

TEKNA

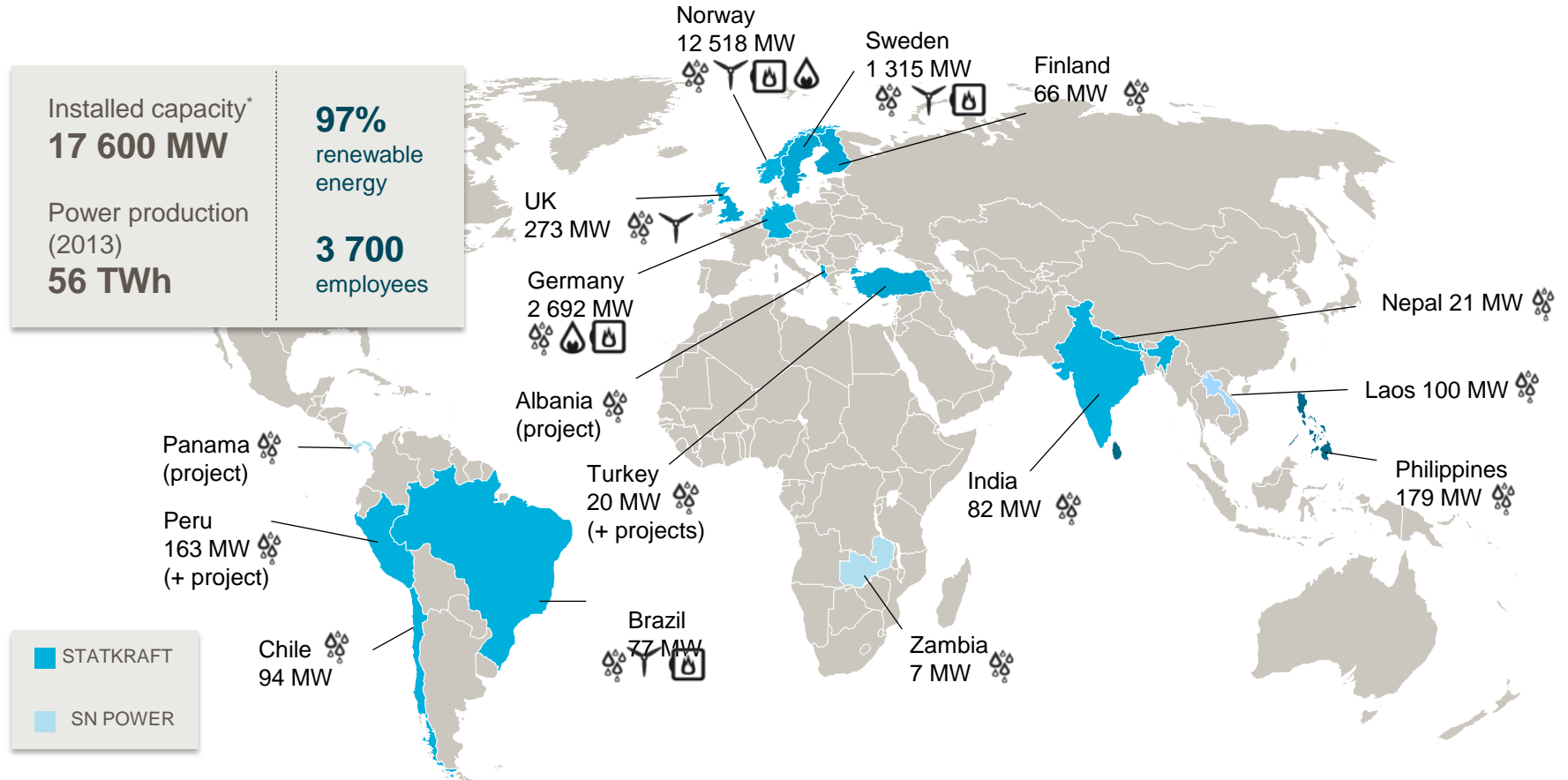
28.04.2015

Bredo Erichsen

Country Manager for Albania



Statkraft at a glance



* Includes: - Statkraft's share of installed capacity
- Statkraft SF's share of installed capacity in Laos

