



STAKEHOLDER ENGAGEMENT PLAN (SEP) FOR AKIRA GEOTHERMAL LIMITED

GOWUOR AND A CHAREM

Akiira Geothermal Limited 36 Muiri Lane, Karen Nairobi P.O Box 15546 – 00509 Langata
Telephone: +254 712 196 549 Email: info@akiiraone.com Website:
<http://www.akiiraone.com/>

CONTENTS

Chapter	Description	Page
1	INTRODUCTION	1-1
	1.1 Project Background	1-1
	1.2 Project Justification	1-1
	1.3 Project Location	1-2
	1.4 Stakeholder Engagement Plan (SEP)	1-2
	1.5 Implementation of Remedial Action Plan (RemAP)	1-3
2	LEGISLATIVE FRAMEWORK	2-1
	2.1 Overview	2-1
	2.2 Relevant National Laws	2-1
	2.2.1 Constitution of Kenya	2-1
	2.2.2 Access to Information Act, 2016:	2-1
	2.2.3 National Land Commission Act, 2012:	2-1
	2.3 International standards	2-2
	2.3.1 IFC Performance Standards on Environment and Social Sustainability (2012)	2-2
	2.3.2 EIB Environmental and Social Standards	2-4
	2.3.3 Equator Principles	2-4
	2.3.4 International Labour Organization (ILO) Convention 169	2-5
	2.3.5 UN Guiding Principles on Business and Human Rights (UNGPR)	2-5
	2.3.6 UN Guiding Declaration on the Rights of Indigenous Peoples, encompassing the principle of Free, Prior and Informed Consent (FPIC)	2-6
3	STAKEHOLDER IDENTIFICATION AND ANALYSIS	3-1
	3.1 Overview	3-1
	3.2 Primary stakeholders	3-1
	3.2.1 Vulnerable Groups	3-1
	3.2.2 Women	3-2
	3.2.3 Youths	3-2
	3.2.4 Other Categories	3-2
	3.3 Secondary stakeholders	3-2
	3.3.1 National Government	3-2
	3.4 Tertiary stakeholders	3-3
	3.4.1 NGOs and CBOs	3-3
	3.4.2 Contractors (Drilling, Operation and maintenance)	3-4
	3.4.3 Neighbouring geothermal developments (KENGGEN, AGIL, ORMAT, OSERIAN)	3-4
	3.4.4 Media	3-4
4	STAKEHOLDER ENGAGEMENT PLAN IMPLEMENTATION	4-1

4.1	Overview	4-1
4.2	Resources and responsibilities	4-1
4.2.1	AGL Management	4-1
4.2.2	AGL Chief Executive Officer	4-1
4.2.3	Investors ESG Team	4-1
4.2.4	AGL Social Specialist	4-2
4.2.5	AGL Environment Health and Safety & Security Advisor	4-2
4.2.6	Community Liaison Officers (CLOs)	4-2
4.2.7	Community Committees	4-2
4.2.8	Contractors (Drilling, Operation and Maintenance)	4-3
5	MONITORING OF STAKEHOLDER ENGAGEMENT PLAN	5-1
5.1	Background	5-1
5.2	Methodology	5-1
5.3	Internal and external monitoring	5-1
5.3.1	Internal Monitoring	5-1
5.3.2	External Monitoring	5-1
5.3.3	Tools for Participatory Monitoring of the SEP	5-2
5.4	Monitoring indicators	5-2
5.5	Reporting	5-3
5.5.1	Monthly Reports	5-3
5.5.2	Quarterly Reports	5-3
5.5.3	Annual Reports	5-3

LIST OF TABLES

Chapter	Description	Page
	Table 3-1: Stakeholder Identification and analysis	3-5

LIST OF ABBREVIATIONS

AGL	Akiira Geothermal Limited
AGIL	African Geothermal International Limited
CDAP	Community Development Action Plan
EMP	Environmental Management Plan
EHSS	Environment Health and Safety & Security Advisor
GDC	Geothermal Development Company
GMC	Grievance Mechanism Committee
GWDC	Great Wall Drilling Company (GWDC)
ICP	Informed Consultation and Participation
IFC	International Finance Corporation
ILO	International Labour Organization
KenGen	Kenya Electricity Generating Company Limited
KWS	Kenya Wildlife Service
LUP	Land Use Policy
NEMA	National Environment Management Authority
MPG	Marine Power Generation Company Ltd
MW	Mega Watts
OSHA	Occupational Safety and Health Act
RAP	Resettlement Action Plan
REI	Ram Energy Inc
SE	Social Expert
SEP	Stakeholder Engagement Plan
SMP	Security Management Plan

1 INTRODUCTION

1.1 Project Background

This document is the Stakeholder Engagement Plan (SEP) for Akira Geothermal Limited (AGL) and it is live a document and will be updated from time to time.

It is intended to be read in conjunction with the Company's suite of documents which includes the Land Use Policy, Security Management Plan, Grievance Redress Mechanism and the Remedial Action Plan.

Marine Power Generation Company Ltd (MPG), a renewable energy company, was awarded a Geothermal Development License by the then Ministry of Energy and Petroleum (Now Ministry of Energy) No 2/2009 in July 2009, for the development of up to 140 Mega Watts (MW) of geothermal energy in Nakuru County, covering a concession area of approximately 480km². The concession area is located on Akiira Ranch, Mlima Panya and Mount Margaret that lie within Nakuru and Narok Counties in Kenya.

MPG along with a number of investors further set up Akiira Geothermal Limited (AGL) as a Project company to develop up to 140MW net of geothermal power, to be constructed in a phased approach of two 70 MW net geothermal power plants in each phase, located in Naivasha Sub-County of Nakuru County. AGL is jointly owned by Centum Investments Company Limited and Frontier Energy, together with the development partners Marine Power Generation Limited (MPG) and Ram Energy Inc. (REI).

1.2 Project Justification

Kenya's energy sector relies heavily on hydro-power and thermal generation, accounting for 45.3% and 39.2% of the energy supplied to the grid respectively.¹ The remainder is made up of wind (1.4%) and thermal (14.1%). Though hydropower is renewable, it is vulnerable to the effects of climate change, while thermal plants are costly and increase the carbon load. Addressing the effects of climate change in the energy sector requires proper planning and development of energy solutions that are resilient and that also minimize carbon emissions. Wind energy, alongside geothermal and solar, provide the solution to a low carbon pathway.

