Eastern Ukraine:
Reconnect, Recover, Revitalize – 3R Project

Environment and Social Management Framework
(ESMF)

May 2020
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ACRONYMS & ABBREVIATIONS

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<tr>
<td>BFM</td>
<td>Beneficiary feedback mechanism</td>
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<tr>
<td>CMU</td>
<td>Cabinet of Ministers of Ukraine</td>
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<td>CSO</td>
<td>Civil Society Organizations</td>
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<td>EIA</td>
<td>Environmental Impact Assessment</td>
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<td>ESCP</td>
<td>Environmental and Social Commitment Plan</td>
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<td>ESF</td>
<td>Environmental and Social Framework</td>
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<td>ESHS</td>
<td>Environmental, Social, Health and Safety</td>
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<td>ESIRT</td>
<td>Environmental and Social Incident Reporting Toolkit</td>
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<td>ESIA</td>
<td>Environmental and Social Impact Assessment</td>
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<td>ESMF</td>
<td>Environmental and Social Management Framework</td>
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<td>ESMP</td>
<td>Environmental and Social Management Plan</td>
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<td>ESS</td>
<td>Environmental and Social Standard</td>
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<td>FGD</td>
<td>Focus Group Discussions</td>
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<td>GBV</td>
<td>Gender-based violence</td>
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<td>GCA</td>
<td>Government Controlled Areas</td>
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<td>GIIP</td>
<td>Good International Industry Practice</td>
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<td>GoU</td>
<td>Government of Ukraine</td>
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<td>GRM</td>
<td>Grievance Redress Mechanism</td>
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<tr>
<td>HACCP</td>
<td>Hazard Analysis and Critical Control Point</td>
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<tr>
<td>ICT</td>
<td>Information and Communication Technologies</td>
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<td>IDP</td>
<td>Internally Displaced Persons</td>
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### Abbreviations

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tr>
<td>LMP</td>
<td>Labor Management Procedure</td>
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<td>LRA</td>
<td>Luhansk Regional Administration</td>
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<td>MEEP</td>
<td>Ministry of Energy and Environmental Protection</td>
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<tr>
<td>MRTOT</td>
<td>Ministry for Reintegration of Temporarily Occupied Territories</td>
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<tr>
<td>NGCA</td>
<td>Non-Government Controlled Areas</td>
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<td>OHS</td>
<td>Occupational Health and Safety</td>
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<tr>
<td>OIP</td>
<td>Other Interested Parties</td>
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<td>PAP</td>
<td>Project Affected Parties</td>
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<td>PIU</td>
<td>Project Implementation Unit</td>
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<td>RAP</td>
<td>Resettlement Action Plan</td>
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<td>RCA</td>
<td>Root Cause Analysis</td>
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<td>RPF</td>
<td>Resettlement Policy Framework</td>
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<td>SCAP</td>
<td>Standards Corrective Action Plan</td>
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<td>SEP</td>
<td>Stakeholder Engagement Plan</td>
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<td>SME</td>
<td>Small and Medium Enterprises</td>
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<td>TFP</td>
<td>Total Factor Productivity</td>
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<td>UAD</td>
<td>Ukravtodor</td>
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<td>WB/WBG</td>
<td>World Bank/World Bank Group</td>
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ESMF for Eastern Ukraine: Reconnect, Recover, Revitalize – 3R Project

Executive Summary

The following document presents the Environmental and Social Management Framework (ESMF) for the Eastern Ukraine: Reconnect, Recover, Revitalize Project (the Project). The Framework approach was adopted for the proposed project potential environmental and social (ES) impacts since subprojects will be formulated later during the implementation. The purpose of the ESMF is to establish a mechanism and serve as a guidance tool for the implementing agencies – Ministry for Reintegration of Temporarily Occupied Territories (MRTOT) and Ukravtodor (UAD) – on how any potential negative environmental and social impacts caused by implementation of the Project are avoided, minimized or mitigated.

Project Development Objective of the Project is to strengthen transport connectivity, support agriculture sector recovery, and promote community engagement in project areas in Eastern Ukraine. The Project will achieve this through activities under three complementary components:

- Component 1: RECONNECT - Roads Investments to Link Rural Communities to Processing, Markets, and Services
- Component 2: RECOVER - Agriculture Investments to Support Sector Recovery and Modernization

Location. The Project and its subprojects under each component will be implemented in the ‘agricultural and services triangle’ and nearby agricultural areas, which include Starobilsk rayon, the agricultural center of Luhansk Region Government Controlled Areas (GCAs); Svatove rayon, and Severodonetsk city – both also located in Luhansk Region GCAs.

Project Risk Ratings. The assessment of environmental and social impacts that can be generated by the Project implementation concluded that the project will generate mainly positive socio-economic benefits for the GCAs of Luhansk region and its population, however, the project activities can generate substantial environmental and social risks in this military conflict affected territory and communities. The Environmental and Social Risk Classification for the project is based on the potential environmental and social risks associated with roads rehabilitation (Component 1), construction of agricultural logistics and services facility and food testing laboratory facilities, and other agricultural activities (Component 2) that will generate significant environmental and social impacts during their construction phase and some negative environmental impacts during operations.

On the environment side, although the specific sites where physical works will take place are mostly existing roads in urbanized areas, key environmental issues identified will relate to: (i) waste management of removed road surfaces, construction spoils, (ii) noise and air pollution with dust, (iii) presence and handling of hazardous materials such as bitumen, paint, oil containing materials; (iv) health and safety of population of the villages and towns along the roads and travelers during road rehabilitation phases, as well as population living near construction sites for
agriculture-related investments; (v) impacts on water and soil quality in case of construction-related spills; air quality etc. It is expected that these negative risks will be of short-duration, site specific and not resulting in any longer-term cumulative risks. They can be easily mitigated by applying the best methods and appropriate mitigation measures embodied in national legislation and regulations. The chance finds of UXO or landmine are real in the territory and presents both environmental and social risks.

Related social risks are seen to emanate on four fronts: (i) works to be financed under components 1 and 2, and associated ESS5 impacts; (ii) engagement with local communities and other relevant stakeholders (including with most vulnerable and disadvantaged groups) and ensuring their genuine participation in decision-making processes of the project and avoidance of potential risk of elite capture (particularly activities related to financing of selected infrastructure); (iii) the challenging contextual environment and baseline conditions in Eastern Ukraine due to conflict; and (iv), limited capacity of UAD as well as the MRTOT in handling ESF requirements.

All sub-projects to be financed under the Project will be subject to an environmental and social review process utilizing the procedures described in this Environmental and Social Management Framework (ESMF). The Framework serves as a guidance tool for the MRTOT and UAD, the lead implementing agencies, in identifying and assessing the potential environmental and social impacts of subprojects and in preparing Environmental and Social Management Plans (ESMPs) that will summarize necessary mitigation measures to minimize or prevent potential risks, to provide guidance on environmental and social monitoring and reporting. These procedures are consistent with both the environmental policies and regulations of the Government of Ukraine and World Bank’s Environmental and Social Framework (2018).

Environmental and social monitoring. Environmental and social monitoring during the implementation of project activities shall contain information on key environmental and social aspects of subprojects, their impact on the environment, social consequences of impacts and the effectiveness of measures taken to mitigate the consequences. Such information will allow the PIU and the World Bank to evaluate the success of measures to mitigate the consequences within the framework of project supervision, and allow, if necessary, to take corrective actions.
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Grievance Redress Mechanism (GRM). A built-in robust grievance redress (GRM) mechanism within the project will also ensure that Project-affected populations can accessibly file their complaints and to receive timely resolution for them. The GRM will be established and maintained by the PIUs to ensure a functional, transparent and responsive system for handling grievances. Where appropriate, this system can be mainstreamed to other activities of the implementing agencies beyond those of the current project to strengthen governmental systems. In this mechanism, beneficiaries and citizens can turn to register any grievances on all issues related to the Project. The PIUs’ environmental and social specialists will keep a record of the grievances received. This will be done by applying multiple absorption channels such as mail, email, phone, project website, personal delivery. Every grievance shall be tracked and assessed if any progress is being made to resolve them. The project monitoring and evaluation information system should also include indicators to measure grievance monitoring and resolution. The ESMF was prepared and will be implemented by the Ministry for Reintegration of Temporarily Occupied Territories (MRTOT) and the State Agency of Automobile Roads of Ukraine (UAD).
1 INTRODUCTION.

1.1 Purpose of the ESMF

The Environmental and Social Management Framework (ESMF) is intended provide guidance on how to screen for, assess and then to avoid, minimize or mitigate, potential negative environmental and social impacts caused by implementation of the activities of Component 1, Component 2 and Component 3 of the Eastern Ukraine: Reconnect, Recover, Revitalize Project – the Project. The ESMF instrument aligns with the requirements of the World Bank Environmental and Social Framework (ESF), which includes the Environmental and Social Standards (ESSs); as well as WBG EHS Guidelines and other related standards.

1.2 Rationale for the ESMF

The ESMF intended as an over-arching strategic plan for the management of environmental impacts caused by the project activities and compliance with the World Bank ESF. This document outlines the background / context, the policy and regulatory framework, a brief description of the environmental impacts of possible subprojects under Component 1 and Component 2, Environmental and Social Assessment (ESA) procedures & guidelines, institutional arrangements, and consultations and disclosure procedures. The policy & regulatory framework includes also a section describing both measures, which will be used to ensure compliance with the national laws and WB requirements. Under the ESA procedures and guidelines, there are details on responsibilities for sub-project preparation, screening, appraisal, implementing and monitoring. These guidelines will assist Implementing Agencies (MRTOT and UAD) in outlining what is required for the subprojects’ compliance with ESSs.

1.3 Approach and Methodology for the Preparation of ESMF

During preparation of the ESMF the following research methods were applied: desk review of the available national regulatory and legal documents related for the environmental and social assessment; screening of secondary socio-economic statistical data available for the GCAs districts (rayons) in Luhansk region, individual interviews with international and local experts, focus groups discussions, public meetings and consultations.

The UAD and MRTOT staff conducted field visits with the WB team and were assisted by the regional administration, USAID financed project team, UN, to identify potential environmental and social risks and impacts of the proposed Project in order to draft the ESMF.

1.4 Project Description

1.4.1 Country, Sector and Institutional Context

The nearly six-year-old protracted conflict in Eastern Ukraine has taken a toll on the local population with adverse impacts on local economic development, peoples' livelihoods, mental
health and overall social cohesion. Between 2013 and 2018 unemployment has doubled in the Government Controlled Areas (GCA) of the Donetsk region and tripled in the Luhansk region. Reduced access to lucrative markets in the Luhansk and Donetsk urban centers that are now in the Non-Government Controlled Are (NGCA) and dependency on seasonal production is straining the local agriculture sector and smallholders whose livelihoods depend on the extra income they can make from sale of produce. Low capacity to attract outside investments further jeopardizes existing agricultural infrastructure in some cases with irreversible losses. Access to farmland, which was and continues to be an important source of income for many families living close to the contact line, has been severely curtailed due to landmines. Poor road conditions damaged by the conflict related traffic flows are disadvantaging transport for all but especially for local producers, rural households, women and the elderly in their access to healthcare, childcare and other public services.

The proposed East Ukraine: Reconnect, Recover, Revitalize Project – 3R Project seeks to reinforces national commitment to recovery and development of Eastern Ukraine and highlights the benefits of socio-economic connectivity in support of a future settlement. With industrial losses in the Donbas, multi-sectoral investments under the 3R Project aim to promote agricultural sector development in rural areas in Luhansk Government Controlled Areas (GCAs) that could help stimulate future growth and opportunity in the region. Prioritized investments also reflect intensive stakeholder dialogues undertaken during 3R project preparation with national, regional and local officials, agri-industry, diverse agricultural producers, agricultural communities, women, IDPs, veterans, and youth in project areas. The development objective of the Project is to strengthen transport connectivity, support agriculture sector recovery, and promote community engagement in project areas in Eastern Ukraine.

The Project is being prepared under the World Bank’s Environment and Social Framework (ESF). The Project adopts the ESSs, for identifying and assessing as well as managing the environmental and social risks and impacts associated with this investment project. Since the reviews undertaken by the Bank has classified environmental and social risks as substantial, the implementing Agencies – MRTOT and UAD – have developed several key instruments to minimize and mitigate the risks including this ESMF, Stakeholder Engagement Plan (SEP), Labor Management Procedures (LMP) and a Resettlement Policy Framework (RPF).

1.4.2 Project Overview

The project and all its components would be implemented on the Luhansk Region GCAs. Recognizing the socio-economic and administrative characteristics of these areas and in line with the project development objective, the project will include the following components:

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Component 1: RECONNECT - Roads Investments to Link Rural Communities to Processing, Markets, and Services. Component 1 will support rehabilitation of roads in Luhansk Region GCAs in support of the agricultural sector; and to connect rural communities to urban service centers in Luhansk GCAs. Due to different causes (armed conflict, insufficient maintenance, an increase of road traffic, among others), the road condition of the national and provincial network is poor and deteriorating which have been a key bottleneck to agricultural logistics and supply chains and the broader development of the region. Road rehabilitation will improve sections of the target rural road network to category “2” and “3” roads in accordance with Ukrainian design standards which is a two-lane road with safety specifications including side crash barriers where required. The roads have several structures, such as small bridges, box/and pipe culverts, and water spillways. These structures will be assessed and improved/replaced. The project will also incorporate safety features including improved pedestrian crossings, guardrails on the side (where appropriate), road signs, pavement markings, and lighting at critical intersections, as well as bus stops. Additionally, project envisage installation of WIM system to prevent overweight vehicles driving on newly rehabilitated road sections. The project will also finance all necessary road infrastructure such as bridges, interchanges, and railway crossing, site supervision of civil works, and equipment. The Component will also include activities to engage local administration and communities in project areas on road use, road safety measures, and will provide technical assistance to support development of ‘feeder roads’ to the network. This will promote local ownership and sustainability of transport investments.

Component 2: RECOVER - Agriculture Investments to Support Sector Recovery and Modernization. Component 2 will complement the connectivity investments of Component 1 through select agricultural subprojects that address some of the conflict’s impacts on the agricultural sector in Luhansk Region GCAs, including loss of access to agricultural services, processing facilities, product testing and local urban markets, as well as limited technology and value chain to market support for the Oblast’s many small producers. Agricultural investments will include: (a) an Agriculture Logistics and Service Hub (AgriHub) in Starobilsk City, as the agricultural center of the region and including a grain/oil seed elevator; a small grain/oil seed quality testing facility; an office building for administration and business development support; an innovative online trading platform to link producers and traders; and an agricultural services support area; (b) a Regional Agricultural Testing and Food Safety Laboratory (Laboratory) to address a critical gap following the loss of access to the agricultural product testing and food safety management services due to the conflict; and (c) Agricultural cluster development for small household-level producers. Community-based Cluster support will facilitate the transition from current subsistence production towards more organized and market-oriented production.
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practices, including value-chain to market support to an estimated 5 to 10 clusters of 100 to 150 small household-level producers.

Component 3 - REVITALIZE: Implementation Support Platform. Component 3 will support development of an implementation support platform for project investments recognizing the capacity constraints, deficits in state-citizen dialogue, and requirements for national-regional-local cooperation in effective delivery of 3R project activities. Component 3 will finance Project Management activities for the MRTOT. Component 3 will also include: Luhansk regional public-private investment forums to gather project beneficiaries, international and Ukrainian private sector representatives, international and domestic financial institutions, Government of Ukraine (GoU) representatives, and development partners to raise awareness and promote investment opportunities in the region; user/beneficiary surveys and social audits to provide ongoing feedback on project design and implementation (project processes, budgets and outcomes) for infrastructure investments under Components 1 and 2; and support establishment of the Project beneficiary feedback mechanism (BFM), including Grievance Redress Mechanism (GRM). Component 3 will also finance strategic communications activities. The implementation platform supported by Component 3 will promote sustainability and possible future scale-up and expansion of Project investments to additional sectors and geographic areas in Eastern Ukraine.
Component 4: Contingent Emergency Response Component (CERC). The proposed operation will include a contingent component, which in the event of the urgent need of assistance in response to an eligible crisis or emergency, will enable the government to reallocate project funds to response efforts. In light of the COV-19 outbreak and continued conflict and instability, this provisional 'zero component' is designed as a mechanism that could allow for the rapid access to project funds for Ukraine’s response and recovery to crisis, including in Eastern Ukraine. Activities would be targeted to mitigate and respond to the socio-economic impacts of the crisis including on conflict-affected populations. To trigger this component, the GoU would need to declare an emergency or provide a statement of facts justifying the request for the activation of the use of emergency funding. If the Bank agrees with the determination of an eligible emergency and associated response needs, financing from other project components could be reallocated to cover eligible expenditures. The CERC component would be implemented in accordance with the Bank’s Policy on Investment Project Financing, ‘Projects in Situations of Urgent Need of Assistance or Capacity Constraints’. A Specific CERC Annex to the POM will apply to this Component, detailing financial management, procurement, safeguards, eligible expenditures and any other necessary implementation arrangements.
2 IMPLEMENTING AGENCIES CAPACITY AND IMPLEMENTING ARRANGEMENTS

MRTOT will serve as the overall national-level focal point for the 3R Project based on its mandate as the national lead Ministry for recovery and development strategy, coordination, mobilization of financing support, and monitoring for conflict-affected regions/Eastern Ukraine. MRTOT will be also responsible for Chairing the 3R Project Steering Sub-Committee to be established under the Inter-Governmental Council on Recovery of the Eastern Regions.\(^\text{2}\) Hence at the macro-steering level, ESMF compliance will be overseen by the MRTOT and the Project Steering Sub-Committee which will include cross-Government representation and close coordination of project activities with regional and local officials.