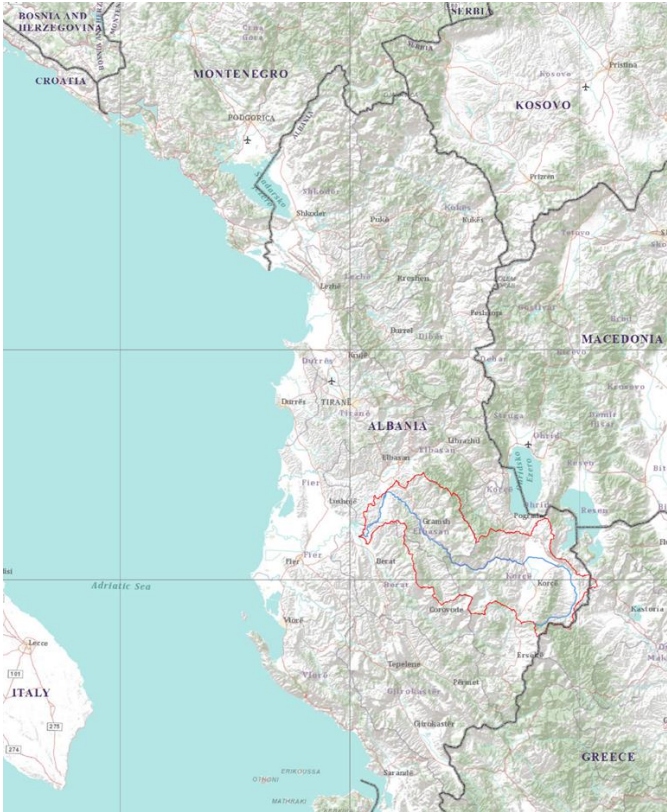
Growth Market: Turkey



1) In operation

2) Under construction

Devoll Hydropower Quick Facts



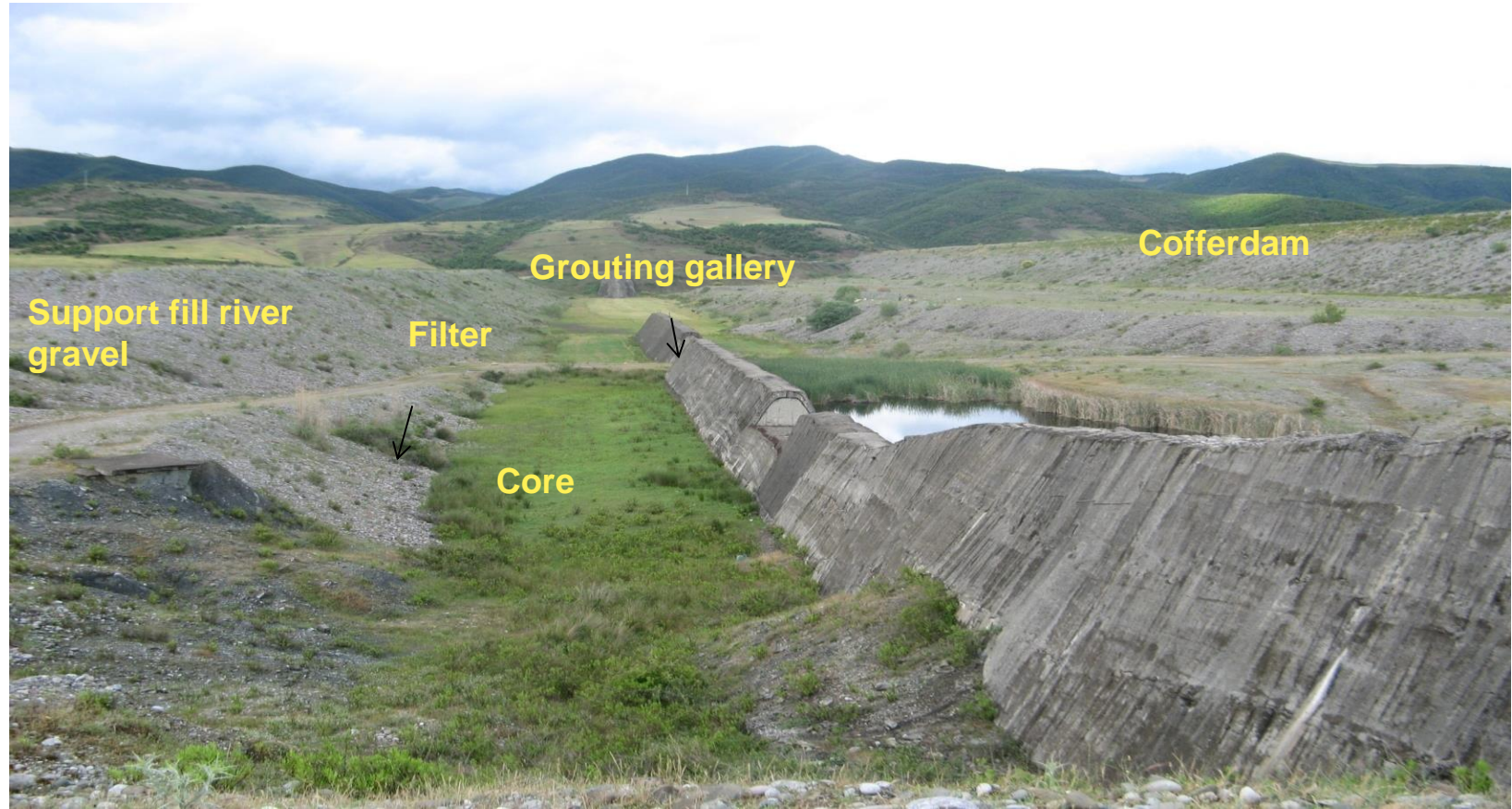
- ❖ Ownership 100% Statkraft AS
- ❖ Located Southeast Albania
- ❖ 2 plants; Moglice 186 MW and Banja 70 MW.
- ❖ Construction period (CA requires 3/6 years for Banja/Moglice)
- ❖ Construction started on Banja 3Q13, Moglice 2014