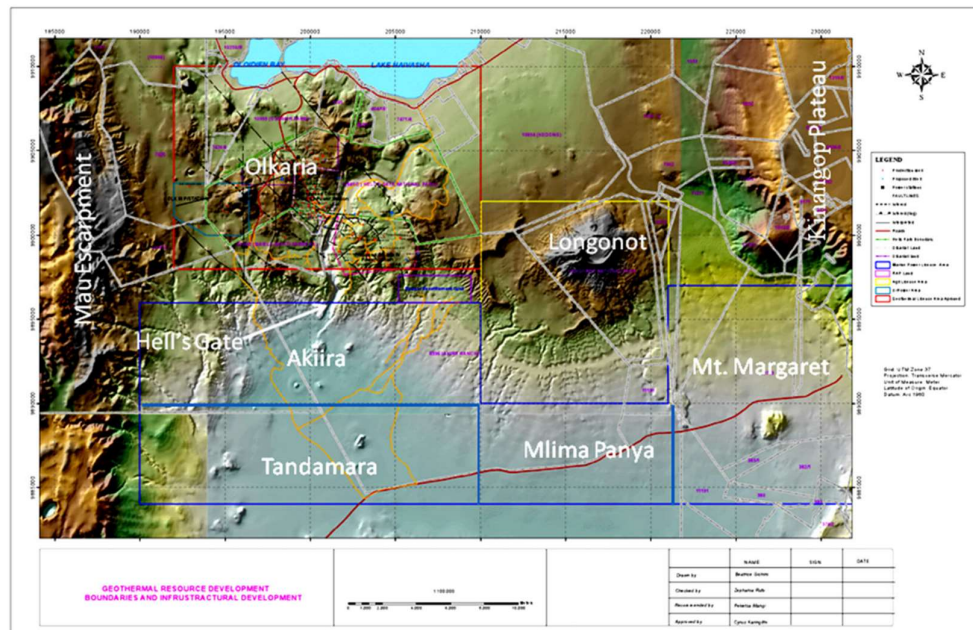
The GoK has initiated several flagship projects under the Vision 2030 Plan. Some of these projects include the Standard Gauge Railway System, Special Economic Zones, Information and Communication Technology Parks, Growing Manufacturing Sector and the LAPSSSET Project. Additionally, the counties are also largely viewed as new frontiers for socio-economic growth. All these together with Kenya Power's Last Mile Connectivity project will create demand for additional power. The proposed wind energy Project seeks to contribute toward the demand for additional electricity generation infrastructure in a renewable form.

Kenya has overtime relied on hydropower, but the seasonal variability of river flows has resulted in reduced supply of hydropower, prompting the country to assess alternative sources of energy production to meet increased demand including geothermal power. As such, the proposed Project will contribute to the efforts to meet this demand, understanding that investment in power generation is imperative if the Country is to adhere to the key pillars of achieving Vision 2030. In addition, the proposed Project supports the Least Cost Power Development Plan through the development of geothermal power, and the objective for geothermal power to provide 27% of generation capacity to meet the power demand forecasts up to 2033.

1.3 Project Location

As noted above, Akiira Geothermal Area is part of the Marine Power Generation Ltd (MPG) concession area which covers over 480 km². The concession area has been divided into 4 prospects which are all larger than the Olkaria Geothermal field which has a potential to generate over 1000MWe. The prospects are Akiira (which has been ranked highest based on its proximity to the Olkaria Domes field), Tandamara, Mlima Panya and Mt. Margaret. The concession has been subdivided into 4 prospects known as Akiira, Tandamara, Mlima Panya and Mt. Margaret. The project area is on the eastern part of the Akiira prospect and to the south of Olkaria area. Akiira project area is in a private ranch and covers 1,000 acres which has been surveyed and demarcated. All these have been depicted in Figure 1.1 below.

Figure 1.1: The Marine Power Concession Area covering an area of 480 km².



1.4 Stakeholder Engagement Plan (SEP)

This SEP aims to ensure a proactive, well-coordinated and structured approach to community and stakeholder engagement within the project area.

It is a tool used to help recognize the stakeholders' human rights by allowing them to express their views on the project and how it will impact their lives. The Project developer believes that engaging the people as project partners helps to build community understanding and increase collaboration and support for current and future activities.

The key objectives of the Stakeholder Engagement Plan are to address the following aspects: Risk Management (for both long terms operating and reputational costs):

- Improve on social governance performance, processes and knowledge within the organization.

- Enable better management of expectations, misconceptions and misinformation about the project and the project company from the community and other stakeholders.
- Identify emerging community/other stakeholders' issues and concerns at an early stage of the project development and devise appropriate management strategies for the risks; and
- Sharing of benefits from the project through the community development activities and therefore enabling the neighbouring communities to feel part of the development and support the project throughout its lifespan.

Securing a Social License to operate the project:

- Build a strong foundation of understanding among the different stakeholder groups which will help to secure local buy-in to the operations and ease the path to development.
- Gain better understanding of the needs, concerns and expectations of stakeholders and address these concerns.
- Provide communities with timely and adequate information on activities/operations and the related implications including issues that could potentially affect them.
- Build and maintain transparent trust-based relationships with the stakeholders; and
- Provide a transparent grievance management mechanism where concerns, comments and disputes are captured and responded to in a constructive, proficient, and timely manner.

1.5 Implementation of Remedial Action Plan (RemAP)

The deadline for implementation of the remediation action plan is 6 months from end-Jan 2023. Thereafter there will be additional six months for follow up and conclusions of all remediation issues. The Project has spent cumulative two years consulting various stakeholders on the remedial process and action including additional one year, 2023.

2 LEGISLATIVE FRAMEWORK

2.1 Overview

Public consultations and participation in a development project is anchored in the Laws of Kenya. This SEP is designed to meet laws of Kenya and IFC Performance Standards on Environment and Social Sustainability as discussed in section 2.2 below.

Kenya has signed and ratified a number of International Conventions, which relate to access to information, public participation in decision-making, and public access to justice in relation to the environment.

It is also important to mention that Development Finance Institutions have policies, standards and guidelines that strictly uphold the spirit of stakeholder engagement and public participation in development projects. This chapter looks at the general legal, policy and administrative frameworks that point to consultations and participation, both at national and international levels.