2.1 Implementing Agencies Capacity to Manage Environmental and Social Issues

The UAD, will be an Implementing Agency for Component 1 of the Project. The UAD has an active contract with SE Ukrdorinvest which created in 2007 for day to day implementation of the projects financed by international finance organizations (IBRD, EBRD, EIB, KfW). Specifically, the SE Ukrdorinvest host the PIUs that implement road rehabilitation and construction projects, e.g.: (i) Improvement of transport and operational conditions of roads towards Kyiv (financed by EBRD and EIB); (ii) roads and road safety improvement project (financed by IBRD), which is successfully completed; (iii) second roads and road safety improvement project (IBRD) (iv) road sector development project (IBRD). Ukrdorinvest has a high capacity for road project implementation and experienced staff in procurements, technical issues, finance management and social and environmental issues management. The lawyers, environmental and social specialists passed the IBRD ESF training (Kyiv, June 2018) and has a relevant experience of implementation of the projects financed by IBRD.

The MRTOT will be responsible for implementing the Component 2 and Component 3 of the Project. The MRTOT was established by the Cabinet of Minters Decree #376 adopted on June 8 2016. In August 2019 the Ministry was merged with the Ministry of Veterans Affairs, but in March 2020 it was restored to the Ministry of Reintegration of Temporarily Occupied Territories (MRTOT) with the principle responsibilities to facilitate humanitarian access and conducting humanitarian operations, including demining of territories that occupied by civilian population; carry out strategic planning for economic reconstruction and peace building in territories which have been adversely affected by armed conflict and / or temporary occupation; attract investments, loans, grants and technical assistance, carry out preparation and implementation of investment projects in accordance with the procedure established by law; collect and analyze information on the need to undertake measures to restore infrastructure (transport, energy, housing, communal, social, etc.); register, support, and protect rights of internally displaced people (IDPs), etc.

\(^\text{2}\) Prime Minister's Order No. 38560/0/1 dated December 3, 2019.
Since the MRTOT’s inception, the World Bank Project “Ukraine: Conflict Response and Recovery Pilot and Capacity Building” (P158091) has been supporting its establishment and capacity building. The MRTOT has established a structural department dedicated to demining and environmental safety issues. However, the ESM policy has not been adopted yet. There MRTOT capacity to assess, manage, and monitor the environmental and social risks envisaged for Component 2 and Component 3 implementation and impacts of the project throughout the project life cycle so as to meet the requirements of the ESSs is considered to be low. That’s why the PIU that will be created for the implementation of the Components 2 and 3 will retain the environmental and social consultant/ environmental to undertake the assessment and develop ESMP for the activities that will have risks and impacts of concern, such as biodiversity or resettlement.

2.2 Implementing Arrangements

At the operational level, as per the proposed organizational structure, both UAD and MRTOT will establish project implementation units (PIUs).

Transport-related activities under Component 1 will be implemented by UAD, State Road Agency that has a previous and ongoing experience in managing World Bank-supported project. UAD will commit to allocating a dedicated ES Specialist and investing in capacity building efforts both on national and regional levels.

The Ministry for Reintegration ofTemporarily Occupied Territories (MRTOT) will also serve as an implementing agency for Component 2 and Component 3. MRTOT would implement the project through a central PIU and place select PIU staff in the already established MRTOT Sector Office in Luhansk Oblast to carry out coordination, monitoring, communications and oversight functions (including compliance with ESF requirements) in close coordination with Luhansk regional and local administration. For Component 3, MRTOT will also hire a Training and Facilitating Partner(s) (TFP) to deliver the range of capacity building, training (including on compliance with ESF and ESSs requirements, etc.), and community engagement activities envisioned under the Project. The TFP will support capacity building for Ministry and PIU staff in Kyiv/Luhansk Oblast as well as for the 3R Youth Leaders (3RYs will support implementation of community, private sector engagement and communications activities. Their mandate will also include the organization of awareness raising activities on climate change and sustainable agriculture). The Project will include a focus on communications and outreach activities in target communities during implementation to reinforce national commitment to recovery and growth of conflict-affected eastern Ukraine, to engage local populations on ongoing reform efforts, and to report on Project results.
An arrangement will be made that each PIU has a designated ESS focal point – Environmental and Social Specialist - responsible for overseeing ESS compliance and implementation of the ESMF. It will be also the role of the Environmental and Social Specialist (ESS focal person at MRTOT PIU) within PIUs to develop the ESMPs and manage the grievance redress mechanism (GRM).

Proposed Organizational Structure covers overall implementation arrangements and IAs in charge of each component and sub-component.

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<tr>
<th>Development/design phase</th>
<th>Construction</th>
<th>Operation</th>
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<tr>
<td>Subcomponent 1A: Road rehabilitation of target road network in Luhansk Region GCA Project areas, 1B: Technical assistance for ‘feeder road’ maintenance</td>
<td>PIU at UAD</td>
<td>PIU at UAD</td>
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<td>Sub-component 2A: Agricultural Logistics and Service Hub</td>
<td>PIU at MRTOT</td>
<td>PIU at MRTOT</td>
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<tr>
<td>Sub-component 2B: Regional Agricultural Testing and Food Safety Laboratory</td>
<td>PIU at MRTOT</td>
<td>PIU at MRTOT</td>
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<tr>
<td>Sub-component 2C: Agriculture Cluster Development</td>
<td>PIU at MRTOT</td>
<td>PIU at MRTOT/ Contracted Service Provider</td>
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<tr>
<td>Subcomponent 3A: 3R Project Management, 3B: Community, Youth, and Private Sector Engagement, 3C: Communications</td>
<td>PIU at MRTOT</td>
<td>PIU at MRTOT</td>
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In terms of ESMF implementation, the PIUs will: (i) support the contractors and beneficiaries (e.g. AgriHub hosting community) with information and capacity building (including ESSs requirements and other environmental criteria); (ii) guide environmental and social screening and evaluation of subprojects eligibility from the ESF point of view; (iii) ensure proper implementation of ESMP and requirements; (iv) address complaints and feedback from project stakeholders and public, including GRM regarding environmental/social impacts of subproject implementation; (v) supervise environmental protection and mitigation measures stipulated in ESMPs for subprojects; (vi) provide monitoring of environmental and social impacts as part of overall monitoring of the subprojects implementation; and (vii) report on environmental and social impacts and accidents originating during implementation of subprojects.

The MRTOT and UAD are responsible for ensuring that the activities under each Component are prepared and implemented in a way that meets all applicable requirements of the national legislation and WB Environmental and Social Framework in a manner and timeframe agreed with the Bank. The MRTOT and UAD will ensure that any entity involved in implementing the subproject supports all obligations and commitments of the Project in accordance with the requirements of the ESSs and the specific conditions of the legal agreement. This is also applicable to Associated Facilities to the extent of control and influence that the MRTOT and UAD have over such Associated Facilities. Contractors retained by or acting on behalf of the MRTOT and UAD are considered to be under the direct control of the MRTOT and UAD corresponding PIUs.

The MRTOT and UAD are required to assess and manage, in an integrated way, all relevant direct, indirect, and cumulative environmental and social risks and impacts of the project throughout the project life-cycle in a systematic manner, proportionate to the nature and scale of the project and the potential risks and impacts.

3 Associated Facilities means facilities or activities that are not funded as part of the project and, in the judgment of the Bank, are: (a) directly and significantly related to the project, and (b) carried out, or planned to be carried out, contemporaneously with the project; and (c) necessary for the project to be viable and would not have been constructed, expanded or conducted if the project did not exist. Page 5, ESF, World Bank 2017

4 The cumulative impact of the project is the incremental impact of the project when added to impacts from other relevant past, present, and reasonably foreseeable developments, as well as unplanned but predictable activities enabled by the project that may occur later or at a different location. Cumulative impacts can result from individually minor but collectively significant activities taking place over a period of time. The environmental and social assessment will consider cumulative impacts that are recognized as important on the basis of scientific concerns and/or reflect the concerns of project-affected parties. The potential cumulative impacts will be determined as early as possible, ideally as part of project scoping.
3 BASELINE DATA

3.1 Location and Size

Luhansk region is located in eastern Ukraine in the middle flow of the Siversky Donets River basin. The territory of the Luhansk region represents steppes with average elevation of 150-200 meters. Luhansk region has two primary types of landscape - steppe and woodlands. Forests occupy 8.6% of the territory. Luhansk region's area is 2,668,300 hectares, of which 1,908,700 hectares is agricultural land. Overall, in Luhansk region there are about 122 rivers with a total length of 4,556 km, including six rivers that are more than 100 km long. Siversky Donets river basin is a part of international watershed (the river flows through Belarus, Ukraine and Russia). There are few natural reserves and few candidate Emerald Sites along the routes of roads proposed for rehabilitation under the project.

3.2 Physical Environment

3.2.1 Climate

Generally, Luhansk region's climate is continental. The climate is characterized by relatively hot summers with drought and moderately cold winters with irregular snow cover. The average temperature in July is +21°C, and in January -7°C. Annual precipitation is 400-500 mm.¹

3.3 Topography and Drainage

3.3.1 Hydrology

According to the scheme of zoning of the territory of Ukraine by features of formation of ground waters, the Luhansk region belongs to the zone of unstable moistening. Groundwater is characterized by seasonal feeding. Formation of level and hydrochemical groundwater regime occurs under the influence of natural and man-made factors. Natural factors include: geological, geomorphological, climatic (precipitation, air temperature), hydrological. Factors that violate natural conditions include intensive water abstraction at water intakes, irrigation in irrigated areas, leakage from water supply networks, and infiltration of industrial sites.

¹ The Luhansk region Development Strategy for the Period until 2020, Severodonetsk 2016
3.3.2 Soils and Geology

The land cover of the Luhansk region is composed of chernozems formed as a result of the turf soil formation process that develops under meadow-steppe vegetation. In the northern part of the common black earth common and medium humus. In the south, the black earths are common medium and low humus, gravelly soils; The annual formation of aboveground and underground masses of plant origin and its decomposition in conditions of insufficient moisture cause a considerable amount of humus, the depth of which varies from 50 to 130 cm. Two types of landscapes are characteristic for the Luhansk region - steppe and woodlands. Forests cover 8.6% of the territory of the oblast and are extremely uneven. The main arrays of the forest are in the river basins of Siverskyi Donets and Aydar.

3.4 Biological Environment-Ecosystems

3.4.1 Flora

The flora of the region includes 1838 species of vascular plants belonging to 629 genera and 141 families, which is 36% of the total number of vascular plants growing in Ukraine.

In the third edition of the Red List of Ukraine (2009), steppe plants make up 33.4% or 276 species. According to the Law of Ukraine “On the Red Book of Ukraine”, 129 species of flora, most of which are representatives of the steppes, are protected by the state in the region. Of the 17 steppe species of plants of Ukraine, which are included in the Berne Convention for the Conservation of Wild Flora and Fauna, there are 7 species in the region.

Zonal vegetation of the region is the steppes, which are the most vulnerable biota. The cenotic diversity of the steppes is represented by 102 associations belonging to 12 formations of Feather Lessing, Hairy, Dnieper, Zalessky, Graf, Narrow-leaved, Ukrainian, Welsh and furrow foxes, Bonfire, Tongiform angustifolia, Celery and Crest. The steppe type also includes 59 associations and 18 formations of specific, endemic-rich vegetation on Cretaceous, sandy, shale and limestone outcrops. According to various data, the land covered with steppe vegetation in the land stock of the region is from 2% to 6%.

3.4.2 Fauna

The fauna of the region includes 428 vertebrate species, including 48 species of fish, 9 species of amphibians, 12 species of reptiles, 281 species of birds and 77 species of mammals. 76 species of vertebrates are included on the Red List of Ukraine. Reductions in wildlife habitat, poaching, man-made and anthropogenic impacts on the natural environment, and excessive recreational loading on natural complexes during the wildlife reproduction cause the species and population fauna of the area to be impoverished.
3.5 Natural Protected Areas

During the period of the conflict, there was a redistribution of control over the territories with natural habitats. Thus, 67 in the GCAs remained the most significant in terms of quality and volume of forest resources. On the contrary, the territories covered by especially valuable steppe groups remained in the south of the region, in Non-Government Controlled Areas (NGCAs) including part of the territories and objects of the nature reserve fund. The areas of woodlands damaged by military conflict fires amounted to about 15 thousand hectares, of which almost 90% are forests of the state enterprise "Stanichno-Lugansk Experimental Forestry". The forests of Novoaydarsky and Severodonetsk forestry state farms were partially damaged as well.


There are few existing and candidate Emerald Sites along the routes of roads proposed for rehabilitation under the project – see picture (blue lines – target roads, green areas – existing and candidate Emerald sites).

3.6 Socio-Economic Background

Since its outbreak in 2014, the conflict in eastern Ukraine has impacted the lives and livelihoods of over five million Ukrainians through damage to infrastructure, interruption of markets and services, restrictions of movement, loss of employment, and psychosocial impacts. To date, over 13,000 people have been killed and 2.7 million persons displaced, including over 1.3 million internally displaced. Despite the extension of the ceasefire agreement in February 2015 (Minsk II), the security situation remains volatile with daily hostilities occurring along the contact line separating GCAs and Non-GCAs (NGCAs) in Eastern Ukraine.

The conflict has severely impacted socio-economic activity in Ukraine’s eastern industrial heartland of Donetsk and Luhansk Oblasts (“the Donbas”). Prior to the conflict, the Donbas
ESMF for Eastern Ukraine: Reconnect, Recover, Revitalize – 3R Project

accounted for 12.5 percent of Ukraine’s population and generated 15.7 percent of Ukraine’s total GDP and a quarter of Ukraine’s exports. Because of the conflict, an estimated 70 percent of enterprises in Donetsk and Luhansk Oblasts have reported decreased investment and revenues; disrupted trade relationships, lack of demand for products, and shrinking workforces. A World Bank survey of socio-economic impacts of the conflict highlighted the welfare and socio-economic challenges facing IDPs, veterans and host communities.

Economic impacts of the conflict have been most acute in Luhansk Oblast. With the division into GCAs and NGCAs, the Oblast’s rural and agricultural north was severed from its industrialized and more urbanized south. Out of a pre-conflict population of 1.5 million people, Luhansk GCAs now house an estimated population of 692,000 people. Twenty-two of the region’s 34 cities, including Luhansk City as the Oblast regional center, are now located in NGCAs. An estimated 84 percent of the industrial capacity and 81 percent of all jobs in Luhansk Oblast have been left outside of the GCAs. Unemployment in GCAs has reached 17.5 percent among working age individuals in 2018, the highest of any oblast. Out-migration from Luhansk averaged 4,000 to 6,000 individuals per annum during the 2008-2013 pre-conflict period but has since increased to more than 13,000 persons per year. There are also an estimated 276,747 IDPs registered in Luhansk GCA as of November 2019, the second largest total in the country, per region, behind Donetsk. However, population numbers continue to decline with significant out-migration.

Social cohesion data reveals that entrepreneurship in Luhansk GCAs is among the lowest in Ukraine. Support for Ukraine’s reform agenda is weak and below the national average. Trust in central and local institutions is low and perceptions of poor accountability of government institutions are pronounced. Levels of “Soviet nostalgia” (preferring the paternalistic socio-economic ecosystem under the Soviet Union) and civic fatigue are among the highest in the country. The resulting mix of risk aversion, out-migration, mistrust, and alienation makes engagement in the region challenging. The disruption of market and service delivery connections, closure or reduced operations of industrial plants and agricultural processing facilities, the presence of vulnerable displaced persons and veterans, and the uncertainties associated with the future of the region have had economic and social effects. Risk aversion, civic isolation, low levels of trust in institutions, and pronounced disillusionment with Ukraine’s reform processes characterize the social environment in Government-controlled areas of Luhansk region.

Due to previous armed collisions on some of the possible project sites, as well as ongoing low-level armed conflict to the south of the project location, finds of UXOs are not excluded but are generally not found in this region of eastern Ukraine. The ESMF includes requirements for

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7 World Bank 2017, Ukraine: Socio-Economic Impacts of Internal Displacement and Veteran Return.
8 ILO, Unemployment Data by Region, 2018.
10 This section drawn from SEED (Centre for Sustainable Peace and Democratic Development (SEED), Ukraine survey work in 2018 and 2019 survey data at www.scoreforpeace.org.
employment of established international disarming protocols for handling of UXOs. Specialized services and expertise will be sought (such as State Emergency Service of Ukraine expertise) and cost for such services would also be included in the project budgets. Escalation of conflict is not likely but possible and in case of escalation zone of active engagements may expand rapidly up to 60-80 km from the established line of contact.