Project Overview



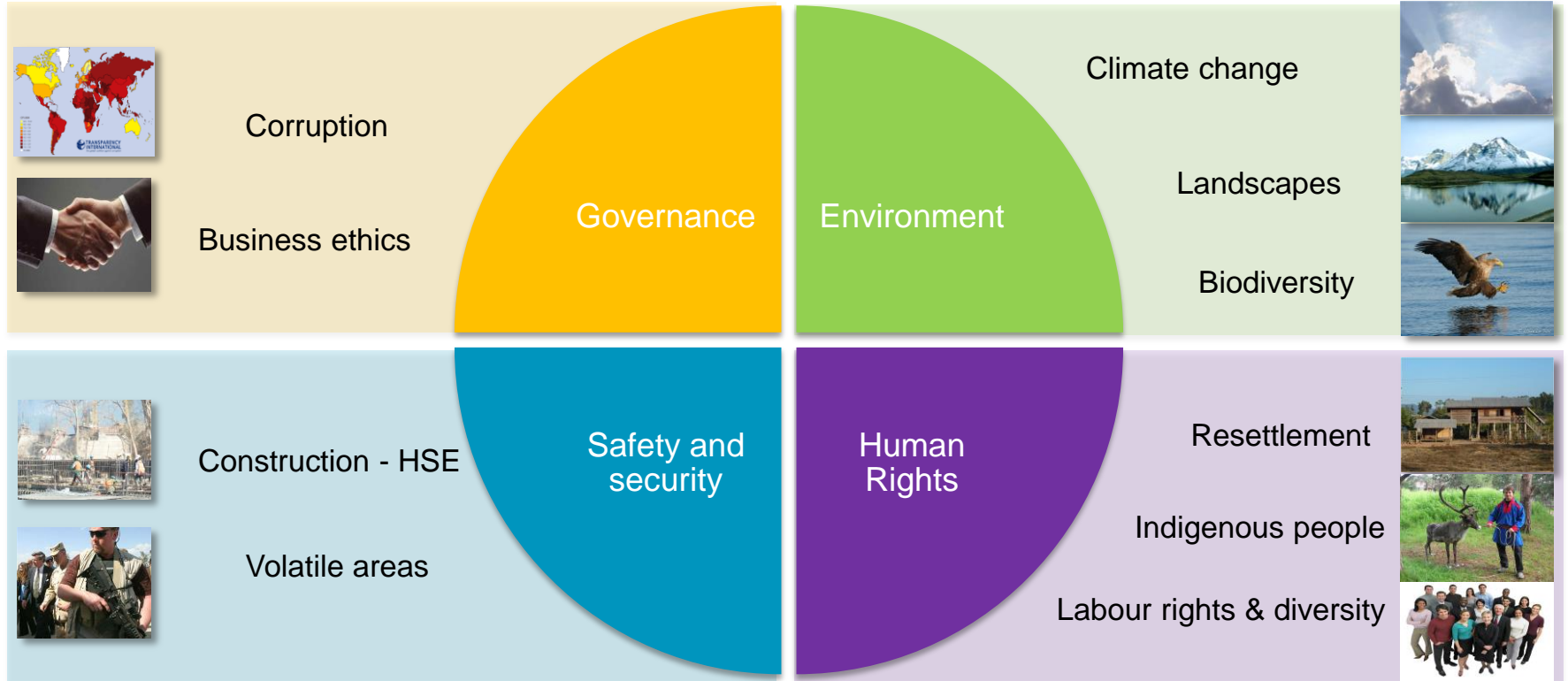
Old Existing Dam 2012



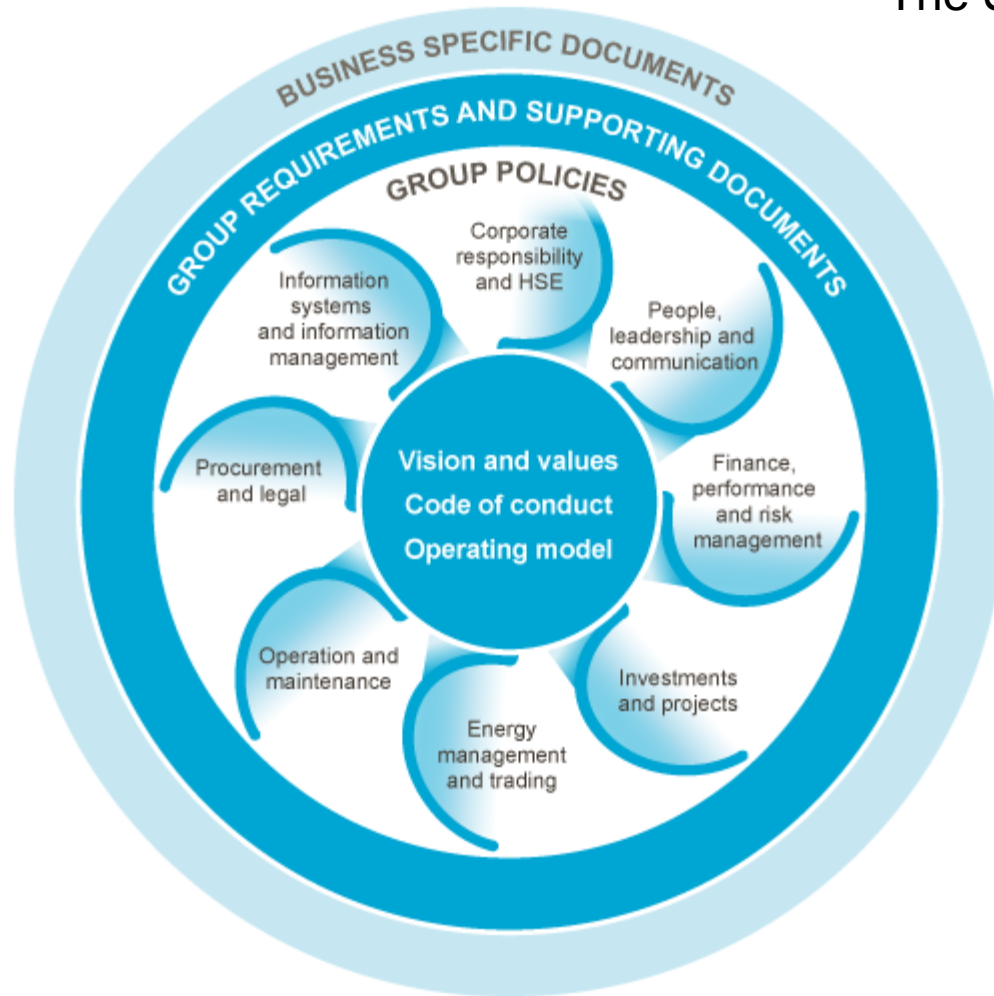
Banja Dam 2015



Key topics at a glance



The Statkraft Way



HSE



Resettlement



Relationship



Relationship



Relationship





ENVIRONMENT AND SOCIAL PROGRAMS DEVOLL HYDROPOWER

ESM Planning based on international best practice:

Required by Albania law:

- ❖ Strategic Environmental Assessment
- ❖ Environmental and Social Screening
- ❖ Environment and Social Impact Assessment (ESIA)



Recommended by International best practice:

- ❖ DHP Sustainability Policy
- ❖ ESIA Planning Report
- ❖ Pre-feasibility Study
- ❖ Environmental and Social Scoping
- ❖ Strategic Environmental Assessment
- ❖ Environment and Social Impact Assessment (ESIA)
- ❖ Entitlement Matrix
- ❖ Environment and Social Management Plans
- ❖ Grievance Redress Mechanism Policy
- ❖ Annual Implementation Plans

Social Development

- ❖ Capacity Building program aimed towards both Government and the local population to increase the knowledge and skills.
- ❖ Awareness Campaigns and promotional initiatives to increase the understanding of issues related to health, hygiene and sanitation
- ❖ Physical Cultural Resources deals with ensuring that items of cultural, religious or archaeological value are addressed in the most appropriate manner in line with the local tradition/government requirement.