2.2 Relevant National Laws

2.2.1 Constitution of Kenya

The Constitution of Kenya provides a strong foundation for participatory governance. It recognizes that all sovereign power belongs to the people of Kenya and may be exercised either directly or through elected representatives. The Constitution of Kenya, Article 1(2) establishes public participation as a key value and principle in governance. The Constitution of Kenya, Article 10 (2)(a), states that public participation would improve decision-making and ensure equality and non-discrimination. Likewise, the state is under obligation to encourage public participation in the management, protection and conservation of the environment as stated in Article 69(1).

2.2.2 Access to Information Act, 2016:

The Acts' objectives in section 3 (d) state that its purpose is to promote routine and systematic information disclosure by public entities and private bodies on constitutional principles relating to accountability, transparency, public participation and access to information. AGL is therefore mandated to share relevant project information with the stakeholders and incorporate their valid and practical views during the project implementation

Environment and Land Court Act 2011: The principal objective of this Act is to enable the Court to facilitate the just, expeditious, proportionate and accessible resolution of disputes governed by this Act. Section 13 (2) (b) of the Act outlines that in exercise of its jurisdiction under Article 162 (2) (b) of the Constitution, the Court shall have power to hear and determine disputes relating to environment and land.

2.2.3 National Land Commission Act, 2012:

Part II Section 5 (f) of the Act states that part of the functions of the commission is to encourage the application of traditional dispute resolution mechanism in land conflicts. This shall be important especially when handling any form of grievance that shall be related to land issues during the project implementation phase. The project shall encourage grievances to be solved as per the grievance system used locally by the community.

2.3 International standards

The following international standards shall be applicable to the project:

- IFC Performance Standards on Environment and Social Sustainability (2012).
- EIB Environmental and Social Principles and Standards 2009
- Equator Principles.
- International Labour Organization (ILO) Convention 169.
- UN Guiding Principles on Business and Human Rights (UNGPR).
- UN Guiding Declaration on the Rights of Indigenous Peoples, encompassing the principle of Free, Prior and Informed Consent (FPIC).

2.3.1 IFC Performance Standards on Environment and Social Sustainability (2012)

IFC standards stipulate that when host country regulations differ from the levels and measures presented in the Performance Standards (PS) and EHS Guidelines, projects are expected to achieve whichever is more stringent. If less stringent levels or measures are appropriate in view of specific project circumstances, a full and detailed justification for any proposed alternatives is needed as part of the site- specific environmental assessment. This justification should demonstrate that the choice for any alternative performance level is protective of human health and the environment. The following PS are applicable to this project in terms of stakeholder engagement and consultations.

IFC PS1: Assessment and Management of Environmental and Social risks and impacts

PS1 indicates that the client shall develop and implement a Stakeholder Engagement Plan that is proportionate to the level of project risks and impacts and development stage and be tailored to the characteristics and interests of the Affected Communities. The PS requires the following to be adhered to:

Disclosure of information

PS1 requires that the disclosure of information should be done in detail and in a culturally appropriate manner to enable the community to understand the risks, impacts and opportunities that will emanate from the project. This will enable them to understand the project better and therefore make an informed decision on the same.

Consultation

PS1 requires that when affected communities are subject to identified risks and adverse impacts from the project, the client will undertake a process of consultation in a manner that provides the affected community with opportunities to express their views on project risks, impacts and mitigation measures and enable the client to respond to the same. It further requires that the extent and degree of engagement required by the consultation process should be commensurate with the project's risks and adverse impacts and with the concerns raised by the Affected Communities. According to this standard, effective consultation is a two-way process that should:

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

- Enable meaningful participation, where applicable; and
- Be documented.

PS1 emphasizes the importance of conducting an Informed Consultation and Participation (ICP) in projects with potentially significant adverse impacts on Affected Communities, this process will help to build upon the steps outlined above in Consultation and will result in the affected communities' informed participation.

This process entails a more in-depth exchange of views and information, and an organized and iterative consultation. AGL will continue to incorporate into their decision-making process the views of the affected communities on matters that affect them directly, such as the proposed mitigation measures, the sharing of development benefits and opportunities, and implementation issues.

It states that the consultation process should:

- Capture both men's and women's views, if necessary, through separate forums or engagements; and
- Reflect men's and women's different concerns and priorities about impacts, mitigation mechanisms, and benefits, where appropriate.

So far, AGL has conducted several public engagement activities with the relevant stakeholders including the community in the project area of influence.

IFC PS7: Indigenous People

Performance Standard 7 recognizes that indigenous peoples, as social groups with identities that are distinct from mainstream groups in national societies, are often among the most marginalized and vulnerable segments of the population and therefore private sector projects can create opportunities for indigenous people to participate in, and benefit from project-related activities that may help them fulfil their aspiration for economic and social development.

Section 8 of PS7 requires that where projects have possible negative impacts to Indigenous Communities, they should be avoided and where alternatives have been explored and adverse impacts are unavoidable, the client will minimize, restore, and/or compensate for these impacts in a culturally appropriate manner.

Section 10 requires for participation and Consent of Indigenous People throughout the project and which should be done also in a culturally appropriate manner. This should include information dissemination about the project as well as engagement planning. Where relocation of IP is unavoidable the Developer is required to develop an FPIC indicating: Demonstration that information dissemination about the project has been done in a culturally acceptable manner and has been understood by the IP which will result to obtaining Consent from them.

How the IPP will benefit from the project.

Currently, AGL land is not occupied by any community. The neighbours/surrounding communities are Suswa, and Rapland communities who belong to the Maasai community and Kambi Turkana, Mlima Tatu, and Lorropil Village which belongs to the Turkana. Where applicable, the PS shall be adopted when interacting with the two communities and during all project phases.

IFC Good Practice Handbook on Stakeholder Engagement

This guideline provides for interactive consultations whose importance is as stated below:

- The public should have a say in decisions about actions that could affect their lives.
- Public participation promotes sustainable decisions by recognizing and communicating

- the needs and interests of all participants, including decision-makers.
- Public participation seeks out and facilitates the involvement of those potentially affected by or interested in a decision.
- Public participation seeks input from participants in designing how they participate.
- Public participation provides participants with the information they need to participate in a meaningful way.
- Public participation communicates to participants how their input affected the decision.
- In addition to consultation, the negotiation process may provide further assurance to affected parties by giving them a greater say in the outcome. It also provides them with the additional clarity, predictability, and security of a signed agreement detailing precisely what the company commits to doing, and the roles, if any, for the affected stakeholders.
- Good faith negotiations are transparent, considerate of the available time of the negotiating parties, and deploy negotiation procedures and language readily understood and agreed to by all parties.

The above guidelines have been adopted during consultations with the identified project stakeholders and shall guide all future consultations.