The 3R project transport and agriculture-related investments target infrastructure improvements for the over 670,000 people currently residing in Luhansk Government Controlled Areas. More specifically, Component 1 roads investments in the ‘agricultural and services triangle’ will link the agricultural communities of Starobilsk rayon and amalgamated communities (population: 43,690), Troistke rayon (population: 19,286), and Svatove rayon (population: 33,850) with the Luhansk GCA regional center of Severodonetsk city and surrounding population centers, including Lysychansk, Rubizhne cities and Kreminna rayon (total population: 320,589).

3.6.1 Vulnerable Groups

Youth, IDPs, and veterans in Luhansk Oblast face particular development challenges. Among the average of 13,000 individuals that migrate from GCAs each year, 67 percent are under 28 years of age, driven by limited opportunities for civic engagement, limited prospects for well-paying employment, and concern over poor civic and social infrastructure for young families.\(^1\) Luhansk Oblast ranks second to Donetsk Oblast in the number of IDPs per Oblast with over 270,000 persons officially registered. Tensions with host communities are low, however, and IDPs are well represented among employees of public service institutions. Yet, IDPs face difficulty in accessing land, obtaining satisfactory housing, and in joining established agricultural networks within GCAs of Luhansk. Most IDPs have skills in engineering, processing, and other mechanical or technical trades that they acquired in their home areas now in NGCAs. Veterans in Luhansk Oblast, as elsewhere, have to contend with unemployment and difficult transitions to civilian life, lack of psychosocial and rehabilitation support, long absences from farming and assets (if there were agriculturalists previously) and difficulty accessing and securing their benefit entitlements.\(^2\)

The conflict has exacerbated gender gaps and livelihood conditions for women in Ukraine, particularly rural women. Due to the prevailing male involvement in combat, many women have become heads of single family households.\(^3\) Female pensioners, women IDPs and female headed households with young children are among the most vulnerable populations in the Luhansk region.\(^4\) Poor road conditions, lower frequency of public transport and longer commutes disproportionately disadvantage women living in rural areas in their access to key

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\(^4\) Focus group discussions as part of a WB *Rapid Gender Assessment for Luhansk GCAs* during project preparation, February 2020.
services. Although gender-based violence (GBV) has not been widely used by either side as a weapon of war, women have been at substantially higher risk of GBV. Women are also important catalysts for small- and medium SME and rural development in Ukraine. They contribute significantly to the sustainability of family run, smallholder farms in rural areas.\textsuperscript{15} Women farmers are typically older, ranging from age 40 to 65. Gender roles tend to prescribe women’s participation in the agricultural sector to household farming, the selling of produce, food processing, accounting, taxes and legal compliance while men typically manage production, logistics and mechanization.\textsuperscript{16}

\textsuperscript{15} UNCT – Gender Theme Group. (2016) \textit{Leaving No one behind: Rural Women and Girls State Statistics Service of Ukraine}, 1 January.

\textsuperscript{16} Stakeholder Consultations – Focus Group Discussions (19-20.02.2020), Starobilsk, Luhansk Region.
4 DESCRIPTION OF THE ADMINISTRATIVE, POLICY AND REGULATORY FRAMEWORK

4.1 The Legal, Regulatory and Policy Framework

The Ukrainian legislative and regulatory framework on environmental, social, labor occupational health and safety (OHS) issues includes international conventions, protocols and agreements ratified by the Verkhovna Rada of Ukraine, Laws of Ukraine, Decrees and Orders of the Cabinet of Ministers of Ukraine (CMU), orders of ministries, various norms, procedures, standards and guidelines, regulatory framework, approved by CMU regulations and ministry orders. In order to become effective, each regulatory act must be registered by the Ministry of Justice of Ukraine.

There are numerous by-laws of government bodies (Ministries, state agencies, state inspections, public services and other central government bodies), which determine the powers of the relevant state body and procedures for environmental protection, social protection, access to information, etc.

Certain aspects of environmental protection are also regulated by the relevant legislative provisions contained in other parts of the country’s legislation (civil law, water code, land code, administrative law, criminal law, etc.). More specifically, these provisions define the nature and limits of penalties and disciplinary rules, as well as the administrative, material and criminal liability applicable to the offender of environmental standards and related to the harm caused by the offender, environmental risk and severity of the negative consequences.

The Ukrainian legislative and regulatory base which governs environmental and social aspects is quite comprehensive, sophisticated and in places contradictory.

4.2 Relevant National Laws and Regulations

An overview of the legal framework of Ukraine in the field of environmental protection, occupational health and safety, and public issues is presented below.

- Law of Ukraine on Environmental Protection\textsuperscript{17}, #1264-XII, adopted on June 25, 1991;
- Law of Ukraine on Labour Safety\textsuperscript{18}, #2694-XII, adopted on October 14, 1992;
- Law of Ukraine on Ensuring Sanitary and Epidemiological Well-being of the Population\textsuperscript{19}, #4004-XII, adopted on February 4, 1994;
- Law of Ukraine on Waste Management\textsuperscript{20}, #187/98-BP, adopted on March 5, 1998;

\textsuperscript{17} https://zakon.rada.gov.ua/laws/show/1264-12

\textsuperscript{18} https://zakon.rada.gov.ua/laws/show/2694-12

\textsuperscript{19} https://zakon.rada.gov.ua/laws/show/4004-12

\textsuperscript{20} https://zakon.rada.gov.ua/laws/show/187/98-%D0%B2%D1%80
• Law of Ukraine on Urban Planning Activities\textsuperscript{21}, #3038-VI, adopted on February 17, 2011;
• Law of Ukraine on Access to Public Information, #2939-VI, adopted on January 13, 2011;
• Law of Ukraine on Environmental Impact Assessment\textsuperscript{22}, #2059-VIII, adopted on May 23, 2017;
• The Labor Code of Ukraine (initial Law #322-VIII adopted on December 10, 1971);
• The Law of Ukraine “On Leaves” (Law #504/96-BP adopted on November 15, 1996);
• The Law of Ukraine “On remuneration of labor” (Law #108/95-BP adopted on March 24, 1995);
• The Law of Ukraine “On trade unions, their rights and guarantees of activity” (Law #1045-XIV, adopted on September 15, 1999);
• The Law of Ukraine “On Labor protection” (Law #2694-XII adopted on October 14, 1992).

Some of the Laws of Ukraine are discussed below.

The Constitution of Ukraine, as the starting point of the entire legal framework, according to which every citizen has the right to a safe and healthy environment and to compensation for damage caused by violation of this right.

Everyone is guaranteed the right of free access to information on the state of the environment, the quality of food and household goods, as well as the right to disseminate it. Such information may not be kept secret by anyone. (Article 50, CC).

Law of Ukraine "On Environmental Protection" is the basis for comprehensive regulation of public relations in the field of protection, use and reproduction of natural resources, ensuring environmental safety, prevention and elimination of negative impact of economic and other activities on the environment, conservation of natural resources, genetic fund of living nature, landscapes and other natural complexes, unique territories and natural objects associated with historical and cultural heritage.

\textsuperscript{21} \url{http://zakon.rada.gov.ua/laws/show/3038-17}

\textsuperscript{22} \url{http://zakon.rada.gov.ua/laws/show/2059-19}
The main principles of environmental protection are the priority of environmental safety requirements, the obligation to comply with environmental standards, standards and limits for the use of natural resources in the implementation of economic, management and other activities, guaranteeing an environmentally safe environment for human life and health, the obligation to evaluate environmental impact, publicity and democracy in decision making, the implementation of which affects the state of the environment.

Relations in the field of environmental protection in Ukraine are regulated by this Law, as well as land, water, forest legislation, legislation on subsoil, on the protection of atmospheric air, on the protection and use of flora and fauna and other special legislation.

The Law on Environmental Impact Assessment (hereinafter referred to as the EIA Law) came into force on December 18, 2017. The Law sets legal and organizational policies for an environmental impact assessment (EIA/OVD) with a view to avoid and prevent environmental damage, ensure environmental safety, environmental protection, rational use and restoration of natural resources, in the process of decision-making on economic activities likely to cause a significant impact on the environment, taking into account state, public and private interests.

As part of the EIA/OVD process, the environmental authorities (The Ministry of Energy and Environmental Protection (MEEP) or MEEP’s regional offices) need to be provided with an assessment of the environmental effect and the report will be subject to public discussion. Based on this, environmental authorities provide their opinion on the assessment. A report on the environmental impact assessment, a report for public discussion, and an opinion of environmental authorities forms the basis for local authorities to issue a relevant permit.

This law introduces a new European model of the Environmental Impact Assessment (EIA) procedure instead of the abolished Environmental Assessment in order to approximate European standards, namely the control of the degree of environmental pollution, regulatory access to environmental information and participation in decision-making citizens’ rights to a safe environment.

The Law of Ukraine "On Regulation of Urban Planning Activity" establishes the legal and organizational foundations of urban planning activity and aims at ensuring the sustainable development of territories taking into account state, public and private interests.

This law is the key that regulates all types of construction work, specifies what documentation should be prepared for different types of construction projects by different classes of consequences (responsibility) and how the examination of such documentation is conducted.
4.2.1 Occupational health and safety

The Ukrainian legal framework on labor protection and OHS is advanced. The Constitution of Ukraine stipulates the right for labor and for opportunity to earn for living by performing jobs that were chosen freely (article 43). The article 43 of the Constitution guaranties safe and healthy occupational environment, wages not lower that determined by the Law; prohibits employment of women and minors for occupations that pose health hazards. Also, the article 43 stipulates citizens’ protection from unlawful dismissal from a job and stipulates timely remuneration for completed job. The right of employees to go on strike is also guaranteed by the Constitution (article 44). The Article 45 of Constitution guaranties the right for breaks, leaves and rest. The social protection to workers is also guaranteed by Article 46 of the Constitution.

The Law of Ukraine on Labour Safety defines the basic provisions for the implementation of the constitutional right of employed citizens to ensure occupational health in the course of their employment, as well as to proper, safe and healthy working conditions. In addition to many other provisions of the law, employees must receive training in occupational health and safety, as well as personal protective equipment. In the case of industrial accidents, the law provides that the employer is obliged to organize investigations and keep records in accordance with the procedure established by the CMU Resolution (No. 1232 of 30.11.2011).

Law of Ukraine On Protection of Populations and Territories from Technogenic and Natural Emergencies this Law defines the organizational and legal bases of protection of citizens of Ukraine, foreigners and stateless persons who are in the territory of Ukraine, protection of objects of industrial and social purpose, environment from of man-made and natural emergencies.

In addition, the various building codes, sanitary standards and norms should be taking into account when the renovation of EI buildings are considered. Some relevant of the state building codes of Ukraine, sanitary rules and industry regulations are listed below:

DBN A.3.2-2-2009 OSBP “Occupational Safety and Industrial Safety in Construction. Substantive provisions”;


DBN B.2.6-31:2006 Construction of buildings and structures. Thermal Insulation of Buildings

DBN A.2.2-3: 2013 “Composition and content of project documentation for construction”;

DBN B.1.2-7-2008 «Basic requirements for buildings and structures. Fire Security»;

DBN B.1.2-9-2008 «Basic requirements for buildings and structures. Safety of operation »;

DBN B.1.2-10-2008 «Basic requirements for buildings and structures. Noise protection »;

DBN B.1.1-31: 2013 "Protection of territories, buildings and structures from noise";
4.2.2 Social Protection Framework

Social Protection and Labor Standards

Ukraine is a member state of the ILO since 1954 (as part of the former USSR) and since 1991 as an independent state. Ukraine has ratified 71 ILO International Labour Standards (Conventions), including the eight fundamental and four priority Conventions. The government plans to ratify 8 more ILO Conventions to comply with the Europe Social Charter. Social protection, safety and labor standards are governed by the following sets of laws:

- Law on mandatory state social unemployment insurance (2000)
- Law on state social aid to indigent families (2000)
- Law on state aid to families with children (1992)
- Law on mandatory state social insurance against industrial accident and occupational disease that caused (1999), Law on rates of contributions under mandatory state social insurance against industrial accidents and occupational disease which cause disability.
- Law on vocational education (1998)
- Cabinet of Ministers Resolution № 1266 on calculating the average wage (income, cash collateral) to calculate the payments on mandatory state social insurance (2001)
- Law of Ukraine “On compulsory state social insurance against temporary disability and covering costs related to childbirth and funeral needs” # 2240-III (2001)

Protection, Support and Integration of IDPs

In view of the protracted conflict in Eastern Ukraine, the following legislative measures were adopted in regards to social protection and non-discriminatory labor standards related to internally displaced persons since 2014:

- Law on ensuring rights and freedoms of internally displaced persons (2014)
• Law on amendments to certain legislative acts of Ukraine regarding strengthening guarantees of ensuring rights and freedoms of IDPs (2015)
• Law on amendments to certain legislative acts of Ukraine regarding strengthening social protection of internally displaced persons Adopted on (2015)
• Cabinet of Ministers Resolution № 509 on registration of IDPs (2014)
• Cabinet of Ministers Resolution № 505 on providing monthly targeted financial support to IDPs from the temporarily occupied territory of Ukraine and counterterrorist operation area to cover livelihood, including housing and utilities (2014)
• Cabinet of Ministers Resolution № 696 on approval of measures to promote employment, return of funds to finance such measures in case of violation of employment guaranties for internally displaced persons. (2015)
• Resolution of the Board of the Social Insurance Fund against industrial accidents and occupational diseases № 20 on adoption of the rules of provision of insurance benefits, financing costs for medical and social assistance provided by the mandatory state social insurance against industrial accidents and occupational diseases for persons who move temporarily from the temporarily occupied territory and areas of the counterterrorist operation. (2014)
• Cabinet of Ministers Resolution № 450 on some issues of provision (occupancy) of additional places of the state order for training of specialists, scientific, educational staff for the citizens of Ukraine residing in the temporarily occupied territory or moved out of it. (2014)
• Cabinet of Ministers Resolution № 595 some issues of financing budget institutions, paying social benefits and providing financial support to enterprises and organizations in Donetsk and Luhansk regions (2014)
• Cabinet of Ministers Resolution № 81 on part-time work of employees of state enterprises, institutions and organizations that moved from areas of the counterterrorist operation (2015)
• Cabinet of Ministers Resolution № 1094 on approval of the comprehensive state programme for support, social adaptation and reintegration of citizens of Ukraine internally displaced from the temporarily occupied territory of Ukraine and counterterrorist operation to other regions of Ukraine until 2017 (2015)
• Cabinet of Ministers Resolution № 696 on the approval of measures to promote employment, return of funds to finance such measures in case of violation of employment guaranties for IDPs (2017)
• Cabinet of Ministers Resolution № 505 on adoption of guidelines of solving the employment issues of IDPs in the years 2015– 2016 (2015)

Support and Integration of Veterans

Law on amendments to certain legislative acts of Ukraine regarding the state support of combatants and their children, children whose one parent died in the area of counterterrorist
operation, fighting or armed conflict or during the mass actions of civic protests, children who are registered as IDPs, for acquiring vocational and higher education (2015).

**Gender based Non-discrimination**

Promotion of gender equality and protection of non-discriminatory measures with respect to gender are embedded the following legislation:

- Law on principles of prevention and combating discrimination in Ukraine (2012)
- Law on amendments to certain legislative acts of Ukraine regarding prevention and combating discrimination (2014).

### 4.2.3 Access to information and public participation in Ukrainian Legislation

With respect to the Ukrainian citizens’ right to participate in the administration of state affairs and in all local referendums is granted by the Constitution of Ukraine, Articles 38. Article 40 of the Constitution also enables all citizens to file individual or collective petitions, or to personally appeal to bodies of state power, bodies of local self-government, and to the officials and officers of these bodies. People’s rights relating to access to information, consultation and engagement is further recognized in three Ukrainian legislative and regulatory acts.²³

The first constitutes the Law of Ukraine on Access to Public Information (2011), the second, Law on Appeals № 47 (1996) and the third is vested in the Decree of the Cabinet of Ministers of Ukraine (November 3, 2010) No. 996 “Order of the public consultations on the issues of development and implementation of the state policy”²⁴. The Law on the Access to Public Information (2011), determines procedures for exercising and securing the right of every person’s access to information of public interest possessed by government agencies and other providers of public information as identified by this Law. In Article 3 the law also stipulates guarantees of observance where providers’ obligation to: (i) provide and disclose information; (ii) to establish special information services and/or systems within information providing entities to secure access to public information in accordance with the established procedures; (iii) to simplify procedures for submission of requests and receipt of information; (iv) free access to open sessions of government agencies; (v) parliamentary, civil, and state control over observance of the right to access to public information and information access modes; (vi) legal responsibility for violation of the legislation on access to public information.

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²³ [https://zakon.rada.gov.ua/laws/show/254%D0%BA/96-%D0%B2%D1%80](https://zakon.rada.gov.ua/laws/show/254%D0%BA/96-%D0%B2%D1%80)
²⁴ [http://zakon2.rada.gov.ua/laws/show/996-2010-%D0%BF/print1390316109400037](http://zakon2.rada.gov.ua/laws/show/996-2010-%D0%BF/print1390316109400037)
The Law on Appeals № 47 (1996) further grants Ukrainian citizens the right “to apply to state bodies, local self-government, associations of citizens, enterprises, institutions, organizations regardless of ownership, mass media, officials according to their functional responsibilities with comments, complaints and proposals concerning their statutory activities, a statement or petition for the exercise of their socio-economic, political and personal rights and legitimate interests, and a complaint about their violation.”

