the environmental permits.
- **Media:** The management of the European funded projects is largely covered, especially in the written media. The Communications & Public Relations Department of the company carries out press monitoring on a regular basis in order to identify the references made to the EU-funded water and sewerage infrastructure development

- **Domestic customers:** In Aquatim, the customers can address directly, can file a complaint or request information about the company to the employees of the Customer Care Permits, Invoicing departments, Customer Relations and Public Relations Offices.
- **Business customers:** Aquatim has been carrying on since 2003 a monitoring programme of the companies discharging industrial waste water into the sewerage network.
- **Primary, secondary and high-schools:** from Timisoara and throughout the county, within the area of operation are partners and/or a target audience for the raising awareness campaigns on sustainable management of the water resources.
- **Universities:** The technical faculties in Timisoara, such as Environmental Engineering, Chemical Engineering and Hydrotechnics etc also joined Aquatim in several applied research projects. The company has also been recruiting graduates of these universities for the International Programmes Department.
- **Research institutes based in Timisoara,** such as ECOIND joined Aquatim in several national applied research programmes aiming to raise efficiency of the processes and plan future investments accordingly.

##### **5. DISCLOSURE OF INFORMATION AND STAKEHOLDER ENGAGEMENT PROGRAMME**

The procedure regarding the environmental impact assessment, including the related documents, was available for public interest. The public was informed about the content of the screening decision which was made available through announcements to the premises of the local councils, county council, local environmental agency and beneficiary and no comments were registered coming from the population side concerning the content of the screening decisions and the issuance of the Negative Screening Decisions.

The Project benefited of a large awareness campaign consisting of public announcements, debates and meetings. Therefore, the interested public had the opportunity to express the opinion regarding the Project implementation.

The public was informed about the investment projects through announcements in newspapers (from REPA Timisoara and the Beneficiary), announcements posted at the REPA Timisoara, Local Councils and Beneficiary locations and web-sites information and no comment from the public was received.

During the project implementation the information that will be disclosed for the stakeholders' benefit are in line with the legal requirements:

<b>No.</b>	<b>Stakeholder</b>	<b>Type of information disclosed</b>	<b>Mean of communication</b>
1	IDA Members	- Annual Report including environmental and social - Project development status - Tariff structure	IDA General Assembly
2	Employees	- Internal Regulation - Collective Work contract	Company's internal rules

		- Staff grievance mechanism - Identifying possible Project implementation irregularities	
3	Worker Unions	- Annual Report including environmental and social - Project development status - Internal Regulation - Collective Work contract - Staff grievance mechanism - Identifying possible Project implementation irregularities	Administration Board meeting (Union is permanently invited)
4	Communities	- Annual Report including environmental and social - Project development status including works status and possible disturbance affecting the communities - Tariff structure and level - Public grievance mechanism - Identifying possible Project implementation irregularities	Company's website
5	Ministry (MA /IB SOP Environment)	- Project development status - Identifying possible Project implementation irregularities	Specific Reports
6	EU, EBRD	- Project development status - Identifying possible Project implementation irregularities	Specific Reports
7	Other identified stakeholders	- Annual Report including environmental and social - Project development status including works status and possible disturbance affecting the communities - Tariff structure and level - Public grievance mechanism - Identifying possible Project implementation irregularities	Company's website

EBRD's Performance Requirement (PR) requires Clients to identify both internal and external stakeholders and develop a Stakeholder Engagement Plan. Stakeholder engagement is about building and maintaining constructive relationships over time with both internal and external people who are affected by or interested in the Project or Aquatim's activities. It is an ongoing process between Aquatim and its Project stakeholders that extends throughout the life of the Project and encompasses a range of activities and approaches, from information sharing and consultation, to participation, negotiation and formation of partnerships.

The purpose of a Stakeholder Engagement Plan (SEP) is to describe Company's strategy and program for engaging with stakeholders in a culturally appropriate manner (whether it be for the Project only or for entire range of activities). The goal is to ensure the timely provision of relevant and understandable information and to create a process that provides opportunities for all stakeholders, including those who are vulnerable and/or socially excluded, to express their views and concerns, and allows Aquatim to consider and respond them.