2.3.2 EIB Environmental and Social Standards

The overall objective of these Standards is to outline the promoter's responsibilities in the process of assessing, managing and monitoring environmental and social impacts and risks associated with the operations.

EIB Standard 10 on Stakeholders engagement:

Indicates that a meaningful engagement process allows for the efficient implementation of a financed operation and, in particular, the early and effective identification, assessment, and management of any environmental and social risks, impacts, and opportunities. The views, interests, and concerns of project affected communities and other interested stakeholders are heard, understood, and taken into account throughout the project lifecycle will guide the SEP.

Specifically, the standard requires the promoter to:

- Establish and maintain a constructive dialogue between the promoter, the affected communities and other interested parties throughout the project life cycle.
- Ensure that all stakeholders are properly identified and engaged.
- Engage stakeholders in the disclosure process, engagement and consultations in an appropriate and effective manner throughout the project lifecycle, in line with the principles of public participation, non-discrimination and transparency.
- Ensure that the relevant stakeholders, including commonly marginalized groups on account of gender, poverty, educational profile and other elements of social vulnerability, are given equal opportunity and possibility to voice their opinions and concerns, and that these are accounted for in the project decision-making; and,
- Duly verify and assess that the quality and process of engagement undertaken by third parties on the project conform to the provisions included in the present standard.

2.3.3 Equator Principles

The Equator Principles provide international principles for stakeholder engagement. Principle 5 outlines the main consultation and disclosure of information requirements including demonstration of effective Stakeholder Engagement as an ongoing process in a structured and culturally appropriate manner with affected communities and, where relevant, other stakeholders. It recognizes that indigenous peoples may represent vulnerable segments of project-affected communities. The principle requires that for projects affecting indigenous peoples, they will be subject to a process of Informed Consultation and Participation and will need to comply with the rights and protections for indigenous peoples contained in relevant

national law, including those laws implementing host country obligations under international law.

Principle 6 stipulates that a grievance mechanism should be established to consider concerns from project affected communities. The grievance mechanism is required to be scaled to the risks and impacts of the Project and have affected communities as its primary user. It also requires that Grievance Redress must be done in a timely, transparent and in a culturally appropriate manner. This project shall adopt the above principles throughout its various project phases.

2.3.4 International Labour Organization (ILO) Convention 169

This Convention applies to:

tribal peoples in independent countries whose social, cultural and economic conditions distinguish them from, sections of the national community, and whose status is regulated wholly or partially by their own customs or traditions or by special laws or regulations.

Peoples in independent countries who are regarded as indigenous on account of their descent from the populations which inhabited the country, or a geographical region to which the country belongs, at the time of conquest or colonization or the establishment of present state boundaries and who, irrespective of their legal status, retain some or all of their own social, economic, cultural and political institutions.

The convention came into force on 5th September in 1991. Article 7 indicates that the peoples concerned shall have the right to decide their own priorities for the process of development as it affects their lives, beliefs, institutions and spiritual well-being and the lands they occupy or otherwise use, and to exercise control, to the extent possible, over their own economic, social and cultural development. In addition, they shall participate in the formulation, implementation and evaluation of plans and programmes for national and regional development which may affect them directly. This has been adopted when developing this SEP and shall apply throughout the project.

2.3.5 UN Guiding Principles on Business and Human Rights (UNGP)

These Guiding Principles emphasize on three pillars which are: protect, respect and remedy. Each defines concrete, actionable steps for governments and companies to meet their respective duties and responsibilities to prevent human rights abuses in company operations and provide remedies if such abuses take place.

In accordance with this SEP, some of the guiding principles will include but not be limited to the United Guiding Principles On business and Human Rights (UNGPs)

GP 13: It states that the responsibility to respect human rights requires that business enterprises to:

- Avoid causing or contributing to adverse human rights impacts through their own activities and address such impacts when they occur.
- Seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products or services by their business relationships, even if they have not contributed to those impacts.

GP15: Indicates that in order to meet their responsibility to respect human rights, business enterprises should have in place policies and processes appropriate to their size and circumstances, including:

- A policy commitment to meet their responsibility to respect human rights;

- A human rights due-diligence process to identify, prevent, mitigate and account for how they address their impacts on human rights;
- Processes to enable the remediation of any adverse human rights impacts they cause or to which they contribute.

GP31 advocates for the development of Grievance mechanism that is accessible and can be used by all relevant stakeholders to the project.

In accordance with the above, an ESIA was conducted for the project and further upgraded to international standards. This SEP also states the various strategies through which various stakeholders shall be engaged throughout the different phases of the project and has also provided a Grievance Mechanism to be used by all the project stakeholders.

2.3.6 UN Guiding Declaration on the Rights of Indigenous Peoples, encompassing the principle of Free, Prior and Informed Consent (FPIC)

Article 10:

Indigenous peoples shall not be forcibly removed from their lands or territories. No relocation shall take place without the free, prior, and informed consent of the indigenous peoples concerned and after agreement on just and fair compensation and, where possible, with the option of return.

Article 16

- Indigenous peoples have the right to establish their own media in their own languages and to have access to all forms of non-indigenous media without discrimination.
- States shall take effective measures to ensure that State-owned media duly reflect indigenous 15 cultural diversity. States, without prejudice to ensuring full freedom of expression, should encourage privately owned media to adequately reflect indigenous cultural diversity.

Article 17

- Indigenous individuals and peoples have the right to enjoy fully all rights established under applicable international and domestic labour law.
- States shall in consultation and cooperation with indigenous peoples take specific measures to protect indigenous children from economic exploitation and from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral or social development, taking into account their special vulnerability and the importance of education for their empowerment.
- Indigenous individuals have the right not to be subjected to any discriminatory conditions of labour and, inter alia, employment or salary.

Article 18

Indigenous peoples have the right to participate in decision-making in matters which would affect 16 their rights, through representatives chosen by themselves in accordance with their own procedures, as well as to maintain and develop their own indigenous decision-making institutions.

Article 22

- Particular attention shall be paid to the rights and special needs of indigenous elders, women, youth, children and persons with disabilities in the implementation of this Declaration.
- States shall take measures, in conjunction with indigenous peoples, to ensure that indigenous women and children enjoy the full protection and guarantees against all forms of violence and discrimination.

Article 23

Indigenous peoples have the right to determine and develop priorities and strategies for exercising their right to development. In particular, indigenous peoples have the right to be actively involved in developing and determining health, housing and other economic and social programmes affecting them and, as far as possible, to administer such programmes through their own institutions.