The Law of Appeals was reinforced in 2015 by the citizens’ right to file electronic petitions on corresponding portals instituted for this purpose by the President Administration, Parliament, the Government (“central authorities”), and hundreds of local bodies of self-government (“local authorities”).

The last, third decree of the Cabinet of Ministers of Ukraine ensures that the public is consulted on the issues of development and implementation of state policies.
5 RELEVANT WORLD BANK ENVIRONMENTAL & SOCIAL STANDARDS

The World Bank's Environmental and Social Framework (ESF) includes the Sustainable Development Concept, which reflects the Bank's commitment to achieving environmental and social sustainability, and implies the compliance of investment projects financed by the Bank with the ten World Bank Environmental and Social Standards (ESSs): ESS1 - ESS10.

The ESSs are designed to help the Borrower/Project Implementing Agencies and their PIU to manage the risks and impacts of a project, and improve their environmental and social performance, through a risk and outcomes-based approach. The desired outcomes for the project are described in the objectives of each ESS, followed by specific requirements to help Borrowers achieve these objectives through means that are appropriate to the nature and scale of the project and proportionate to the level of environmental and social risks and impacts.

The 3R Project activities that will be financed by the World Bank are subject to meet ESSs of the World Bank ESF. The relevance of each of the standards was verified in relation to the project and its subprojects during scoping and further analysis of environmental and social impacts.

The standards relevance at this stage of the project are discussed below.

5.1 ESS 1 - Assessment and Management of Environmental and Social Risks and Impacts

ESS 1 sets out the implementing agencies (IAs) – UAD and MRTOT – responsibilities for assessing, managing and monitoring environmental and social risks and impacts associated with each stage of a project supported by the Bank through Investment Project Financing, in order to achieve environmental and social outcomes consistent with the Environmental and Social Standards (ESSes). The MRTOT and UAD will apply the ESS1 to identify and assess the environmental and social risks and impacts associated with each component of the Project (subprojects when identified) in a manner consistent with the ESSs in its area of influence. The relevant environmental and social risks and impacts of the project may includ:

(a) Environmental risks and impacts, including: (i) noise and vibration during demolition and construction caused by the machinery/vehicles operation, excavation works, etc.; soil erosion caused by exposure to rain, wind during site clearing, earth excavation, moving and transporting; the quality of natural water systems, biodiversity systems degradation due to soil erosion, handling materials on site; fugitive dust and exhausts from equipment and processes during coinstruction and decommissioning; non-hazardous and hazardous waste generated on site; wastewater discharges (temporarily workers camps) etc. (ii) those related to community safety (including safe use of pesticides); (iii) those related to climate change and other transboundary or global risks and impacts; (iv) any material threat to the protection, conservation, maintenance, and restoration of natural habitats and biodiversity; and (v) those related to ecosystem services and the use of living natural resources, such as fisheries and forests; and
(b) Social risks and impacts, including: (i) threats to human security through the escalation of personal, communal, or interstate conflict, crime, or violence; (ii) risks that project impacts fall disproportionately on individuals and groups who, because of their particular circumstances, may be disadvantaged or vulnerable; (iii) any prejudice or discrimination toward individuals or groups in providing access to development resources and project benefits, particularly in the case of those who may be disadvantaged or vulnerable; (iv) negative economic and social impacts relating to the involuntary taking of land or restrictions on land use; (v) risks or impacts associated with land and natural resource tenure and use, including (as relevant) potential project impacts on local land use patterns and tenurial arrangements, land access and availability, food security and land values, and any corresponding risks related to conflict or contestation over land and natural resources; (vi) impacts on the health, safety, and well-being of workers and project-affected communities; and (vii) risks to cultural heritage.

The ESS1 will be also used for guidance to address potential impacts on environment (air, water and land); human health and safety, social aspects etc. through planning and mitigation hierarchy approach. Application of the required risk mitigation measures will be ensured by including them into the Environmental and Social Commitment Plan (ESCP) prepared by the Borrower/MRTOT and UAD in cooperation with the Bank.

According to ESS1, the IAs will manage environmental and social risks and impacts of the project throughout the project life cycle in a systematic manner, proportionate to the nature and scale of the project and the potential risks and impacts with support of the current ESMF and other ESF instruments and tools, e.g. developing/following:

- Environmental and Social Management Plan (ESMP) (Annex 5) for each subproject (when known).
- Environmental (and Social) Impact Assessment (if required by national legal framework).
- Environment and Social Incidents Response Toolkit (ESIRT) (Annex 6), which is intended to assist contractors to address incidents that occur during implementation of the Project and to advise implementing parties on their response to such incidents.
- Hazard Analysis Critical Control Points (HACCP) for the Agricultural Logistics Hub as per Ukrainian food and health safety regulation.
- UXO and landmines chance finds procedure (Annex 7), etc.

Based on the current understanding of the Project activities, potential environmental risks and impacts are predictable, expected to be temporary and reversible. The ESMF refers to a negative list of subprojects that will not be eligible for financing, the ones with a potential high risk (e.g. in critical habitats or ecosystems) given that the overall project risk is Substantial. Some of the potential subprojects and Associated Facilities/Activities that are to be identified under the Project most probably will require preparation of EIA/ESIA (construction of AgriHub). The PIUs will be responsible for the development of ESMP for each subproject that is to be identified under the
Project. The UAD and MRTOT PIUs should develop and maintain quarterly reporting on activities identified under the Project. The proposed template for Project Activity Report can be found on Annex 1 to this document.

5.2 ESS 2 – Labor and Working Conditions

The ESS2 promotes basic principles and rights in the field of work, as well as issues related to child and forced labor, freedom of association and collective bargaining. The ESS2 also promotes safety and health at work and requires that all works should be carried out with observation of construction safety measures: mandatory wearing personal protective equipment and safe use, handling, storage and transportation of hazardous substances (e.g. paint, solvents, glues, petroleum products, disinfectants, lead containing materials, etc.). Same applies for operational period for all new equipment installed (laboratories, wind turbines, solar panels etc.). While reflecting the requirements for occupational safety and health, the Standard also provides a grievance mechanism for employees working on the Project (subprojects). Environmental and social risks/impacts related to labor rights and Occupational Health and Safety (OHS) are expected to be substantial, first of all due to the potential of UXOs chance finds. Escalation of conflict is not likely but possible and in case of escalation zone of active engagements may expand rapidly up to 60-80 km from the established line of contact.

All parties involved in the Project and subprojects implementation (PIUs, subproject implementing entities, contractors) are expected to follow the Labor Management Procedure (LMP) that MRTOT and UAD have drafted for the Project. The LMP covers workers’ rights and freedoms, as well as well requirements for working conditions for conducting civil works and describes: (i) procedures relevant to each category of workers involved; (ii) terms and conditions of labor; (iii) overview of key potential labor risks (if any); (iv) overview of Ukraine’s labor legislation; and iv) grievance redress mechanism or mechanisms available for all direct workers and contracted workers (and if relevant, to their organizations). The LMP will be updated during implementation when more details about the subproject activities in particular the types and scale of civil works become known.

While tendering of civil works, bidders will be required to submit Environment, Social, Health and Safety (ESHS) Code of Conduct prepared in line with Environment, Health and Safety Guidelines of the World Bank Group\(^25\). Contractors engaged in the civil works will develop OHS measures

\(^{25}\) The EHS Guidelines are technical reference documents with general and industry-specific examples of Good International Industry Practice (GIIP) and are referred to in the World Bank’s Environmental and Social Framework and in IFC’s Performance. The EHS Guidelines contain the performance levels and measures that are normally acceptable to the World Bank Group, and that are generally considered to be achievable in new facilities at reasonable costs by existing technology. The EHS Guidelines can be accessed at
https://www.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/Sustainability-At-IFC/Policies-Standards/EHS-Guidelines/
and UXO chance find procedure (as part of Contractor’s ESMP), which will also include procedures on incident investigation and reporting (as per ESIRT in the Annex 6).

A locally based subproject-specific GRM, proportionate to the potential risks and impacts of the subproject, will be established as a part of the ESMP. In addition, a GRM specifically for direct and contracted workers will be provided. The subproject-specific GRM and workers’ GRM will be designed at an early stage and will be formally established before start of any civil works. Complaints received and resolved will be reviewed during the implementation support missions.

5.3 ESS 3 – Recourse Efficiency, Pollution Prevention and Management

The ESS 3 sets out the requirements to address resource efficiency and pollution prevention and management throughout the project life cycle consistent with Good International Industry Practice (GIIP).

The overall level of environmental risks associated with the project is considered to be substantial. The Project’s physical activities, as they are known at this stage, will involve civil works on rehabilitation of existing facilities/roads (Component 1) and construction of agricultural logistics hub and laboratory, as well as agricultural clusters’ activities (Component 1). Typical environmental impacts that can be expected from the Component activities/subprojects may include (i) dust and other forms of air pollution from construction site, transportation and auxiliary facilities (including asphalt plant/s); (ii) noise and vibration; (iii) solid waste (domestic waste and construction waste including used oil and lubricant); and (iv) wastewater from workers’ working zone and accommodation. These impacts are temporary, site-specific and can be managed through a set of mitigation measures included in the ESMF and template ESMP. Required building material will potentially include stones, sand, concrete blocks and timber. Borrow material will be obtained from already existing and licensed borrow pits within Ukraine and possibly close to the project area to reduce the transportation distance. Should there be the need to open new borrow pits, the project shall ensure that all national regulations and assessments and permitting requirements are adhered to and pits reinstated as will be required through the site-specific ESMP.

Assessment of associated activities with civil works risks and impacts and proposed mitigation measures related to relevant requirements of ESS3, including raw materials, water use, air pollution, hazardous materials, and hazardous waste are to be clearly specified in the site-specific ESMPs, and further being part of bidding documents.

26 More details on GRM establishment is provided in the Stakeholder Engagement Plan developed for the Project.
The ESMF and ESMP will also provide guidance to screen and assess impacts and provide mitigation measures including application of good practice and close supervision of works to: (i) ensure that cutting of trees and vegetation is limited to a minimum and justified by technical requirements and that relevant national legislation is followed, and replacement where vegetation clearance is unavoidable; and (ii) soil loss and erosion is minimized/protected.

Liquid and solid waste will mainly include excavated soil, oils from construction machinery, concrete blocks, metal and glass pieces from demolished walls etc. Waste will be segregated, stored and disposed at approved sites. As a part of Contractor’s ESMP, a Waste Management Plan should be developed to outline practices for collection, storage, transportation and disposal of construction waste, including hazardous waste.

Since Component 2 envisages rehabilitation activities to agricultural facilities (for example, rehabilitation of irrigation systems or storage facilities), down the line effects may include increase in use/application of pesticides. The ESMF includes provisions for screening for such future implications and, based on screening results, a Pesticide Management Plan would have to be prepared for such subprojects. If small-scale agricultural cluster activities would entail subprojects that would generate solid/liquid waste or any other by-products (such as grain oil facility), a Waste Management Plan for operational stage would be developed for such subprojects.

5.4 ESS 4 – Community Health and Safety

ESS 4 focuses on the risks and impacts of projects on communities’ health and safety. ESS4 recognizes that project activities, equipment, and infrastructure can increase community exposure to risks and impacts. In addition, communities that are already subjected to impacts from the conflict may also experience an acceleration or intensification of impacts due to project activities, such as partial or complete road/transportation route closure (Component 1 activities to reconstruct the roads); selected location, construction and operation of Agriculture Logistics and Service Hub (Component 2) casing; selection of clusters (Component 2), etc.

The MRTOT and UAD are responsible to addresses the health, safety, and security risks and impacts on project-affected communities by avoiding or minimizing such risks and impacts, with particular attention to people who, because of their particular circumstances, may be vulnerable.

The application of this ESS 4 is multidimensional. Community health and safety issues are associated with the typical risks / impacts of construction sites (renovation and construction works planned under Components 1 and 2) such as dust, noise and vibration, waste and influx of labor. The project finances the rehabilitation of the roads and construction of agricultural-related facilities that will require a construction sites with stationary equipment that would produce air emissions (such as asphalt plant/s, cement mixing plants etc.). The site-specific ESMPs will include provisions for setting up sanitary-protctions zone (SPZ) as required by national legislation, as well as obtaining relevant permits and approvals.
MRTOT and UAD will follow ESIRT (Annex 6) procedure to comply with the ESS.

A GRM for the public is prepared within the SEP and consulted on with local communities during project preparation. The Contractor will be required to appoint designated social staff as part of the SEP who will keep local communities informed of construction schedule, expected impact and other issues of interest for them, and receive grievances or feedback from them.

Due to previous armed conflict on some of the possible project sites, as well as ongoing low-level armed conflict to the south of the project location, finds of UXOs are not excluded but are generally not found in this region of eastern Ukraine. The ESMF includes requirements for employment of established protocols for handling UXOs chance finds (Annex 7).

5.5 ESS 5 – Land Acquisition, Restrictions on Land Use, and Involuntary Resettlement

ESS5 recognizes that project-related land acquisition and restrictions on land use can have adverse impacts on communities and persons. Project-related land acquisition or restrictions on land use may cause physical displacement (relocation, loss of residential land or loss of shelter), economic displacement (loss of land, assets or access to assets, leading to loss of income sources or other means of livelihood), or both.

Component 1 will finance rehabilitation of existing local roads -- land acquisition and/or physical displacement is unlikely, but small shop keepers along the road may be impacted temporarily during works. Potential minor land acquisitions or easements and legacy issues are not fully ruled out under Component 2 and will be assessed further (and such impacts are addressed through Project RPF).

ESS5-relevant risks and impacts will be identified through a social screening process (checklist) and appropriate mitigation measures will be included in the site-specific ESMPs or RAP, if necessary. The draft ESMF and RPF, prepared by the MRTOT and UAD, describe the process for screening of potential construction-induced social risks and impacts including land and resettlement-related impacts, as well as actions/steps and mitigation measures to be employed in the event that such impacts are identified. ESMF and RPF also include supervision and monitoring requirements in regards to ESS 5-relevant impacts.

5.6 ESS 6 – Biodiversity Conservation and Sustainable Management of Living Natural Resources
ESS6 recognizes that protecting and conserving biodiversity and sustainably managing living natural resources are fundamental to sustainable development. Biodiversity is defined as the variability among living organisms from all sources including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are a part; this includes diversity within species, between species, and of ecosystems. Biodiversity often underpins ecosystem services valued by humans. Impacts on biodiversity can therefore often adversely affect the delivery of ecosystem services.

ESS6 recognizes the importance of maintaining core ecological functions of habitats, including forests, and the biodiversity they support. Habitat is defined as a terrestrial, freshwater, or marine geographical unit or airway that supports assemblages of living organisms and their interactions with the nonliving environment. All habitats support complexities of living organisms and vary in terms of species diversity, abundance and importance.

Project general area is transected by Emerald Network sites which indicates biodiversity sensitivity of the area. However, envisaged civil works should be limited in their footprint and area of influence, as well as period of implementation. Proposed subprojects will be screened for potential adverse impacts and those having such impact on critical habitats or ecosystems will be excluded from consideration under this Project. Improvement of roads may also lead to impacts of increased and ease of access to “protected” areas like the Emerald Network sites. The borrower will work in close cooperation with responsible authorities and local communities to ensure proper identification of sensible areas and develop measures for their protection during construction, as well as operation stage of the project.

5.7 ESS 7 - Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities.

The ESS 7 is not applicable for the Project. There are no identified indigenous people in the country.

5.8 ESS 8 – Cultural Heritage

ESS8 recognizes that cultural heritage provides continuity in tangible and intangible forms between the past, present and future. People identify with cultural heritage as a reflection and expression of their constantly evolving values, beliefs, knowledge and traditions. Cultural heritage, in its many manifestations, is important as a source of valuable scientific and historical information, as an economic and social asset for development, and as an integral part of people’s cultural identity and practice. ESS8 sets out measures designed to protect cultural heritage throughout the project life cycle.
The requirements of ESS8 apply to cultural heritage regardless of whether or not it has been legally protected or previously identified or disturbed. The requirements of ESS8 apply to intangible cultural heritage only if a physical component of a project will have a material impact on such cultural heritage or if a project intends to use such cultural heritage for commercial purposes.

The project does not envisages any works in facilities which are included in the list of national or local Cultural Heritage sites. If any such works would be necessary, it is expected that these would be rehabilitation and restoration works mainly involving repair and upgrading of buildings and may also cover some interior utility networks (electricity, water, heating, a/c, etc.) and landscaping. As required by the ESS8 and national legislation, rehabilitation of each such site will be developed and managed in accordance with principles of good practice in the cultural heritage field. The PIUs would include an ES specialists knowledgeable in general aspects of heritage preservation and, if needed, specialized expert will be invited to consult. ESMF provides general provisions that would guide site specific ESMPs to address cultural resources preservation measures.

Additionally, civil works may require undertaking of earth works that carries likelihood of chance finds of tangible cultural heritage. To address this issue, following guidance set forth in the ESMF, site-specific ESMPs will have special clauses in all contracts for civil works on “chance finds procedure” which will set out how chance finds associated with the subproject will be managed.

5.9 ESS 9 – Financial Intermediaries

No FI involvement is envisaged in the project.