## 6. STAKEHOLDERS ENGAGEMENT PLAN

Activity/Project	Information disclosed	Forms of communication	Stakeholders interest
Company business	Data about business development	Annual Report on the business	Company Shareholders, IDA and Local Councils as

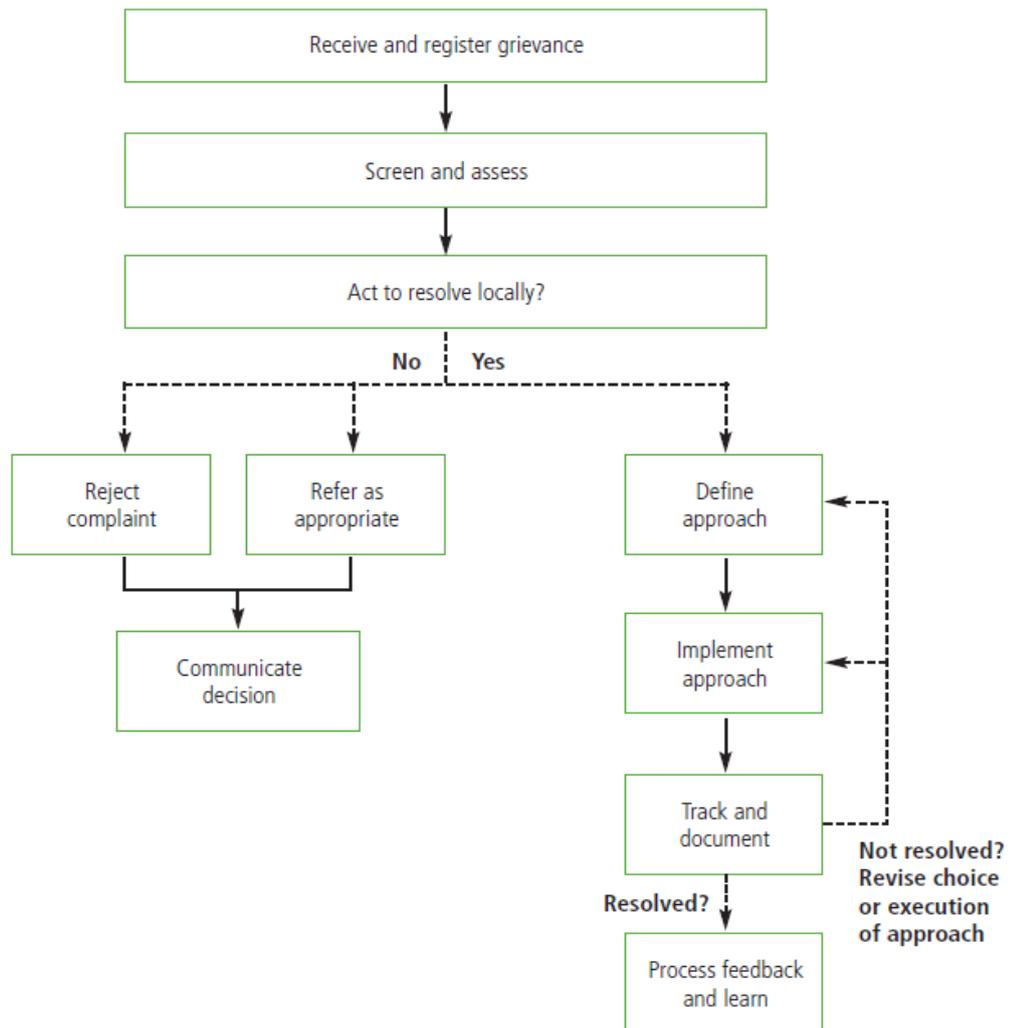
<b>Activity/Project</b>	<b>Information disclosed</b>	<b>Forms of communication</b>	<b>Stakeholders interest</b>
development		development on the Company's website	members, workers, communities
Company statements	Data about environment, health and safety issues	Annual Report on environment, health and safety on the Company's website	Company Shareholders, IDA and Local Councils as members, workers, communities
Company and Projects publicity and promotion	Info about company facilities information about projects development and benefit	Annual Open Doors mentioned also on the company's website	Communities, schools, mass-media, NGO, Local Businesses
Identification of the possible irregularities with the CFA implementation	Collected information about possible irregularities	Complains procedures in accordance Aquatim Procedures Manual	All identified stakeholders
Annual Report for IDA	Information regarding the works status with each County agglomeration	IDA General Assembly	IDA, Local Councils, County Council, involved communities
Notification on the Tariff changes	Justification on the tariff changes	IDA General Assembly and mentioned on the Company's website on the tariff component	IDA, Local Councils, communities, local business, public units as schools, universities, hospitals
Disclosure of information about projects before start of any construction works	The purpose nature and scale of the project the duration of proposed project activities, any risks to an potential impacts with regard to environment, worker health and safety, public health and safety and other social impacts on communities, and proposed mitigation plans the envisaged consultation process,	Mass media, visual elements according with the CFA Financing Contract, Company website	Affected communities, affected schools, hospitals, other stakeholders

Activity/Project	Information disclosed	Forms of communication	Stakeholders interest
	<p>if any, and opportunities and ways in which the public can participate, time/venue of any envisaged public meetings and the process by which meetings are notified, summarised, and reported.</p>		

## 7. PUBLIC GRIEVANCE MECHANISM

The SEP needs to include a detailed description of the principles and the process by which people affected by the Projects (or Aquatim's operations) can bring their grievances or comments to the company for consideration and redress.