Article 26

- Indigenous peoples have the right to the lands, territories and resources which they have traditionally owned, occupied or otherwise used or acquired.
- Indigenous peoples have the right to own, use, develop and control the lands, territories and resources that they possess by reason of traditional ownership or other traditional occupation or use, as well as those which they have otherwise acquired.
- States shall give legal recognition and protection to these lands, territories and resources. Such recognition shall be conducted with due respect to the customs, traditions and land tenure systems of the indigenous peoples concerned.

Article 27

- States shall establish and implement, in conjunction with indigenous peoples concerned, a fair, independent, impartial, open and transparent process, giving due recognition to indigenous peoples' laws, traditions, customs and land tenure systems, to recognize and adjudicate the rights of indigenous peoples pertaining to their lands, territories and resources, including those which were traditionally owned or otherwise occupied or used. Indigenous peoples shall have the right to participate in this process.

Article 28

- Indigenous peoples have the right to redress, by means that can include restitution or, when this is not possible, just, fair and equitable compensation, for the lands, territories and resources which they have traditionally owned or otherwise occupied or used, and which have been confiscated, taken, occupied, used or damaged without their free, prior and informed consent.
- Unless otherwise freely agreed upon by the peoples concerned, compensation shall take the form of lands, territories and resources equal in quality, size and legal status or of monetary compensation or other appropriate redress.

Article 29

- Indigenous peoples have the right to the conservation and protection of the environment and the productive capacity of their lands or territories and resources. States shall establish and implement assistance programmes for indigenous peoples for such conservation and protection, without discrimination.
- States shall take effective measures to ensure that no storage or disposal of hazardous materials shall take place in the lands or territories of indigenous peoples without their free, prior and informed consent.
- States shall also take effective measures to ensure, as needed, that programmes for monitoring, maintaining and restoring the health of indigenous peoples, as developed and implemented by the peoples affected by such materials, are duly implemented.

Article 32

- Indigenous peoples have the right to determine and develop priorities and strategies for the development or use of their lands or territories and other resources.
- States shall consult and cooperate in good faith with the indigenous peoples concerned through their own representative institutions in order to obtain their free and informed consent prior to the approval of any project affecting their lands or territories and other resources, particularly in connection with the development, utilization or exploitation of

mineral, water or other resources.

- States shall provide effective mechanisms for just and fair redress for any such activities, and appropriate measures shall be taken to mitigate adverse environmental, economic, social, cultural or spiritual impact.

Article 34

Indigenous peoples have the right to promote, develop and maintain their institutional structures and their distinctive customs, spirituality, traditions, procedures, practices and, in the cases where they exist, juridical systems or customs, in accordance with international human rights standards.

Article 35

Indigenous peoples have the right to determine the responsibilities of individuals to their communities.

Article 40

- Indigenous peoples have the right to access to and prompt decision through just and fair procedures for the resolution of conflicts and disputes with States or other parties, as well as to effective 27 remedies for all infringements of their individual and collective rights. Such a decision shall give due consideration to the customs, traditions, rules and legal systems of the indigenous peoples concerned and international human rights.

Article 41

- The organs and specialized agencies of the United Nations system and other intergovernmental organizations shall contribute to the full realization of the provisions of this Declaration through the mobilization, inter alia, of financial cooperation and technical assistance. Ways and means of ensuring participation of indigenous peoples on issues affecting them shall be established.
- Relevance: All the above international standards and requirements have been referred to in developing this SEP and shall be applied during update of this document and its implementation.

3 STAKEHOLDER IDENTIFICATION AND ANALYSIS

3.1 Overview

A stakeholder is 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 or the ability to influence its outcome either positively or negatively” IFC, May 2007.

The objective of stakeholder identification is to establish which organizations and individuals may be directly or indirectly affected (both positively and negatively) or have interests in the Project. As per IFC PS1 the Project needs to identify the range of stakeholders that may be interested in their actions and consider how external communications might facilitate a dialog with all stakeholders.

Stakeholder identification is an ongoing process, requiring regular review and updates. Stakeholder engagement is therefore, a basis for building strong, constructive and responsive relationship that are essential for successful management of a project (IFC, 2012).

To date, many potentially affected and interested parties have been identified through the ESIA process both through the original ESIA which was conducted in 2013, an ESIA update which took place in 2016¹. AGL and the Remedial Action Process. AGL has also made a number of contacts with the local communities, government departments and other organisations as part of its consultation process and project disclosure. Stakeholders that have been identified and categorized are as explained below.

3.2 Primary stakeholders

Primary stakeholders are also referred to as People Affected by the Project (PAP) in the ESIA. This is the category that will be directly affected by the proposed project. Basically, this is the Community surrounding AGL Land and ones who will be directly impacted either positively or negatively by the project. They include the following:

- Kampi Turkana/ Lorropil, Milima Tatu, Rapland and Suswa community.
- Surrounding landowners (including flower companies, Kedong and Ngati farmers).
- Laborers- Workers who shall be engaged from the community to work in the project during the construction and operational phases of the project.

3.2.1 Vulnerable Groups

Stakeholder identification and engagement also sought to identify any potentially vulnerable or disadvantaged group or individuals in the local community. From the ESIA Process, the vulnerable groups identified within the community were the following:

- Women
- Youth
- Other categories

1

Draft ESIA 2016 was not disclosed to the public due to the challenges that were experienced during initial drilling exploration activities and therefore there were no defined specific locations of the key project infrastructure, like location of power plant, pipelines and production wells and therefore most impacts indicated in the Draft ESIA were generic and could not be disclosed to the public.

3.2.2 Women

Maasai Culture does not allow women to attend meetings together with the men. The women are also tasked with house chores and may lack the opportunity to engage fully in the Project related matters. The current engagement community committees constitute female representation to empower women representation in participation of the SEP implementation. Consideration into the SEP: Where necessary AGL shall ensure that they set up separate engagement meetings and at appropriate times to accommodate the women in the community.

3.2.3 Youths

The elderly is assumed in most communities to be the pace setters when it comes to decision making. When this happens, the youth's opinion is normally missed out and in this case the SEP runs a risk of missing out on their opinions during its implementation. The current engagement community committees constitute youth representation to empower youth representation in participation of the SEP implementation. Consideration into the SEP: Youth representatives shall be accommodated in the project in order to represent their views on the SEP and other project implementation activities. This approach is already in place since the current CLOs are youths.