5.10 ESS 10 – Stakeholder Engagement and Information Disclosure

Through the ESS10, the WB recognizes the importance of open and transparent engagement between the IAs (MRTOT and UAD) and project stakeholders as an essential element of good international practice. Effective stakeholder engagement can improve the environmental and social sustainability of projects, enhance project acceptance, and make a significant contribution to successful project design and implementation.

ESS 10 applies to all projects supported by the Bank. The MRTOT and UAD PIUs will engage with stakeholders as an integral part of the project’s environmental and social assessment and project design and implementation.
The MRTOT and UAD have prepared a Stakeholder Engagement Plan (SEP) in accordance with the requirements of the ESS 10. The SEP\textsuperscript{27} includes interested parties, various beneficiaries and those directly affected by the project (project affected persons – PAPs), including disadvantaged and vulnerable groups.

The MRTOT and UAD will put in place, within the framework of the SEP, external communication procedures on environmental and social issues proportionate to the risks and impacts of the project activities, in accordance with the requirements of the ESS 10.

As a part of SEP, MRTOT and UAD will operationalize a GRM for the project to allow for feedback and complaints. As part of GRM design, IAs will each have a focal points ensuring that the GRM is functioning with grievance log, timelines, and tracking system. The project will also include citizen engagement-specific indicators such as: community satisfaction with the quality of investments; community feedback on the effectiveness of engagement processes; and responsiveness to grievances of implementing entities. These indicators will be developed further during preparation.

\textsuperscript{27} SEP is available as a separate document and will be disclosed jointly with the ESMF.
6 POTENTIAL ENVIRONMENT AND SOCIAL RISKS AND IMPACT

6.1 Positive Impacts

Project implementation will improve the current conditions of road infrastructure at regional and local level with expected positive spillovers for local and regional economic development in a region that has been adversely affected by five years of protracted conflict. Rehabilitated road infrastructure will additionally enhance accessibility to public facilities and services, improve public transportation, travel efficiency and public safety for urban but also rural populations. Included upgrades to street lighting and social infrastructure (e.g. bus stops, pedestrian crossings) will add safeguards for public transport safety for women and enhance their freedom of movement. Anticipated positive impact of investments in select agriculture-related infrastructure will support the recovery of market linkages, modernize agricultural production, and strengthen critical public support services in the project areas.

The project will be improving socio-economic inclusion of targeted vulnerable groups and communities and young people in conflict affected area via connecting those groups to the markets, capacity building of local administration, local business and people (e.g. local road construction/maintenance company(component 1), local authorities on agrihub management, food quality testing lab (component 2) cluster approach for smallholders and family farms (component 3), etc.).

6.2 Adverse Risks and Impacts

The proposed Project is expected to have Substantial environmental and social impacts. The Environmental and Social Risk Classification for the project is based on the potential environmental and social risks associated with roads rehabilitation (Component 1), construction of agricultural logistics and services facility and food testing laboratory facilities, and other agricultural activities (Component 2) that will generate significant environmental and social impacts during their construction phase and some negative environmental impacts during operations.

On the environment side, although the specific sites where physical works will take place are mostly existing roads in urbanized areas, key environmental issues identified will relate to: (i) waste management of removed road surfaces, construction spoils, (ii) noise and air pollution with dust, (iii) presence and handling of hazardous materials such as bitumen, paint, oil containing materials; (iv) health and safety of population of the villages and towns along the roads and travelers during road rehabilitation phases, as well as population living near construction sites for agriculture-related investments; (v) impacts on water and soil quality in case of construction-related spills; air quality etc. It is expected that these negative risks will be of short-duration, site specific and not resulting in any longer-term cumulative risks. They can be easily mitigated by applying the best methods and appropriate mitigation measures embodied in national legislation...
and regulations. The chance finds of UXO or landmine are real in the territory and presents both environmental and social risks.

Related social risks are seen to emanate on four fronts: (i) works to be financed under components 1 and 2, and associated ESS5 impacts; (ii) engagement with local communities and other relevant stakeholders (including with most vulnerable and disadvantaged groups) and ensuring their genuine participation in decision-making processes of the project and avoidance of potential risk of elite capture (particularly activities related to financing of selected infrastructure); (iii) the challenging contextual environment and baseline conditions in Eastern Ukraine due to conflict; and (iv), limited capacity of UAD as well as the MRTOT in handling ESF requirements.

Potential adverse environmental and social impacts for the road renovation component subprojects, for construction of agrihub and laboratory are described below for their design/bidding, construction works, and the operation phases.

### 6.2.1 Adverse Environmental Impacts and Risks

**During design phase.**

- neglect of environmental and social aspects during the preparation of road renovation design and bidding documents;
- neglect of environmental and social system management (including HACCP) during the preparation of the feasibility study for the Agricultural Logistics and Service Hub and technical specifications for the Laboratory;
- neglect of consultation with public of seeding and harvesting periods due to wrong timing of road renovation works;
- neglect/lack of knowledge on resource efficient, pollution prevention designs and technologies to be considered for renovation/construction subprojects.

**During construction/implementation phase.**

- waste and hazardous materials: different waste streams would be generated during the construction/upgrading/reconstruction/rehabilitation activities: excavated soil, asphalt, municipal waste, packaging waste, pipes for drainage, excess cables, biodegradable waste, possible small amounts of hazardous waste from fuels leakage from mechanization, bitumen and oil containing materials. air pollution (dust, concrete dust, particulate matters, exhausts) caused by excavation (cleared soil) and earthworks operations, extractions of materials, transport of equipment and trucks/machinery can have negative impacts on both human and environmental health;
- soil pollution due to stock piled construction materials, construction waste, oil leakage from machinery and the event of an uncontrolled spills;
uncontrolled releases of hazardous materials (e.g. glues, petroleum products, solvents, paint, etc.) and waste (asbestos-containing roofing material, possibly, lead-containing paints in demolition debris due to their improper use, handling, storing and transporting;

- water pollution in the event of the release of pollutants (oils, oil products, etc.) temporary construction side, nearby streams and other water bodies;

- loss of flora and fauna habitats. The subprojects are not likely to be within sensitive areas, habitats for any threatened or rare species. However, the cleaning of vegetation during renovation activities is possible for road side walks, storage of construction materials, equipment, and waste storage or some infrastructure improvement works (e.g. water pipes replacement, heating boiler installation, etc.)

- other nuisances like noise and vibration, the movements of vehicles (delivering construction materials, removing wastes, operation of cranes, lifts, front loaders etc.) and construction machinery may cause some nuisance in terms of noise and vibration of the machinery to which people will be exposed;

- health and other impacts for community due to operation of heavy machinery, asphalt producing, cement mixing facilities;

- occupational health and safety hazards, the risk of construction site accidents for workers, teachers and students. Work related accidents such as burns, falls and cuts may also occur due to human errors, workers not wearing appropriate PPEs required for their assignments and mechanical faults on equipment. Accidents may also result from improper storage of equipment, paints and other solvents and construction materials as well as poor management of construction waste. Another source of accidents during the construction phase of the project is human-vehicular conflicts as equipment and supplies are transported to the site and waste is hauled from the construction site to designated disposal site. Accidents of this nature can result in spills, destruction of property, injuries and fatalities on site. Several OHS risks may occur from the activities, processes, materials and equipment involved in the construction phase of the project

- chance finds of UXO items during road renovation and excavation works, particularly in the windbreakers on the side of the road;

- chance finds objects of national and cultural heritage;

- traffic accidents due to construction-induced traffic (incoming and outgoing trucks, workers, students and other pedestrians);

- agricultural cluster (Component 2C) activities (to be developed in the course of the Project implementation)

- fire risks since contraction areas prone to spontaneous fire combustion activities especially at the fuel storage, mechanical workshop (welding and steel cutting), smoke from burning garbage, cigarette smoking sections and carpentry shops.

**During operational phase.**
• health risk for and safety hazards in case of exposure to biological hazards (crop storage at agrihub without HACCP, in the lab), hazardous construction materials. It is expected that during agrihub construction the HACCP will be put in place address all major health concerns. During the operation, proper maintenance (e.g. sanitation system and cleaning services, repair services), internal communications and fire safety systems must be insured;
• health impacts, injuries and infrastructure/equipment damage due to lack of safety rules and instructions on laboratory equipment and chemical materials in use.

6.2.2 Adverse Social Impacts

Health and safety of population of the villages and towns along the roads and travelers during road rehabilitation phases, as well as population living near construction sites for agriculture-related investments may be temporarily affected.

Access restrictions. The construction activities under some local infrastructure subprojects may result in temporary closure of existing routes/ pathways during the execution stage of sub-projects and may cause access restrictions to homes, land plots or other private or public. The construction and/or rehabilitation of school buildings might also trigger some inconvenience to the public. Even though most of such local level constructions under the project will be done though contractors, adequate care and measures will be taken to avoid any violation of use of labor, accidents, or disputes with local communities due to use of outside labor force for constructions. The site specific ESMPs prepared under the project will include, as necessary, a mitigation measures to reduce potential adverse impacts and risks and the public constructions will be carried out each of the construction site before the civil works begin.

Labor risks associated with contracted workers at subproject level. Subprojects will be implemented by local contractors and the majority of contracted workers will be hired locally. All contractors will be required to have a written contract with their workers materially consistent with objective of ESS2, in particular with regard to child and forced labor.

Occupational Health and Safety (OHS) risks are low to moderate and will depend on the type of subproject works to be implemented. The risks are considered low as all contractors will be required to follow Project’s LMP, including procedures to establish and maintain a safe working environment as per requirements of ESS2.

Fragility, conflict and violence risks. The location of the project which borders the armed conflict zone and in a post-conflict territory spurs several risks. It raises the risk of unexploded ordinances (UXOs) and some of the locations may require demining activities to take place before civil works. Adequate adoption of UXOs chance find procedures, work-related health and safety practices (OHS requirements) during construction and maintenance/ operations for workers will be required. Also, the agricultural logistics and service center is required to adopt HACCP (Hazard
Analysis and Critical Control Point) and integrate it into its operational model. The continuous usage of the roads (later renovated by the project) by military machinery transported inappropriately (e.g. tanks should be transported on the truck) to the conflict zone, by overloaded trucks raises the risk of destruction of the those roads and disconnecting vulnerable communities from markets and important services (education, medical, fire emergency services) The lowered civic morale, distrust, fatigue, fear of uncertainty due to the protracted character of the conflict may potentially prevent the beneficiary populations from pro-actively and genuinely participating in the project activities. Moreover, though gender-based violence (GBV) has not been widely used by either side as a weapon of war, women have been at substantially higher risk of GBV.\(^\text{28}\) Built in social inclusion, gender-responsiveness and participatory processes across all components but especially in Component 3 will stimulate stakeholder engagement, close rapport building hence expected greater collaboration among targeted beneficiaries. As a prevailing proportion of the population is Russian speaking, linguistic sensitivity will be also respected in all participatory, communication and outreach channels and materials.

**Unmet expectations among local stakeholders.** High expectations from local stakeholders participating in the project, could be another risk. Such expectations, if not met, could lead to discontent and resentment, which in turn could lead to disruptive actions against the Project or those involved with the Project. This risk will be mitigated through careful management of expectations from the start of Project by the PIU convening the outreach and introductory orientation meetings in the early stages of the project and throughout implementation. The Project will depend on the 3R Youth Leaders hired under Component 3 as well as established CBOs with good local knowledge and insight into the sensitivities at the local level.

**Governance and anti-corruption risks.** The project will also support efforts to establish good governance in the project. The actions will include the training of local stakeholders on the principles and practice of governance, such as: (i) accountability in public affairs; (ii) relations with higher levels of government; (iii) tools for good governance (integrity pacts, social audits, transparency, and disclosure of information); and (iv) anti-corruption assessments and process audits. Emphasis will be placed on measures to minimize the room for misuse, fraud, and corruption at the various stages of the project cycle.

**Gender Impacts.** Unlikely but potential negative impacts related to women can include sexual exploitation and gender-based violence (GBV) through the establishment of temporary, community-based workers’ accommodation during the implementation of roadworks. As employment is limited in the region, women from surrounding areas may seek access to opportunistic sources of income. The government partner - UAD - will be responsible for taking proper prevention measures and implementing codes of conduct for implementing agencies/ service providers, including the strengthening public health services (e.g. prevention of sexually

transmitted diseases) in the vicinity of temporary workers’ accommodation. Related community information and awareness campaigns will also be rolled out. The newly built bus stops under Component 1 can be utilized for such purposes (e.g. awareness building campaign on GBV prevention) while a robust grievance redress mechanism will be put in place to ensure that any arising complaints related to the project will be properly and timely addressed. Expected direct and indirect benefits for women will include the closing of two gender gaps: (i) the gender gap in access to services and improved public transport safety through improved and more gender-responsive road infrastructure addressed in Component 1 and ii) gender gap in socio-economic empowerment and enhanced women’s entrepreneurship, access to markets and employment opportunities within Component 2. Component 3 will also ensure gender-inclusive stakeholder engagement and participation in community mobilization, social accountability and project monitoring. After the project’s completion, men and women are expected to enjoy greater and safer freedom of movement, have better access to markets hence enhanced opportunities for entrepreneurship, employment and income.

**Impacts on vulnerable groups.** The social risks of the project may also affect aspects of social inclusion, especially related to vulnerable groups and disadvantaged communities and students outside urban areas. As per ESS 10, the stakeholder dialogues in the preparation of the SEP identified the vulnerable groups as rural populations, women (female smallholder and entrepreneurs in agri business), IDPs, veterans and youth29. While most of the population in the Luhansk region is negatively affected by the conflict, the mentioned groups face diverse compounded vulnerabilities including a combination of higher unemployment, social discrimination, more limited access to services and land, reliance on social assistance payments, and so on. Luhansk Oblast also ranks second to Donetsk Oblast in the number of IDPs per Oblast with over 270,000 persons officially registered. Tensions with host communities are low, however, and IDPs are well represented among employees of public service institutions. Yet, IDPs face difficulty in accessing land, obtaining satisfactory housing, and in joining established agricultural networks within GCAs of Luhansk. Apart from threatening the sustainability of these vulnerable groups’ livelihoods and overall socio-economic well-being, these vulnerabilities add to the psychosocial trauma and of daily existence in a conflict-affected zone.

To address identified impacts, MRTOT, UAD, the subprojects beneficiaries and contractors have to undertake a series of mitigation measures which should be clearly defined in the site-specific ESMP to be prepared. The selection, design, contracting and monitoring and evaluation of subprojects will be consistent with the risk mitigation guidelines set out in the annexes. Capacity building activities under Component 3 will address any necessary capacity gaps among implementing partners to be filled.

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29 Among the average of 13,000 individuals that migrate from GCAs each year, 67% are under 28 years of age, driven by limited opportunities for civic engagement, limited prospects for well-paying employment, and concern over poor civic and social infrastructure for young families (SCORE data, 2019 for driver identification. See Ukraine State Statistical Agency for out-migration figures, 2018-2019.)
7 ENVIRONMENTAL AND SOCIAL RISK MANAGEMENT

7.1 Impacts and Mitigation Measures

The Table 7.1 below summarizes the potential environmental and social risks, that were identified during ES impacts screening of the Project, and the corresponding mitigation measures. The environmental and social impacts associated with the Project during design, construction and operation phases include air pollution, water pollution, soil pollution, noise, dust, removal of trees, destruction of existing structures, generation and handling of construction and other waste, health and safety concerns, etc. Mitigation measures are required to minimize the environmental and social impacts by reducing the identified potential environmental impacts. When the subprojects will be specified, the ESMP will be required for each subproject.