Grievances will be solved following the below steps:



### a. Grievance mechanism for workers

In the Chapter VI of the Internal Regulation statement is stated the Procedure and the mechanism for the workers' grievances.

Based on this regulation the workers have the right to address to the management personal grievance related with the work performed by them .

Dissatisfied employees address a report submitted to the registration unit and that is discussed at the meeting of a committee appointed by decision of the General Manager.

Any grievance is officially registered; the employer will nominate a commission to analyze any workers' grievance.

In this commission are members:

- the representative of the Top Management;
- the representative of the Internal Services Support Department (HR office);
- the representative of the Union.

In the case of individual conflict between employees or between employee and employees it is stated that these kind of conflicts to be firstly solved by a conciliation commission with representatives from the employer and the Union; if the conflict is not solved, the parties have the right to address to the justice.

The commission analyses the worker's grievance and proposes the solution; the employee will receive the decision within 30 days.

#### **b. Grievance mechanism for the community**

The information of the population regarding the activity of the Company, investment projects, various news (legal framework, changes in rates, interventions etc) is done regularly, the multiple communication channels: internet, radio, TV, newspapers, leaflets, posters, banners etc. In 2012, local mass-media has provided around 300 materials on the activity of the Aquatim S.A. . It should be noted that there were no materials to run critical business of Aquatim S.A.. Public information is made on the company's own web-page ([www.aquatim.ro](http://www.aquatim.ro)) by posting fliers, brochures, rollup, banners, and by announcing in special events (The Open Doors Day).

Continuous and sustained nature of information flow, effective for a good relationship with the target audience, is supported by the Customer Relations Office and Public Relations Office of the Aquatim which generate, conduct and analyze the feedback and actions to promote information.

For complaints about drinking water quality shall apply the procedure of complaint and analysis called the handling of complaints in the water distribution system and sewer system. Complaints are to be recorded and communicated to the maintenance department or to the water analysis laboratory in order to evaluate and solve the problem. There are different possibilities for the communities' representatives to address to the company with their complain:

- on the company's website,
- meeting - audience with the Top Management of the company,
- written grievances to the company,
- e-mail or telephone grievance addressed to:
  - o dispatcher (non-stop) : 0256/201362
  - o fax: 0256/294 753
  - o e-mail: [aquatim@aquatim.ro](mailto:aquatim@aquatim.ro)

Any community's grievance is registered through the registration unit and the staff in charged with the solving problem is acting. Writing grievances are translated into standard forms, under the grievances management procedure, by the employees of the Customer Relations Office. Any communities' grievance should be solved within 30 days based on the Romanian regulations. To improve the effectiveness of communication with customers, a customer relationship performance indicator was introduced, establishing a maximum response time of 10 working days, although the law stipulates that the length of this field response should not exceed 30 working days.

**c. Identification and solving the irregularities related with the CFA implementation**

Any person involved in the implementation/monitoring of a SOP Environment financed project or who has any information regarding the development of the SOP Environment financed projects can send the Alert Form regarding the irregularities at the following e-mail address: **sesizari-pos@posmediu.ro**.

## 8. MONITORING AND EVALUATION

*This paragraph is to be updated periodically to reflect applied stakeholders' engagement process. Current version includes indication on possible monitoring and evaluation procedures*

### a. Implementation timetable

If specific stakeholder engagement activities are planned, such as meetings or consultation periods, provide a schedule outlining dates and locations for these events. If not, identify when key information will be available to the public, such as an annual report.

At this stage, ROC is in the process of tendering out the Technical Assistance component of the Project. This should also include the development and implementation of a Stakeholders Engagement Programme.

### b. Monitoring and evaluation of SEP

Once commitments have been made within an SEP, it is important to monitor their implementation and report on the status of the plan's implementation, along with explanations for delays or changes. The SEP should articulate how the public will be informed of the implementation of the plan. Often, this will be as a section in an annual report on environment, safety and other topics.

Aquatim constantly monitor the engagement level of stakeholders by developing a set of indicators: number of communications, type of communications, frequency of communications, number of complaints, type of complaints, sources of complaints, number of resolved complaints, average time for resolution of complaints, number of presentations on environmental, social and economic status of the company, number of mass media articles and/or announcements, number of stakeholders involved per action, level /degree of involvement for each stakeholder, number of visitors on the websites, number of requests for information via websites.

A clear record of all these indicators is kept at Aquatim.

Another important aspect is the way public is informed about the SEP. Aquatim will make announcements both on company's website and on local mass media about the SEP. Also, the SEP will be part of the annual environment and safety report of ROC.

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Fax: 0256/294753

E-mail: [aquatim@aquatim.ro](mailto:aquatim@aquatim.ro)

Dispatcher (non-stop): 0256 201362

Communication office  
(for mass-media) 0256 201 370

**BUZIAS SUBSIDIARY**

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Elaborated by Cristina Borca

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