3.2.4 Other Categories

Elderly, disabled, Widows and Orphans will be incorporated to ensure that they are part of the project. Where necessary, separate meetings will be held with them to understand their needs and how they can actively participate and benefit from the project.

3.3 Secondary stakeholders

Secondary stakeholders are those who have an indirect influence in the proposed project. They include:

- Institutions with regulatory roles in the project.
- Institutions/individuals with representation functions example the elected leaders;
- Government bodies with representation at county levels/who control county functions in relation to the project.

3.3.1 National Government

I. Ministry of Interior and Coordination of National Government.

County Commissioner Nakuru and the Deputy County Commissioner Naivasha

The County Commissioner Nakuru County is the highest government officer managing all administrative and interior security in the County. Together with the Deputy County Commissioner Naivasha and the Chief Olkaria location are the entry point to the project area, and they need to be informed on any development within the County/area. Consultations were sought with the DCC Naivasha in organizing for public forums through the area chiefs and assistant chiefs.

II. Ministry of Energy

Involved in the approval of the Expression of Interest to develop the wind power plant in Kajiado County.

Kenya Power

Kenya Power is the national off taker. It has a direct role in PPA negotiations, a key project contract that affects the overall project timeline.

Kenya Electricity Transmission Company (KETRACO)

KETRACO is a national company responsible for the planning, design, construction and maintenance of electricity transmission lines and associated substations of Kenya. The project will connect to a KETRACO's substation and may use some of KETRACO's wayleaves to build its own grid- connection line.

Energy and Petroleum Regulatory Authority (EPRA) previously Energy Regulatory Commission (ERC)

Amongst other duties, EPRA regulates the electrical energy, renewable energy and other forms of energy. EPRA has a direct role in approving the Power Purchase Agreement (PPA) for the project, a key project contract that affects the overall project timeline. The PPA for this project was signed on August 12th, 2015.

The Geothermal Development Company

The Geothermal Development Company (GDC) is a 100% state-owned company, formed by the Government of Kenya as a Special Purpose Vehicle to fast track the development of geothermal resources in the country. The creation of GDC was based on the government's policy on energy - Sessional paper No. 4 of 2004, and the energy Act No. 12 of 2006 - which un- bundled the key players in the electricity sector to ensure efficiency.

III. Ministry of Environment and Forestry

National Environment Management Authority (NEMA)

NEMA issues the Environmental Impact License which is one of the required project approvals before construction can start. Prior to issuance of the ESIA License, Nakuru County Director for Environment (CDE) was involved and was the main overseer of the ESIA report. The project received the ESIA approval on the 23 July 2013.

IV. Ministry of Tourism and Wildlife

Kenya Wildlife Services

AGL land lies in the administrative locations of Hells Gate and Olkaria within Naivasha sub-County, Nakuru County in the Rift Valley of Kenya. Specifically, its neighbours Hells Gate National Park which is compatible with wildlife ecology.

AGL had to consult with KWS in order to include Hell's Gate National Park Management Plan in their decisions and to adopt the park's management plan Zonation of geothermal development area within the park.

V. Development Partners and Limited Partners

The lenders and Limited partners to the project will need to be updated on the progress of the project as a way of monitoring the investment regularly.

3.4 Tertiary stakeholders

These are stakeholders who can influence the project outcome as described below:

3.4.1 NGOs and CBOs

These are organizations with direct interest in the proposed Project, and its social and environmental aspects and that can influence the Project directly or through public opinion. Such organizations may also have useful data and insight and may be able to become partners to the Project in areas of common interest. These will include Friends of Lake Naivasha and Lake Naivasha Riparian Association amongst any other that will be identified with AGL AOI. This include but not limited to Kenya Human Rights Commission, Red Cross and the following community based organisations, Forumciv (previously called Forumsyd), Narasha Development Group (Community Based Organization), Jamaa Resource Initiative, Haki Africa, Dandelion Africa and Power Africa

3.4.2 Contractors (Drilling, Operation and maintenance)

The Contractors shall work closely with the AGL ESG team, to ensure that they adhere to all the recommendations from the relevant project stakeholders.

3.4.3 Neighbouring geothermal developments (KENGEN, AGIL, ORMAT, OSERIAN)

One of the key connections between the proposed Project and other geothermal development companies is the management of impacts resulting from their respective projects.

Continued engagement between geothermal development companies is recommended in order to manage any potential cumulative impacts. In addition, geothermal development companies operating in proximity to each other may share resources (access roads etc.) common to their projects.

3.4.4 Media

Media are an important stakeholder in this project since they act as links between the project and the public. The right information should be channelled to them so that AGL ensures that whatever goes out to the public concerning the project tallies with the actual project state

Table 3-1: Stakeholder Identification and analysis

Stakeholders	Who/what do they represent?	Knowledge of Issues	Ability to Influence Outcome	Position on and stake in Project	Communication Strategy Level 1,2 or 3	Comments
PRIMARY STAKEHOLDERS						
Neighboring communities (Kampi Turkana, Milima Tatu, Rapland and Suswa)	Immediate Neighbours to AGL Land	High	Have great influence on the project implementation since they are the ones to experience the direct and indirect impacts of the project.	They can therefore be for the project or against the project as an aggrieved group.	Level 1	Should be engaged regularly on matters concerning the project so that they are part of all phases of the project.
Surrounding landowners (including, Kedong and Ngati farmers)	Workers at AGL	High	Have great influence on the project implementation since they are the ones to experience the direct and indirect impacts of the project.	They can therefore be for the project or against the project as an aggrieved group.	Level 1	Should be engaged regularly on matters concerning the project so that they are part of all phases of the project.
Labourers-Workers who shall be outsourced from the community to work in the project during the construction and operational	Construction of the project	High	Have great influence on the project implementation since they are the ones to experience the direct and indirect impacts of the project.	They can be against the project if their minimum needs on labour are not met. These may They can be against the project if their minimum needs on labour are not met. These may include	Level 1	Should be engaged regularly on matters concerning the project so that they are part of all phases of the project, particularly in connection with matters concerning the work schedules and conditions during