Table 7.1. Summary of risks associated with subproject compliance with ESSs and mitigation measures

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<tr>
<th>When and why</th>
<th>What (description of Impact)</th>
<th>What to do about it (mitigation measures)</th>
</tr>
</thead>
</table>
| During design phase when Call for tenders (bidding documentation) is under preparation | Ignorance of environmental and social issues during renovation activity, including cultural heritage (e.g. historical buildings) | Preparing TOR with LMP provisions (for engineer)  
Preparing Bidding Documents with ES provisions  
Preparing Feasibility Study for AgriHub with ES and HACCP provisions  
Including Part 2 and Part 3 of Environmental and Social Management Plan - Template ESMP (Annex 5)  
Adding contract clause on ES risks management as per national and WB ESF ESSs (requirement to comply with OHS provision, waste Management, dust Management, noise and vibration provisions).  
Including requirements on supplying non-toxic materials. |
<table>
<thead>
<tr>
<th>When and why</th>
<th>What (description of Impact)</th>
<th>What to do about it (mitigation measures)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inappropriate timing of renovation works</td>
<td>Interruption of teaching process; increase in magnitude of adverse impacts on students/teachers.</td>
<td>Scheduling road renovation works between seeding and harvesting periods.</td>
</tr>
<tr>
<td>The overall design/technical plan on renovation/rehabilitation, with considerations of chance finds cultural/historical heritage</td>
<td>Poor technical design, poor quality of materials to be used for road reconstruction and building, not confirming cultural/historical value</td>
<td>Ensuring that road renovation design, AgriHub and Lab facilities design provides unimpeded access to all including persons with disabilities; Procurement of construction materials without hazardous components. Confirming cultural heritage value of buildings and renovating accordingly with the requirements.</td>
</tr>
<tr>
<td>Construction phase pollution, noise, traffic</td>
<td>Risks related to excavations; digging trenches for laying extension and pipes; brining down internal walls and plastering, exterior walls insulation, etc.</td>
<td>Selecting of specialized companies; Conducting of prior technical studies; preparing a detailed specification. ESMP to comply with ESSs</td>
</tr>
<tr>
<td>Air Pollution</td>
<td>Caused by excavation (cleared soil) and earthworks, extractions of materials, transportation of equipment and trucks.</td>
<td>Air pollution control system (compliance with standards for exhaust emissions of construction equipment (work phase); watering soil before excavation works; removing unused construction materials and waste; vehicle maintenance, etc. Dust from the handling or transporting of aggregates, cement, etc., should be minimized by sprinkling or other methods</td>
</tr>
<tr>
<td>When and why</td>
<td>What (description of Impact)</td>
<td>What to do about it (mitigation measures)</td>
</tr>
<tr>
<td>--------------</td>
<td>-------------------------------</td>
<td>-----------------------------------------</td>
</tr>
<tr>
<td>During construction soil pollution,</td>
<td>Spills of oil from heavy machinery, paint, other chemicals (during renovation/construction works).</td>
<td>Technical compliance of machinery; compliance with operation instructions, wastewater stored properly and disposed at approved sites, etc. Ensure that soil loss and erosion is minimize/protected through design and appropriate construction practices.</td>
</tr>
<tr>
<td>Soil loss and erosion</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water Pollution</td>
<td>Release of pollutants (oils, oil products, etc.)</td>
<td>The septic tanks to be placed in the workers’ accommodation must be made of impermeable material and will be emptied in accordance with applicable rules. The wastewater will be stored appropriately and transported by a special truck to a centralized wastewater collector/other approved site, based on the agreement obtained from the local authorities during the design phase. Strict control over the accumulated wastes management and use of motor vehicles and construction equipment in accordance with established standards; select the optimal route for water supply networks. Involvement of highly qualified specialists to be preliminary instructed on safety requirements; alternative roads and pathways will be created to provide access to public facilities; Design provisions for alternative drainage flows should be prepared.</td>
</tr>
<tr>
<td>When and why</td>
<td>What (description of Impact)</td>
<td>What to do about it (mitigation measures)</td>
</tr>
<tr>
<td>---------------------------------------</td>
<td>--------------------------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Lost of Flora and Fauna</td>
<td>Risk of cutting or removing vegetation (trees, shrubs) and the reduction or green areas around EI buildings for construction purposes</td>
<td>Establish a green areas, search for alternative solutions (to avoid tree cutting), ensure that cutting of trees and vegetation is limited to a minimum, plant trees to compensate for the possible destruction of green spaces and the shortfall in terms of CO2 sequestration capacities</td>
</tr>
<tr>
<td>Hazardous Waste (solid and liquid)</td>
<td>Construction waste accumulation; demolition debris, washing of equipment on site, inappropriate waste disposal</td>
<td>Separate waste collection and removal (designated areas); identifying and contracting waste removal companies (specified in contraction waste removal); provision of mobile toilets for both male and female workers. The demolished wooden (with paint) elements of insulation (window frames, roofs, etc.) are properly discarded, stored and transported to approved location for further utilization and are not used for heating purposes.</td>
</tr>
<tr>
<td>Noise and vibration</td>
<td>Movements of vehicles and construction machinery, operation of refrigerating</td>
<td>Regular maintenance of machinery and equipment using equipment with noise suppressing technologies. Providing workers with personal protective equipment against noise e.g. ear plugs. Placing signs around the site to notify people about the noisy conditions. Regular maintenance of equipment to ensure they remain efficient and effective. Complying with the noise/vibration regulation of Ukraine and WB standards</td>
</tr>
</tbody>
</table>
## When and why

| Occupational health and safety issues | Health hazards (injuries and accidents). | OHS provisions of ESMP, ESIRT Procedure. Ensuring all potential hazards are labeled. Educating Workers on risks from equipment, providing adequate personal protective equipment and enforcing its usage. Providing safe storage for equipment and hazardous materials. |
| Fire risk | Construction areas prone to spontaneous fire combustion | Providing firefighting equipment and in easily accessible areas as well as ensuring site personnel are well trained to use them as well as maintaining them regularly. Creating safe and adequate fire and emergency assembly points and making sure they are well labeled. Providing training. |
| Chance finds of UXO | Harm, injury, death, or illness of a community s | Training contractors/employers, workers to recognize UXO/landmines and follow the specified safety procedure. |

## Operation Phase

<p>| Toxins and biohazards | Sourcing poor quality (uncertified) construction materials | Adding specific requirements (to use non-toxic materials) during tendering and construction. HACCP for AgriHub and Food Testing Laboratory. |
| Safety risks | Harm, injury, death, or illness of communities | Preparing safety guidance/instruction (behavior, chemicals, equipment to be used, etc.). Training employees of the AgriHub and Lab to follow the safety guidance and prevent potential expose. |</p>
<table>
<thead>
<tr>
<th>When and why</th>
<th>What (description of Impact)</th>
<th>What to do about it (mitigation measures)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Equipping the lab with protective gears and materials.</td>
</tr>
</tbody>
</table>
## ESMF IMPLEMENTATION

To implement the ESMF requirements the project team will follow the below steps:

<table>
<thead>
<tr>
<th>STEP 1</th>
<th>• Identification of subprojects</th>
</tr>
</thead>
<tbody>
<tr>
<td>STEP 2</td>
<td>• Environmental and Social Screening</td>
</tr>
<tr>
<td>STEP 3</td>
<td>• Development of Safeguard Instruments, their review, public disclosure and consultation, and approval</td>
</tr>
<tr>
<td>STEP 4</td>
<td>• Implementation, Supervision, Monitoring and Evaluation</td>
</tr>
</tbody>
</table>

### 8.1 Identification of Subprojects Eligibility

In the course of the Project implementation, the MRTOT and UAD PIUs will perform screening of subproject via applying established criteria based on the guiding principles discussed below.

**Non-Eligible Activities/Negative List of Activities for 3R Project subprojects**

The initial screening for the eligibility of the subproject will be based on the list of excluded activities that will be not be permitted by the WB. Therefore, subproject proposals that include these activities will not be considered for financing.

Given that the overall project risk is Substantial, the selection for subprojects should consult non-eligible activities list of subprojects that will be not permitted by the WB with a potential Substantial/High risk and the IFC Exclusion List (2007)\(^3\). Only subprojects that are rated as “Substantial Risk” or lower will be considered for 3R support.

**Type and scale of projects.** Subprojects that are considered as “High Risk Subprojects” will not be financed. A “High Risk” rating generally would entail the following impacts (a) significantly impact on human populations, including settlements and local communities (b) alteration of

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\(^3\)https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/company-resources/ifcexclusionlist
environmentally important areas, including wetlands, native forests, grasslands, and other “critical” natural habitats and ecosystem services; (c) direct pollutant discharges that are large enough to cause degradation of air, water or soil, endangered species and “critical” habitats; (d) large-scale physical disturbances of the site and/or surroundings; (e) extraction, consumption or conversion of substantial amounts of forest and other important natural habitats, including above and below ground and water-based ecosystems; (f) measurable modification of hydrologic cycle; (g) hazardous materials in more than incidental quantities; and (h) involuntary displacement of people and other significant social disturbances.

**Location.** There are a number of locations which should be considered while deciding to rate the project as "High Risk": (a) in or near sensitive and valuable ecosystems and “critical” habitats — juniper forests, wetlands, wild lands, vulnerable soils, and particular habitats of endangered rare and endemic species; (b) in or near areas with archaeological and/or historical sites or existing cultural and social institutions; (c) in densely populated areas, where resettlement may be required or potential pollution impact and other disturbances may significantly affect communities; (d) in regions subject to heavy development activities or where there are conflicts regarding the allocation of natural resources; along watercourses, in aquifer recharge areas or in reservoir catchments used for potable water supply; and on lands or waters containing valuable resources (such as fisheries, minerals, medicinal plants, prime agricultural soils). Subprojects located in the proximity of such areas will be classified as High Risk projects and will not be considered for support by the 3R project.

**Sensitivity.** Sensitive issues may include (but are not limited to): conversion of wetlands, potential adverse effects on endangered species and habitats as well as protected areas or sites, involuntary resettlement, impacts on international waterways and other issues, e.g. toxic waste disposal.

**Magnitude.** There are a number of ways in which magnitude can be measured, such as the absolute amount of a resource or ecosystem affected, the amount affected relative to the existing stock of the resource or ecosystem, the intensity of the impact and its timing and duration.

### 8.2 Screening for Environmental and Social Risks and Impacts

The selected subprojects will go through environmental and social screening process or "screening" using the requirements of the national legislation and WB ESF (ESSs) in accordance with this ESMF. The determination of the environmental and social risks of the subprojects will be determined by the results of the environmental and social screening.
Once it is confirmed that the subproject is not part of the list of prohibited activities, PIUs environmental and social staff in the fields, working with subprojects, will carry out a rapid assessment of the likely environmental impact and the potential for involuntary resettlement, that will be based on the requirements of national legislation and WB ESSs, completing the screening form presented in the Annex 2. The Screening Checklist on Social Issues should be also filled out for this purpose, see Annex 3. For every potential subproject where risks to disadvantage or vulnerable people should be identified during screening, social assessment should be performed to assure that subproject design effectively mitigates possible negative impacts. Results of the screening will be reflected in the screening form presented in the Annex 4.

Once the screening of a subproject completed and it’s approved for financing under 3R Project, the responsible PIU will prepare and update periodically (quarterly and annually) Project Activity Report (template is provided in Annex 1). The Project Activity Report should be submitted to the Bank’s Environmental and Social specialists for the review every quarter (every three months).

### 8.3 ESMP and Contractor’s ESMP

**ESMP.** Following subprojects’ screening and approval by IAs and the WB task team as eligible subprojects, the PIUs shall prepare Environmental and Social Mitigation Plan (ESMP) (or ESIA where applicable under national legislation) for each subproject before bidding for civil works (in case of agricultural clusters – before commencement of cluster activities implementation). The ESMP should detail activity, environmental and social impacts, mitigation measures, monitoring and reporting. All the impacts during renovation/construction described below will be short-term and local, from low to moderate and manageable.

**Contractor’s ESMP.** The Contractor is responsible for preparation and implementation of mitigation measures to prevent or minimize negative environmental, social and human health impacts as well as secure occupational safety in the area of works. The Contractor shall ensure that full consideration is given to the control of environmental and social aspects, and that all provisions of the design and specification requirements relating to environmental and social protection (mitigation of impacts of the construction broadly, including pollution, soil disturbance, removal of trees/vegetation and soil and other impacts, and protection of adjacent land, forests and waterways) are complied with.

More details of the site environmental program will be elaborated at the mobilisation stage as part of the Contractor’s Construction Environmental and Social Management Plan (C-ESMP). As part of his Construction Management Plan (C-ESMP), the Contractor shall cover the following issues (among others outlines in Annex 5): Construction Camp Site Plan; noise management; air quality management; soil management, recultivation and landscaping; water quality management; material source management; Emergency Response Plan; Waste Management Plan; Traffic Management Plan; OHS and community health and safety; GRM.
8.4 ES Monitoring and Reporting

8.4.1 Monitoring Plans

Communities will continue to be engaged throughout preparation, construction and/or procurement process through active monitoring and oversight roles. A separate arrangement for community monitoring and social accountability will be developed to ensure there is no conflict of interest between implementers and monitors. Community monitoring will focus on (i) verifying compliance with requirements on ESMF and (ii) evaluating beneficiary satisfaction with project implementation and the quality of service provision. It will also serve as a useful approach to capture experiences and lessons learned from completed subproject cycles and make recommendations for the next subproject cycle, if applicable.

Component 3 will support Monitoring and Evaluation (M&E) activities to track, document and communicate the progress and results of the project. An M&E team within MRTOT PIU will be responsible for overall compilation of progress and results. This Component will finance MRTOT PIU to prepare project reporting – semi-annual reports and quarterly unaudited IFRs – that will be submitted to the World Bank. This Component will also finance midline and end line project monitoring surveys to assess the PDO-level results indicators. MRTOT PIU will be responsible for producing a completion report. Monitoring of the implementation of environmental and social measures shall be carried out by environmental specialists of the PIU. Their aim will be to verify the main points of compliance with the ESMF, the progress of implementation, the scope of consultations and the participation of local communities.

8.4.2 Monitoring and Reporting Responsibilities

The environmental monitoring of the road rehabilitation and AgriHub/Lab construction sites will include regular observations of soil, water and vegetation within and around the sites; the involvement of the WB ES Safeguards specialist in monitoring and evaluation will help in developing systematic environmental monitoring on rehabilitated sites.

PIUs ES Specialists will visit sub-project sites when necessary. Based on safeguard performance of different subprojects, the PMUs’ E&S Officers will advise on the subsequent disbursements that should be done for the contractors awarded a contract to implement subprojects under the 3R components. If it is found that there is an ESCP and/or ESSs noncompliance, further disbursements will be stopped until ESF compliance is ensured.

In addition, in the project areas the PIUs will be responsible for the environmental and social monitoring activities identified above as part of the preventive actions and mitigation measures proposed to address potential adverse impacts. This monitoring will be incorporated into the overall project monitoring plan required by the World Bank as part of project performance.
As part of its environmental and social monitoring activities, the PIUs will conduct random inspections of project sites to determine the effectiveness of measures taken and the impacts of sub project activities on the surrounding environment. The PIU are also responsible for processing, addressing and monitoring complaints and other feedback, including that on environmental and social issues.

The UAD and MRTOT PIUs will be responsible for ES reporting and will:

- Maintain an adequate environmental and social management system, insuring compliance with the national legal framework and WB ESF and the current ESMF.
- Prepare quarterly reports on the progress of implementation of measures proposed by the ESMF and subprojects ESMPs.
- Consolidation of subprojects (activities) (their current status and ESMPs) and submission of the Project Activity Report (Annex 1) to the Bank every three months.
- Prepare annual reports on the environmental impacts originated during implementation of subprojects and analyze the efficiency of mitigation measures applied to minimize negative consequences.
- Ensure that activities under the Project and its components comply with the approved design and applicable laws, environmental and social requirements set out on tender documentation;
- Ensure that activities and services for Program’s employees are in compliance with the requirements of health and safety norms and rules.
- Prepare outlines and requirements for Contractors’ reports on environmental protection and mitigation measures, and review Contractors’ monitoring plan and reports.
- Control and supervise activities of Contractors and subcontractors, ensuring compliance with Project (subprojects) environmental and social requirements, and subproject ESMPs.
- Present the impact of mitigation and environmental and social protection measures for general public via specific publications or/and by annual public seminars.
- Monitor Project (subprojects) impacts and present summary progress reports on ESMF/ESMP implementation and the E&S aspects of subprojects on a quarterly basis to the WB ES Specialists.
- Engagement with stakeholders, review complaints and grievances and address issues raised in relation to the Project and subprojects activities.
- Maintain the GRM and Grievance Log (Annex A on the SEP document), keep the complaints and their resolutions at the PIU offices, provide updates on any subproject-related grievances/feedback that have been received, that have been addressed and that may be pending.
8.4.3 Community Monitoring

Subcomponent 3B will support social accountability measures and activities that engage project communities in ways that strengthen 3R Project impact, increase community involvement in project activities, and promote transparency and accountability in the project. The 3R Youth Leader (3RYs) can also play supporting roles in monitoring ESMF compliance in activities implemented under Components 1 and 2. 3RYs would report to the Environmental and Social Specialist, designated ESS focal point, within the PIUs.

8.4.4 Reporting on Environmental and Social Incidents

In order to fully comply with the WB ESF, all subprojects, implemented under the Project, and Associated Facilities will be listed on the Project Activity Report, template provided in Annex 1. The up-to-date Project Activity Plan will be submitted to the World Bank ES Specialists once every three months.

Despite significant efforts to manage environmental and social risks associated with Project activities, incidents may always occur. An incident in this context is an accident or negative event resulting from failure on the part of the implementing party to comply with national legislation and Bank ESF requirements, or conditions that occur because of unexpected or unforeseen events during project implementation. Examples of incidents include: fatalities, serious accidents and injuries; social impacts from labor influx; sexual exploitation and abuse (SEA) or other forms of gender-based violence (GBV); major environmental contamination; loss of biodiversity or critical habitat; loss of physical cultural resources; and loss of access to community resources.

This Environment and Social Incidents Response Toolkit (ESIRT) (Annex 6) is intended to assist implementing parties to address incidents that occur during implementation of the Project and to advise implementing parties on their response to such incidents.

ESIRT does not replace regular project supervision and reporting but has been prepared to help implementing parties respond when they learn of incidents during supervision, or at any other time.

ESIRT is comprised of the following six steps under the incident management and reporting process:

A. Step 1 Initial Communication
B. Step 2 Classification
C. Step 3 Investigation

31Annex A on the SEP document, disclosed simultaneously with this ESMF, proposes a template to record the activities of the project and track their progress.
D. Step 4 Response

E. Step 5 Follow Up

The UAD and MRTOT roles and responsibilities in incident response are outlined in each of the steps. This ESIRT also contains a Section on Responses and Remedial Actions, where examples of possible responses by implementing parties to incidents are provided.