Social Development – Replacement Public Infrastructure

- ❖ Ensure access to potable water, electricity, health and education of affected communities
- ❖ 100 km. of new and improved roads and bridges
- ❖ Restoration of affected schools and health facilities
- ❖ Restoration of potable water



Environment – Reservoir Management

- ❖ Development of pre-treatment and primary treatment of Waste Water where the reservoir will be the recipient
- ❖ Develop transfer station of waste
- ❖ Clean up existing land fill and illegal dumpsites
- ❖ Develop mechanism in coordination with local government for long term operations and maintenance – prior to final investment decision.
- ❖ Monitor water quality through out the project development and into operation phase



Environment – Downstream Effects

- ❖ Flood zone mapping during flood events
- ❖ Identify impacts and mitigation measures on the aquatic environment and social community
- ❖ Establish working group to discuss and agree upon downstream irrigation needs-according to Concession Agreement
- ❖ Monitor water quality and aquatic ecology
- ❖ Public awareness campaigns on potential increase on water discharge



Working with the Community

Operation of Grievance Redress Mechanism

- ❖ Register, process and address grievances on project-related activities

Operation of 3 Public Information Offices:

- ❖ Public Information Centre Gramsh
- ❖ Public Information Office Banjë
- ❖ Public Information Office Nikollarë

Meetings/consultations with local authorities & community

- ❖ Informative and cooperation meetings with local authorities
- ❖ Consultations with project affected communities (villages)
- ❖ Regular exchange of official correspondence



Export of Norwegian Know How

- ▶ Planning and execution of hydro power construction
- ▶ Operation and Maintenance planning
- ▶ Market operation
- ▶ Environmental and social aspects connected to hydro power – use of international standards (IFC)
- ▶ HSE
- ▶ CSR

Conclusions

Main findings:

- ▶ Construction of hydro power have the same technical challenges in all countries
- ▶ Culture, legal framework and business environment varies much more

How to succeed:

- ▶ Make a full risk assessment before entering a country
- ▶ Get to know the country well (takes time)
- ▶ Establish team that combine national and international personnel
- ▶ Use enough resources in the beginning so all routines are established
- ▶ Build good relationship with the authorities – also Norwegian (Embassy)



THANK YOU



Statkraft
PURE ENERGY

www.statkraft.com