phases of the project.				poor working conditions, delayed salaries, unresolved grievances amongst others		construction and operational phases.
Contractors and their Sub-Contractors.		High	Implementation of the project as well as the various ESMP requirements	If the Contractors will not follow agreements made between AGL and outside community, these can trigger grievances/protests to the project	Level 1	Should be engaged regularly on matters concerning the project so that they are aware of the requirements/agreements with various stakeholders.
SECONDARY STAKEHOLDERS						
Ministry of Interior and Coordination of National Government. Local administration (County Government of Nakuru)	Are involved in matters concerning security and public outreach (organizing public forums) for the project. Are the entry point to the community	High	Are key in the project implementation. environmental and social management for sustainable development. Oversee any approvals in as far as the project is concerned.	They are key in support received from the project by influencing the community and approvals from the various government departments.	Level 1	The local administration should be involved in all matters concerned, so that they can be part of the project and address any issues arising appropriately.
Ministry of Energy Ministry of Environment and Forestry Ministry of Tourism and wildlife	Various government departments regulate and oversee environmental and social management programs	Medium	As per relevant laws	They are key in support received from the project by influencing the community and approvals from the various government departments.	Level 2	The project has received most of the required approvals. Therefore, AGL should engage and keep these stakeholders informed whenever called upon.
Development partners and Limited partners	The lenders and Limited partners to the project	High	As per various standards	Will be keen to ensure that the developer is in compliance with all	Level 1	Will need to be updated on the progress of the project as a way of

				requirements among them environmental and social safeguards. Lack of compliance can lead to delay in project implementation through sanctions such as withholding and in very bad cases outright withdrawal from the project.		monitoring the investment regularly
TERTIARY STAKEHOLDERS						
NGOs and CBOs	They include Friends of Lake Naivasha and Lake Naivasha Riparian Association.	Medium	Are potential Partners in implementation of the CDAP activities and can be used to learn about the best-case scenarios which will give positive social milestones to the project.	Actors in community development and Advocacy especially at the grass root level.	Level 2	Need to be engaged periodically as they may influence the public opinion in relation to the project activities.
Media	Communication channels that can be used with regards to the project. They Include civil societies.	Medium	Link between the project and the outside community	Plays a key role in sharing project information with the public and/or stakeholders	Level 3	
Neighboring Geothermal developments	Neighboring performing similar activities in the project area	Low	Will be key during project operational phase especially with monitoring activities	Will form part of key stakeholders in consulting for best case project implementation	Level 3	Continued engagement between geothermal development companies is recommended in order to manage any potential cumulative impacts.

				activities. Including coordinating with various key stakeholders and the community at large.		
--	--	--	--	---	--	--

4 STAKEHOLDER ENGAGEMENT PLAN IMPLEMENTATION

4.1 Overview

The plan seeks to address issues across the board including safety, environmental management, operations, and social impacts among others. AGL recognizes the provision of free prior and clear information to stakeholders as essential to have an integral involvement and cross-functional partnerships with all teams within the company.

4.2 Resources and responsibilities

4.2.1 AGL Management

This will be composed of the investment partners. They meet on a weekly basis to review project progress and make recommendations as appropriate or where need arises.

Their roles are as follows:

- Effecting necessary policy, administrative and financial decisions and actions, necessary for the successful implementation of the project.
- Facilitation of timely release of necessary funds towards implementation of the project.
- Resolve any grievance that has not been solved by the Project Implementation Team.
- Ensure that there is timely communication of project information to the stakeholders as indicated under Table 4.3.

4.2.2 AGL Chief Executive Officer

The CEO or the Boards designated representative ensures that all operational, technical and environmental, social and health and safety aspects of project during the implementation phase are in line with management plans. His role is follows:

- Has functional/technical management responsibility for environmental and social functions for the project implementation.
- Works closely with the Project Implementation Team in matters concerning community health and safety and community development initiatives.
- Has direct responsibility for working with investors and lenders in giving financial support to all SEP activities.
- Resolves any grievance that has not been solved by the Project Implementation Team.
- Ensures that all information communicated to stakeholders is consistent with the project activities.
- Approves information to be released to the media where necessary.
- Approves budgets for SEP implementation.
- Ensures all operational, technical and environmental, social and OHS aspects of project during the implementation phase are in line with management plans.
- Reports to AGL management on all Contractors (drilling and Operations and Maintenance Operator) activities, compliance and delivery of project and keenly highlighting matters to deal with health, safety, environment and community development, in liaison with the Environment Health and Safety & Security Advisor and the Social Coordinator.

4.2.3 Investors ESG Team

The Investors ESG Team is responsible for ensuring that environmental and social safeguards are implemented at all stages of the project to the required standards. This Team:

- Ensures appointment of competent and qualified persons to be Social Specialist, Environment Health and Safety & Security Advisor and Community liaison Officers.
- Acts on the above positions in the event, the positions are vacant until they are occupied.
- Participates in the development and implementation of the CDAP.
- Ensures all social and OHS aspects of project during the project implementation are in line with the SEP.
- Reports to the Investors on SEP implementation.
- In the absence of the below Social Coordinator and the Environment Health and Safety and Security Advisor, then the Investors ESG team will take over their roles.

4.2.4 AGL Social Specialist

- Ensuring Social aspects compliance observance during construction and that they have incorporated all valid requirements as per stakeholders' concerns.
- Coordinate the CLOs and participate in Grievance management meetings.
- Participate in any community development meetings geared towards implementation of the SEP and CDAP.

4.2.5 AGL Environment Health and Safety & Security Advisor

- Ensuring Environmental, Health and Safety & Security compliance observance during construction especially with the community and that they have incorporated all valid requirements as per stakeholders' concerns.
- Undertake sensitization of health and safety aspects to the community.

4.2.6 Community Liaison Officers (CLOs)

Currently there are 2 CLOs. However, should the project activities increase we will hire one more CLO to take care of the Kambi Turkana, Lorropil and Mlima Tatu Villages.

The roles of CLO's are as below:

- Are direct link between the community and the project.
- Hold regular meetings with the community to share information from project to keep them updated on the project activities
- Monitoring implementation of community development activities as indicated in the CDAP.
- Collect and log in any grievances from the community.
- Participate in Grievance Management meetings.

4.2.7 Community Committees

Currently the following committees exist within the community and are composed of members from Kampi Turkana, Milima Tatu, Suswa and Rapland communities. Their various roles are as indicated below:

Grievance Management Committee: Their role is to Manage and address grievances.

Environment Committee: They are in charge of community matters concerning Environment, social and health and Safety.

Economic and Other Opportunities Committee: They are in charge of business matters within the community including the employment opportunities that will be required especially during the construction phase.

Feedback Committee: They are in charge of communication/link between the community and outside community.