ESIRT detailed breakdown of steps is provided in Annex 6.
9 PUBLIC CONSULTATIONS AND DISCLOSURE

9.1 Previous consultations

During project preparation stage, a series of public consultations with local authorities, NGO’s, farmers and citizens were organized by Ukravtodor and MRTOT together with IBRD representatives. The purpose of the consultations was to identify the key problems faced by Lugansk oblast addressing post conflict recovery issues and define activities that will help to increase opportunities for development of local communities. As a result of these public consultations the need for project addressing design to address those challenges was supported by all stakeholders (local authorities, communities, NGOs, farmers, etc.). The more detailed information on public meetings during project preparation provided in Stakeholder Engagement Plan (SEP).32

9.2 Public disclosure of ESMF

The ESMF is disclosed on official website of two implementing agencies of the project in Ukrainian and English languages. Due to the limitations caused by outbreak of Covid-19 in Ukraine and the restrictions put in place by the Decree of Cabinet of Ministers of Ukraine adopted on March 11, 2020, No.211 the MRTOT and UAD conducted public consultations and stakeholder engagement virtually/remotely. The electronic versions of the documents on Ukrainian were provided to local stakeholders (local city and rayon’s administrations, NGOs, farmers and business). The feedback form was also provided for filling in and providing of feedback regarding RPF. In addition, documents and contacts for submitting propositions/grievances/comments were posted on Svatove, Severodonetsk and Starobil’sk city council’s official web sites. During disclosure period the stakeholders were encouraged to provide feedback and comments on the entire project design. The stakeholders showed their high level of awareness about the Project design and its objectives; confirmed the importance of its successful implementation for the development of Luhansk region.

The public consultations process is still opened during project implementation. Stakeholders may appeal to the UAD or MRTOT with proposals/informational request at all stages of project implementation and their appeal will be responded during 30 days according to the Law “On citizen`s appeals”.

The next round of public consultation will be carried out at the later stages of project implementation during design preparation and RAP elaboration (if needed) or per local communities’ request.

32 During project preparation the number of meetings and consultations took place with the representative of MRTOT, Luhans Regional Administration (LRA), Starobilsk City Council, farmers and CSOs.
10 Grievance Redress Mechanism

10.1 Objectives of the project-based GRM

SCOPE: Grievance Redress Mechanism will be available for project stakeholders and other interested parties to submit questions, comments, suggestions and/or complaints, or provide any form of feedback on all project-funded activities.

GRM's users: Project beneficiaries, project affected people (i.e. those who will be and/or are likely to be directly or indirectly affected, positively or negatively, by the project), as well as the broader citizenry can use the GRM for the above purposes (see Scope).

GRM's management: The GRM is managed by the MRTOT's and UAD’s Project Coordination Unit, under the direct responsibility of MRTOT’s and UAD’s Executive Directors.

Submission of complaints: Complaints can be expressed at any time throughout project implementation.

10.2 GRM Overview and Structure, Communication and Process

As noted in an earlier section, citizens’ appeals, complaints and recommendations procedure is specified in the Law on Citizens’ Appeals and amendments to the latter through the 2015 amendment on Electronic Petitions. According to the mentioned law and Constitutional Article 40, the 3R Project proposes the following channels through which citizens, beneficiaries and Project Affected Persons (PAPs) can make complaints regarding project-funded activities:

a. By Email: Project's email addresses:
   - UKRAVTODOR, PIU SE "Ukrdorinvest", e-mail: mail@ukrdorinvest.gov.ua
   - MRTOT, e-mail: info@mtot.gov.ua; panama2004@ukr.net
b. Through the following web page:
   - UKRAVTODOR: https://ukravtodor.gov.ua/4497/elektronne_zvernennia.html
   - MRTOT: https://mtot.ua/ua/elektronne-zvernennya
c. Through the phone line:
   - UKRAVTODOR: (044) 287-51-78; (044) 287-70-60
   - MRTOT: (044) 536-92-39; (044) 536-92-34
d. In writing to UKRAVTODOR and MRTOT: Letter addressed to PIU, sent to the address of:
   - UKRAVTODOR, PIU SE "Ukrdorinvest", Antonovycha st., 51, Office 701, Kyiv, Ukraine, 03150.
   - MRTOT - Lesi Ukrainky Square, 1, Kyiv, Ukraine, 01196
e. In person: at the above addresses or at the addresses of delegated authority by the latter.
f. Other: Written complaints to project staff (through project meetings)
The project shall ensure flexibility in the channels available for complaints, as well as ensure accessibility to the contact information for individuals who make complaints.

To this effect, in addition to the Grievance Log provided by the project (see Annex A “Grievance/Inquiry Record” of the SEP document), citizens can also file their appeals in accordance with Article 5 of the Law of Ukraine On Citizens’ Appeals. In the latter case, the appeals filed by citizens should contain full name, place of residence, the issue of the question, comment, application, claim, statement, request or demand. A written appeal should be signed and dated by the appealer (appealers). An appeal sent via e-mail to the IAs noted above should contain an e-mail address or postal address or any other means of communication in order to answer the appeal. The use of electronic signature is not required for e-mail appeals.

Response. The complainant will be informed about the results of verification via letter or email, as received. The response shall be based on the materials of the investigation and, if appropriate, shall contain references to the national legislation.

The deadline for investigating the complaint may be extended by 30 working days by the Project Coordinator, and the complainant is to be informed about this fact, whether: (a) additional consultations are needed to provide response to the complaint; (b) the complaint refers to a complex volume of information and it is necessary to study additional materials for the response.

10.3 Grievance Logs

The person receiving the complaint will complete a grievance form (see Annex A of the SEP document) and will record the complaint in the Register of Complaints, kept under GRM manager. Then, the complaint is to be submitted immediately to the tracking system for sorting and redirecting to the appropriate department responsible for investigating and addressing the complaint, or to staff if the complaint is related to a specific project activity. The Project Coordinator is responsible for determining who to direct the complaint to, whether a complain requires an investigation (or not), and the timeframe to respond to it.

When determining who will be the investigating officer, the Project Coordinator should ensure that there is no conflict of interest, i.e. all persons involved in the investigation process should not have any material, personal, or professional interest in the outcome and no personal or professional connection with complainants or witnesses.

Once the investigation process has been established, the person responsible for managing the GRM records and enters this data into the Register of Complaints.

The number and type of suggestions and questions should also be recorded and reported so that they can be analyzed to improve project communications.

Template for grievance logs is provided in Annex A “Grievance/Inquiry Record” of the SEP document, which will be disclosed with the ESMF.
10.4 Monitoring and Reporting on Grievances

Policies, procedures and regular updates on the GRM system, the complaints made and resolved, will be kept at the PIUs. They will be updated quarterly.

The PIU coordinators will assess quarterly the functioning of the GRM in order to:

- Provide a monthly/quarterly snapshot of GRM results, including any suggestions and questions, to the project team and the management.
- Review the status of complaints to track which are not yet resolved and suggest any needed remedial action.

During quarterly PIU meetings, the project team shall discuss and review the effectiveness and use of the GRM and gather suggestions on how to improve it.

In the semi-annual project implementation reports submitted to the WB, UAD and MRTOT PIUs shall include a GRM section, which provides updated information on the following:

- Status of establishment of the GRM (procedures, staffing, awareness building, etc.);
- Quantitative data on the number of complaints received, the number that were relevant, and the number resolved;
- Qualitative data on the type of complaints and answers provided, issues that are unresolved;
- Time taken to resolve complaints;
- Number of grievances resolved at the lowest level, raised to higher levels;
- Any particular issues faced with the procedures/staffing or use;
- Factors that may be affecting the use of the GRM/beneficiary feedback system;
- Any corrective measures adopted.

Under Article 20 of the Law of Ukraine ‘On Citizens’ Appeals’, appeals are considered and resolved no later than one month from the date of its receipt, and immediately to those that do not require additional study, but not later than 15 days from the date of its receipt. If issues raised in the appeal cannot be resolved within one month, the head of the body, enterprise, institution, organization, or his deputy define necessary time for its consideration, and report about it to the person who filed the appeal. At the same time the entire term for resolving issues raised in the appeal may not exceed forty-five days.

To process the grievance the person responsible for investigating the complaint will gather facts in order to generate a clear understanding of the circumstances surrounding the grievance. The investigation/follow-up can include site visits, review of documents and a meeting with those who could resolve the issue.
The results of investigation and the proposed response to the complainant will be presented for consideration to the Project Coordinator, who will decide on the course of action. Once a decision has been made and the complainant been informed, the investigating specialist describes the actions to be taken in the grievance form (see Annex A on the SEP), along with the details of the investigation and the findings, and submits the response to the Executive Director for signing.

In the semi-annual project implementation reports submitted to the WB, UAD and MRTOT PIUs shall include a GRM section, which provides updated information on the following:

- Status of establishment of the GRM (procedures, staffing, awareness building, etc.);
- Quantitative data on the number of complaints received, the number that were relevant, and the number resolved;
- Qualitative data on the type of complaints and answers provided, issues that are unresolved;
- Time taken to resolve complaints;
- Number of grievances resolved at the lowest level, raised to higher levels;
- Any particular issues faced with the procedures/staffing or use;
- Factors that may be affecting the use of the GRM/beneficiary feedback system;
- Any corrective measures adopted.

### 10.5 World Bank Grievance Redress System

Communities and individuals who believe that they are adversely affected by a WB supported project may submit complaints to existing project-level grievance redress mechanisms or the WB’s Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB’s independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank’s attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank’s corporate Grievance Redress Service (GRS), please visit [http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service](http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service).
Annex 1. Project Activity Report (Subprojects)

The current status of works column should contain detailed month/year timeline with the corresponding month marked for different stages of the subproject (development, civil works)

<table>
<thead>
<tr>
<th>Name of the subproject / brief description of activity</th>
<th>Status of national environmental permitting procedure – EIA (OVD): Not Required/In progress/Completed</th>
<th>Status of ESMP/aRAP/Stakeholder Engagement Plan/public consultations</th>
<th>Grievances received during reporting period, subject of grievances, resolution status (pending / in process / resolved)</th>
<th>Current status of works (timeline for design work and start/completion, outstanding issues, GRM data)</th>
<th>Site visits during reporting period (dates, findings, corrective action requests issued, follow-up actions)</th>
<th>Next site visit planned (dates, specific issues to be checked)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Component 1/SUBPROJECT 1</td>
<td></td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Component 2/SUBPROJECT 1</td>
<td></td>
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</tbody>
</table>
ESMF for Eastern Ukraine: Reconnect, Recover, Revitalize – 3R Project
Annex 2. Environmental Screening Checklist

Part 1 (to be completed by MRTOT/UAD PIU staff)

1. Sub-Project Name:

2. Brief Description of Sub-project to include: nature of the project, project cost, physical size, site area, location, property ownership, existence of on-going operations, plans for expansion or new construction (the description can be copied from the subproject proposal and attached).

3. Will the project have impacts on the environmental parameters listed below during the construction or operational phases? Indicate, with a check, during which phase impacts will occur and whether mitigation measures are required.

<table>
<thead>
<tr>
<th>Probable Impacts/Risks</th>
<th>Environmental Phase, YES/NO</th>
<th>Operation Phase, YES/NO</th>
<th>Mitigation measures, required Yes/No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Will the site/subproject include/involve/take place near any of the following:</td>
<td>Contraction Phase, YES/NO</td>
<td>Operation Phase, YES/NO</td>
<td>Mitigation measures, required Yes/No</td>
</tr>
<tr>
<td>Open water sources (e.g. rivers, lakes)</td>
<td></td>
<td></td>
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<tr>
<td>Drainage system</td>
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<tr>
<td>Nature protection areas, (e.g. nature reserve, Emerald Sites), protected habitats</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Cutting of trees/forest/vegetation</td>
<td></td>
<td></td>
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<tr>
<td>Earth works (excavation, removal of topsoil, etc.)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vicinity of any historical buildings or areas</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Usage of hazardous materials</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Site in a populated areas</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**Temporary workers’ camps and workers’ accommodation.**

- [ ]

**Agricultural activities that require or may cause an increase in use/application of pesticides down the line**

- [ ]

**Part 2** (to be completed by the MRTOT/UAD PIU based on the findings of the environmental screening and scoping process)

- Project Environmental Risk Category (Substantial or below) ______
- Site-specific ESIA and/or ESMP is required (Yes or No) ______
- What are the specific issues to be addressed in the ESIA/ESMP? ______
## Annex 3. Social Screening Checklist

### Screening checklist to assess social impacts and risks of subprojects

<table>
<thead>
<tr>
<th>Probable Social Impacts/Risks</th>
<th>Yes</th>
<th>No</th>
<th>Not Known</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Will the intervention include new physical construction work?</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>2. Does the intervention include upgrading or rehabilitation of existing physical facilities?</td>
<td></td>
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<tr>
<td>3. Is the intervention likely to cause any permanent damage to or loss of housing, other assets, resource use?</td>
<td></td>
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</tr>
<tr>
<td>4. Is the site chosen for this work free from encumbrances and is in possession of the Public/government/community land?</td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>5. Is this subproject intervention requiring private land acquisitions?</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>6. If the site is privately owned, can this land be purchased through negotiated settlement? (Willing Buyer – Willing Seller)</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>7. If the land parcel has to be acquired, is the actual plot size and ownership status known?</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>8. Are these land owners willing to voluntarily donate the required land for this subproject?</td>
<td></td>
<td></td>
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<tr>
<td>9. Whether the affected land owners likely to lose more than 10% of their land/structure area because of donation?</td>
<td></td>
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</tr>
<tr>
<td>10. Is land for material mobilization or transport for the civil work available within the existing plot/Right of Way?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Are there any non-titled people who are living/doing business on the proposed site/project locations that use for civil work?</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>12. Is any temporary impact likely?</td>
<td></td>
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<tr>
<td>13. Is there any possibility to move out, close of business/commercial/livelihood activities of persons during constructions?</td>
<td></td>
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</tr>
<tr>
<td>14. Is there any physical displacement of persons due to constructions?</td>
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<tr>
<td>15. Does this project involve resettlement of any persons? If yes, give details.</td>
<td></td>
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<tr>
<td>16. Will there be loss of/damage to agricultural lands, standing crops, trees?</td>
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<tr>
<td>17. Will there be loss of incomes and livelihoods?</td>
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</tr>
<tr>
<td>18. Will people permanently or temporarily lose access to facilities, services, or natural resources?</td>
<td></td>
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</tr>
<tr>
<td>19. Will project cause loss of employments/jobs</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>20. Will project generate excessive labor influx as a result of new constructions</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>21. Does construction activities require additional/skilled labor from outside the locality</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>22. Will subproject/construction activities cause destruction/disturbance to host community living</td>
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</tr>
<tr>
<td>23. Will construction of new buildings, drainage lines create any degradation for the adjacent houses, wells, lands,</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>24. Will this intervention create any inter-group or intragroup tensions/conflicts</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>25. Are any disadvantaged &amp; vulnerable groups (including indigenous people, socially marginalized communities such as Roma, elderly, homeless, ethnic minorities living in proposed locations or affected by the intervention?)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Annex 4. Results of Environmental and Social Screening

Results of Environmental and Social Screening

<table>
<thead>
<tr>
<th>Mark the one that applies</th>
<th>Prepared by:</th>
</tr>
</thead>
<tbody>
<tr>
<td>□ Risk Category &quot;High&quot;. Significant adverse impact, excluded from financing</td>
<td>Name and Signature:</td>
</tr>
<tr>
<td>□ Risk Category &quot;Substantial&quot;. Limited or temporary impact</td>
<td>Designation:</td>
</tr>
<tr>
<td>□ Risk Category &quot;Moderate&quot; Limited or temporary impact</td>
<td>Date:</td>
</tr>
<tr>
<td>□ Risk Category “Low” Minimum impact/no impact</td>
<td>Approved by:</td>
</tr>
<tr>
<td></td>
<td>Name and Signature</td>
</tr>
<tr>
<td></td>
<td>Designation:</td>
</tr>
<tr>
<td></td>
<td>Date:</td>
</tr>
</tbody>
</table>
Environmental and Social Management Plan (ESMP) for subprojects should outline the mitigation, monitoring and administrative measures to be taken during project implementation to avoid or eliminate negative environmental impacts. For projects of intermediate environmental risk (Substantial risk projects), ESMP may also be an effective way of summarizing the activities needed to achieve effective mitigation of negative environmental impacts.

Part 1 includes General information about the project that includes a descriptive part characterizing the project and specifying the institutional and legislative aspects, the technical project content, the potential need for capacity building program and description of the public consultation process.

Part 1: General Information about the subproject.