4.2.8 Contractors (Drilling, Operation and Maintenance)

They are responsible for the construction, operation and management of the project. Their roles will include:

- Ensure that all their activities and sub-contractors (where applicable) involved are in line with the agreements and expectations of the various stakeholders involved in the project. This will be implemented in liaison with the AGL CEO or boards' designated representative. This will include award of jobs and opportunities especially during the construction phase.
- Work with the AGL ESG team to ensure that their activities are in line with the EHS management plans.

5 MONITORING OF STAKEHOLDER ENGAGEMENT PLAN

5.1 Background

Monitoring is essential and should form part of good management practice. Monitoring is an internal project activity designed to provide constant feedback on the progress of a project, the problems it is facing, and the efficiency with which it is being implemented. AGL management shall report to the relevant stakeholders at all requisite times. The reports will also be submitted to lenders on an annual basis to ensure proper accountability at all levels and stages of this project.

5.2 Methodology

The Social Expert will be in charge of monitoring of the SEP implementation. He/ She shall use quantitative surveys, Focus Group Discussions/Round Table Meetings and direct observation to collect data. Results of the surveys will be compared with the set objectives to check if the implementation team is achieving its targets.

5.3 Internal and external monitoring

5.3.1 Internal Monitoring

AGL Social Expert has the overall responsibility of conducting regular internal monitoring of the progress and of SEP. The monitoring shall be a systematic procedural follow up of implementation activities in relation to the recommendations of this SEP. The objectives of internal monitoring will include but not be limited to:

- Ensure that the Project progress is implemented with utmost transparency.
- Verify that the communication channels proposed in the SEP are being used and assess their effectiveness as well as implement recommendations where necessary.
- Ensure that the Grievance mechanism is being used as intended and verify that the process used is effective in addressing any grievances, as well as make recommendations/adjustments where necessary.
- Ensure that CDAP is being implemented as intended and any Grievances arising from it are addressed in liaison with the Project Implementation Team members.

5.3.2 External Monitoring

To ascertain quality and objectivity in the process, when full scale operations commence, AGL shall engage an external consultant to conduct comprehensive monitoring of the SEP implementation on a bi-annual basis. This expertise under this team shall be dedicated to determining the progress, impacts and outcomes of the entire SEP implementation process. The team should also advise on corrective actions for adoption by AGL. The External Consultant will comprise a team of sociologists/communications experts, and shall at a minimum have:

- Dealt with an Indigenous Community before.
- Experience in Monitoring and Evaluation procedures.
- Experience in Conflict Resolution Procedures.

The objectives of the evaluation will be to:

- Review the results of the internal monitoring and review overall compliance with the SEP

- recommendations.
- Assess whether SEP objectives have been met/strategies have been laid down on how they shall be met.
- Assess general efficiency of the SEP implementation and formulate lessons for future guidance/adoption into the SEP.

5.3.3 Tools for Participatory Monitoring of the SEP

Quantitative surveys

One of the most common methods for obtaining information on how a project is operating is to design a questionnaire and to apply it to a sample of project participants. The questionnaires can be issued periodically or at the end of sampled stakeholder engagement activities. In this case, this shall be done on a quarterly basis. The developer will design a questionnaire containing the following types of information (among many others):

- Information to find out how stakeholders have been participating in the SEP implementation.
- Stakeholder perceptions on the SEP implementation activities and processes (efficiency, timeliness, relevance etc).
- Knowledge about the SEP and its objectives.
- Opinions on the SEP, its organization, the people, and organizations involved.
- Changes which the SEP implementation process has produced.

This information can be compared over time with the previous information collected through-out the SEP implementation process. It can also be used to determine changes and trends that may have outside influences such as political situations, project stage impacts etc.

Focus Group Discussions/Round Table Meetings

Participants of an FGD drawn from various stakeholder groups can be a good source of data for the monitoring process. The participants can be sensitized on the goals and activities of the SEP then asked to discuss specific issues about the efficiency and effectiveness of the SEP. An active FGD can also be used to identify bottlenecks to the SEP implementation process and from their perspective, assist in identification of root causes of inefficiencies or challenges being faced during SEP implementation.

Direct observations

Observations shall also be used to collect data on the SEP performance. This shall include the number of attendees when called for meetings, feedback from stakeholders on communications regarding the SEP, general interest and participation during the meetings among others.

5.4 Monitoring indicators

The following will be key indicators used for comparative analysis:

- Activities conducted during each month;
- Public outreach activities (meetings with stakeholders);
- Entries to the grievance register;
- Entries to the commitment and concerns register;
- Involvement of vulnerable groups in decision making;
- Number of visitations to the information centre (Project Website/ Public information desk to be set up at the CLO Office);
- Progress on partnership and other social projects;
- New stakeholder groups (where relevant); and

- Plans for the next month and longer-term plans.

The above indicators will be constantly reviewed based on the SEP implementation outcomes in order to meet the SEP objectives. Implementation of the SEP will also gauge whether the intended outputs are being produced in a timely and cost-effective manner.

Monitoring Parameter	Frequency	
	Construction	Operation
Activities Conducted on the SEP	Monthly	Quarterly
Public outreach Activities (meetings with stakeholders)		
Entries to the grievance register		
Number of visitations to the information centre		
Progress on partnership and other social projects		
New stakeholder groups		
Plans for the next Month and long-term plans		

5.5 Reporting

The monitoring reports shall include but not limited to the following:

- Public outreach activities (meetings with stakeholders);
- Entries to the grievance register;
- Feedback on SEP performance;
- Entries to the commitment and concerns register;
- New stakeholder groups (where relevant) and plans/how they have / will be engaged; and
- Plans for the next cycle of stakeholder engagement.

5.5.1 Monthly Reports

Individual monthly reports will be prepared by Social Coordinator. These reports shall be reviewed and forwarded to the Investors.

5.5.2 Quarterly Reports

The Social Coordinator shall prepare quarterly reports based on the monthly reports and submit them to the Investors for review and record purposes. Copies of these reports shall also be maintained on site for reference purposes and be shared with external stakeholders.

5.5.3 Annual Reports

Annual reports providing an updated SEP results will be prepared by the Social Coordinator. This report will provide a summary of all stakeholder consultation issues, grievances and resolutions. The report shall include a section on the performance and efficacy of the SEP vis a vis budgetary and resource constraints. It shall also highlight lessons learnt and propose corrective actions for adoption in the next SEP annual cycle. These reports shall also be submitted to the Investors. Relevant parts of the SEP annual report shall be included in the developers Annual Management Review Report and shared with relevant stakeholders.

APPENDICES