<table>
<thead>
<tr>
<th>INSTITUTIONAL AND ADMINISTRATIVE INFORMATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country</td>
</tr>
<tr>
<td>Title of the subproject</td>
</tr>
<tr>
<td>Area and scope of application of the subproject</td>
</tr>
<tr>
<td>Institutional mechanisms (WB)</td>
</tr>
<tr>
<td>Implementation arrangement (name and contact information)</td>
</tr>
<tr>
<td>Supervision of execution of ESSs</td>
</tr>
<tr>
<td>Contractor</td>
</tr>
</tbody>
</table>

DESCRIPTION OF THE ACTIVITY

Describe location, include map of the location
<table>
<thead>
<tr>
<th><strong>Who is the owner of the land plot?</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Description of geographical, physical, biological, geological, hydrographical and socio-economic background</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Description of geographical, physical, biological, geological, hydrographical and socio-economic impacts of project activities</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Indicative need of construction for raw produce and materials</strong></td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

**LEGISLATION**

<table>
<thead>
<tr>
<th>Determine national and regional legislation &amp; permits applicable to the subproject activities</th>
</tr>
</thead>
</table>

**PUBLIC CONSULTATION**

<table>
<thead>
<tr>
<th>Indicate when/ where did/will public discussions take place</th>
</tr>
</thead>
</table>
Part 2: Environmental and Social Mitigation Measures

The Environmental and Social Management Plan (ESMP) identifies feasible and cost-effective measures that may reduce potentially significant adverse environmental impacts to acceptable levels. The plan includes compensatory measures if mitigation measures are not feasible, cost-effective, or sufficient. Specifically, the ESMP (a) identifies and summarizes all anticipated significant adverse environmental impacts (including those involving indigenous people or involuntary resettlement); (b) describes – with technical details – each mitigation measure, including the type of impact to which it relates and the conditions under which it is required (e.g., continuously or in the event of contingencies), together with designs, equipment descriptions, and operating procedures, as appropriate; (c) estimates any potential environmental impacts of these measures; and (d) provides linkage with any other mitigation plans (e.g., for involuntary resettlement, indigenous peoples, or cultural property) required for the project.

The ESMP template attempts to cover typical core mitigation approaches to civil works contracts with moderate, localized impacts. It is accepted that this format provides the key elements of an Environmental and Social Management Plan (ESMP) or Environmental and Social Management Framework (ESMF) to meet World Bank Environmental and Social Assessment requirements.

<table>
<thead>
<tr>
<th>Project Activities and Subprojects Impacts</th>
<th>Measures for Impact Mitigation</th>
<th>Responsible</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DESIGN PHASE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assessment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Neglect of environmental and social aspects during the preparation of road renovation design and bidding documents;</td>
<td>Technical/engineering design for subprojects is resource efficient, focused on preventing environmental pollution, envisages climate change adaptation measures, sustainable and environmentally-sounds, accessible and inclusive based on best available techniques/good industrial practices in the sector; considers location and technology alternatives; accounts for required setting up sanitary-protection zone (SPZ)</td>
<td>PIU</td>
</tr>
</tbody>
</table>
Neglect of environmental and social aspects, and pest management during the preparation of the feasibility studies;  
Neglect of stakeholders;  
The overall design/technical plan on renovation/rehabilitation includes outdated techniques, engineering solutions and hazardous components in construction materials

| Stakeholders are identified and consulted as per SEP requirements;  
ESMP is developed for each subproject prior tendering of civil works;  
If the national legislate requires, the EIA should be developed for selected subprojects;  
Local departments of architecture and construction and territorial authorities of the Ministry of Energy and Environmental Protection are informed about the forthcoming works. |

**CONSTRUCTION**

**Overall Management of Environmental and Social Risks**

| Failure to follow requirements of national environmental and social legislation may result in project implementation delays, reputational risks etc. | All environmental and OHS permits (such as emission permit for stationary sources, permit for opening of the new borrow pit etc.), clearances (such as establishment of sanitary-protection zones, right-of-way etc.), approvals (such as OVD Approval etc.) and licenses (such as licenses for specific types of works etc.) are obtained in due time as per legislation requirements of Ukraine. | Contractor |

**Labor and Working Conditions**
| **Workers and visitors may be injured at the construction and demolition sites if necessary, safety and occupational health rules/standards are not followed.** | The LMP is developed and implemented. Workers’ accommodation is set up in accordance with ‘Workers’ accommodation: processes and standards. A guidance note by IFC and the EBRD’. PPE (Personal Protective Equipment) of all workers will meet the requirements of international standards (hard hats are always used, respirators and protective glasses, protection harnesses and special footwear are used where necessary). Where and when feasible unskilled or semi-skilled workers from local communities recruited to the extent possible, worker skills training, provided to enhance participation of local people. Adequate lavatory facilities (toilets and washing areas) in the work site with adequate supplies of hot and cold running water, soap, and hand drying devices are provided. A temporary septic tank system should be established for any residential labor camp and without causing pollution of nearby watercourses. Raise awareness of workers on overall relationship management with local population, establish the code of conduct in line with international practice and strictly enforce them, including the dismissal of workers and financial penalties of adequate scale. Training is conducted on OHS, protective equipment, UXO and its identification and safety procedure (Annex 7) | **Contractor** |

**OHS and Community Health and Safety: Fire, Explosions and UXO**
The risk of fires and explosions during the construction phase in the locations of construction machinery and storage of fuels and lubricants could be increased especially if necessary public safety measures are not followed. It may potentially lead to injuries of workers and people visiting or passing by the site. It may also cause damage to facilities and nearby communities.

<table>
<thead>
<tr>
<th>UXO Demining Contractor is hired to develop technical requirements for UXO survey and removal, undertake technical reviews of all pre-project documentation, and conduct UXO survey and removal of any identified UXO as required by international and national procedures. Before the start of any excavation works, the contractor ensures that the construction site has been preliminarily inspected for unexploded ordnance (UXO) by following procedure described on Annex 7. The construction site is equipped with original fire-fighting equipment, in particular, fire extinguishers and firefighting accessories boards with essential equipment, fire suppression water tanks for water storage purposes and fire hydrants on water supply systems. Fire prevention measures also include adherence to storage conditions for fuel and lubricants (FL) and compliance with the rules of work using an open flame, explosives, etc. Emergency plan in case of fires is developed for construction camps, parking lots asphalt plants, etc. Workers pass regular training on fire situations and the use of fire extinguishers.</th>
</tr>
</thead>
</table>

**Resource Efficiency and Pollution Prevention and Management: Air Pollution Prevention**

| PIUs (only for UXO Demining Contractor) and Contractors |
Air pollution will be increased locally due to machinery used, asphalt plants and handling of materials at the sites, and due to increased traffic connected with construction and demolition works. Primary pollutants will be dust, SO₂, NOₓ, CO, benzopyrene, and carbohydrates. Negative impacts on atmospheric air quality take place mainly in the vicinity of the construction and demolition sites and along the roads leading to these sites.

During excavation works the methods of dust control are applied, e.g. water spraying or land wetting.

Debris-chutes are used during interior demolition above the first floor.

Construction waste (demolition debris), removed ground and non-metallic construction materials are stored at specially designed sites with timely wetting and dust control.

During pneumatic drilling or removal of the surface layer of the pavement and foundation, dust is suppressed by constant irrigation and / or protective screens should be installed at the facility.

The surrounding pavements (sidewalks) and roads are kept clean from dust and construction waste to reduce dust.

All machinery undergoes timely technical inspections at maintenance stations with regard to CO emissions and smoke, idle construction equipment with engines turned on at the sites is not allowed.

During pneumatic drilling or breaking of pavement and foundations dust is suppressed by ongoing water spraying and installing dust screen enclosures at the site.

Dust and traffic emissions are minimized by good operation management and site supervision.

The modern construction techniques and energy efficient technologies are applied.

Resource Efficiency and Pollution Prevention and Management: Soil Pollution Prevention
<table>
<thead>
<tr>
<th>Spills of oil from heavy machinery, paint, other chemicals (during renovation/construction works)</th>
<th>Technical compliance of machinery; compliance with operation instructions, wastewater stored properly and disposed at approved sites, etc.</th>
<th>Contractor</th>
</tr>
</thead>
</table>

**Resource Efficiency and Pollution Prevention and Management: Ground and Surface Water Pollution**

| Surface water can be contaminated by accidental spills and leaks from the machinery, by debris during bridge’s construction, and can be contaminated with suspended particles during the works on/near the river. It could also be temporary polluted by gray water, housing and construction wastes from the work camps. Short-term river water turbidity and silting could occur in places of the bridge. Building materials such as gravel, sand and fill can be washed out into the Rivers during the rain. | There is no unregulated extraction of groundwater, nor uncontrolled discharge of process waters, cement slurries, or any other contaminated waters into the ground or rivers. The contractor will receive necessary permits for water use and drainage.  
Sewerage systems are organized at the site and measures are taken to prevent pollution, blocking or other possible negative impacts on natural ecosystems by construction works at the facility.  
Measures are taken to prevent spills of fuels and lubricants and other toxic or hazardous substances.  
Cleaning of construction vehicles and machinery is carried out only in specially designated areas to prevent getting polluted wastewater into surface waters  
Proper management of all areas of the construction site to ensure contamination from all construction activities does not occur.  
Slope protection structures are regularly maintained.  
Waste water from construction camps is treated on site using treatment facilities.  
Drainage system and overflow pipes are provided.  
Disposal of excavated material into the nearest rivers is prohibited. | Contractor / PIU (only for Pesticide Management Plan and Waste Management Plan for operational stage) |
| Ground water can be polluted by accidental spillages, leakages from temporary oil and fuel storage and leakages from the machinery during a construction phase. Also agriculture clusters activities may require some increase in use/application of pesticides. | Construction site chemicals such as oils, gasoline, degreasers, antifreeze, concrete and asphalt products, sealers, paints, and wash water associated with these products are stored, handled and disposed in a way that minimizes their entry into a runoff. Area of construction is regularly cleared from construction waste and temporary structures. The site establishes appropriate erosion and sediment control measures such as e.g. hay bales and silt fences to prevent sediment from moving off site and causing excessive turbidity in canalization and river. Based on screening results, for subprojects that may cause increase in use of pesticides down the line, a Pesticide Management Plan is developed. Based on the assessment of employed technology, for subprojects that would generate solid/liquid waste or any other by-products, a Waste Management Plan for operational stage is developed. |

**Resource Efficiency and Pollution Prevention and Management: Noise and Vibration**
The primary sources of noise will be the work of demolition, construction equipment and trucks. The intensity of the noise of road machinery depends on the type of machinery and equipment and the distance from the workplace to sensitive and residential development. Particularly problematic is the noise created by the work of bulldozers, vibrators, compressors, excavators, and diesel trucks. The noise produced during construction will temporary and localized.

| Construction works are carried out only at the time indicated in a permit/bidding documents/contract. Works are carried out strictly during regular weekday working hours. The works are not planned during weekends and holidays. In case there is a need for carrying out works causing higher noise levels, the residents living nearby are notified 10 days in advance. For the period of works, the engine covers of generators, air compressors and other similar devices will be closed, the equipment are at the maximum distance from the places of residence of the population. Adequate soundproofing of all vehicles and equipment is carried out by the use of foam, rubber, and other soundproofing materials. Noise barriers are installed where appropriate. Workers are provided with individual protective gear to be used when performing high-level noise works. Reducing project traffic routing through vulnerable areas, wherever possible is applied. Modern equipment that fulfill noise reduction norms is used, or equipment is retrofitted to meet the required standards |
Operation noise levels are influenced by traffic volume, fleet composition, speed, vehicle operating condition, the age of the vehicle, and condition of the road. Sources of noise on the car are the engine and the tire noise hitting the road surface. The noisiest are heavy trucks and trailers with diesel engines; the most “quiet” are new and more expensive cars.

Resource Efficiency and Pollution Prevention and Management: Landslides and Erosion

Improper supporting structures of deep excavations may lead to landslides thus causing risks to workers and nearby structures. Bare ground is prone to landslides in case of heavy rainfalls. There is also a potential for wind and water erosion during the construction phase.

Borrow material is obtained from already existing and licensed borrow pits within Ukraine and possibly close to the project area to reduce the transportation distance. Anti-erosion and anti-landslide measures are taken at the facility, in particular, the laying of the construction site, construction of storm sewers or reclamation to prevent the displacement of the settled soil outside the construction site.
Walls of deep excavations are enforced / supported according to relevant technical requirements. Unnecessary removal of vegetation and pavement are avoided, and bare ground planted or paved as soon as possible after the closure of the construction site. Reinforcement of slopes for prevention of soil erosion is carried out. Storm water drainage is arranged before excavation works have commenced.

<table>
<thead>
<tr>
<th>Resource Efficiency and Pollution Prevention and Management: Waste and Hazardous Materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>During the construction phase some waste streams will be generated:</td>
</tr>
<tr>
<td>- Inert mineral materials such as excavated earth, sand and gravel asphalt and concrete rubble, which will be entirely recycled and used as construction materials for filling, grading, and landscaping;</td>
</tr>
<tr>
<td>- Potentially noxious or dangerous substances such as waste from construction camps and workshops, concrete slurries from washing plants,</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>The Waste Management Plan (WMP) is developed as a part of Contractor’s ESMP. The WMP specifies procedures for hazardous waste management.</td>
</tr>
<tr>
<td>For all major types of waste expected from the works on removal of fertile soil, dismantling and construction, collection sites and facilities for the use, neutralization and disposal of waste is identified.</td>
</tr>
<tr>
<td>Construction waste is separated from municipal waste by collecting it in separate containers.</td>
</tr>
<tr>
<td>Construction waste is collected and transferred to facilities for use, neutralization in accordance with the Register of objects for use, neutralization, storage and disposal of waste in Ukraine.</td>
</tr>
<tr>
<td>Waste management documentation is kept as evidence of proper waste management.</td>
</tr>
<tr>
<td>Temporary storage of all hazardous or toxic substances and waste of Hazard Classes 1 and 2 at the facility is organized in separate premises in accordance with the legislation of Ukraine (mercury-containing waste, lead batteries, intact with unused electrolyte batteries, etc.) without unauthorized access of people and with the respective marking/ labeling.</td>
</tr>
</tbody>
</table>
barrels, and containers from fuels, lubricants and construction chemicals, scrap metal, and spent welding electrodes;

- Wood waste from felled trees and other organic matter from the clearing of the alignment;

- Household waste from the construction camps.

In case construction and demolition waste is not properly transported and disposed of, it may cause soil, surface and groundwater pollution at the disposal sites and health hazards along the transportation route.

<table>
<thead>
<tr>
<th>Waste is transported in accordance with the legislation of Ukraine on transportation of hazardous waste.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waste collection and disposal pathways and sites are identified for all major waste types expected from excavation, demolition and construction activities.</td>
</tr>
<tr>
<td>Mineral construction and demolition wastes are separated from general refuse, organic, liquid and chemical wastes by on-site sorting and stored in appropriate containers.</td>
</tr>
<tr>
<td>Construction waste is collected and disposed of properly by licensed collectors. Temporary collection of waste is not taking place in flood-prone areas.</td>
</tr>
<tr>
<td>Whenever feasible, there is reused and recycled appropriate and viable materials (except when containing asbestos).</td>
</tr>
<tr>
<td>If asbestos is located on the project site, it is marked clearly as a hazardous material. When possible, the asbestos is appropriately contained and sealed to minimize exposure.</td>
</tr>
<tr>
<td>Asbestos is handled and disposed of by skilled &amp; experienced professionals. The removed asbestos is not reused.</td>
</tr>
<tr>
<td>Temporarily storage on the site of all hazardous or toxic substances is in safe containers labeled with details of composition, properties and handling information.</td>
</tr>
<tr>
<td>Regular transportation of construction materials is carried out without stockpiling of large batches of materials at construction sites. The containers of hazardous materials are placed in a leak-proof container to prevent spillage.</td>
</tr>
<tr>
<td>Waste generated during operation phase will mainly be gravel and salt remnants from winter care, sludge/cake from settling ponds for storm water, and asphalt, concrete, and gravel from repair and maintenance works. None of these wastes is hazardous, and disposal pathways will either be existing municipal waste management facilities, landfills for mineral materials (gravel, rubble) or recycling facilities.</td>
</tr>
</tbody>
</table>

| **Community Health and Safety: Transportation Roads, Traffic and accidents** |
| Health and Safety of communities will be impacted by change traffic pattern, workers’ accommodation, construction sites, etc. |
| Intensified traffic of heavy machinery and trucks to and from the construction and demolition sites could increase the possibility of traffic accidents |
| OHS protocols following the World Bank Group Environmental Health and Safety Guidelines are established to ensure community safety during the works |
| The local construction and environment inspectorates and communities are notified for the project activities |
| Preparation and implementation of the Site Management Plan (as a part of Contractor’s ESMP) guiding appropriate installation of signposting of the project site, access to the family houses, markets, village graveyards etc. |
| Contractor |
Preparation prior to commencement of works and implementation of the Traffic Management Plan (as a part of Contractor’s ESMP) and followed for construction. Management plans includes identification of optimal routes and time for construction materials delivery, transportation of construction and demolition waste to disposal sites. If found necessary, traffic is diverted temporarily, and safe speed limits are established and enforced during the working period. The site is clearly marked with distinctive signs and fences and separated from public areas. Safe passageways are organized. During the night, special lighting is arranged to prevent accidents.

All work is carried out in a safe and disciplined manner designed to minimize impacts on workers, citizens using the road and environment.

Clear warning signs are displayed for the public and public transport about all potentially hazardous works.

A traffic control system and staff training are organized, especially for providing access to the facility and nearby intensive traffic.

Safe walkways and passages for pedestrians in places of public transport traffic and construction vehicles are provided.

### Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

<table>
<thead>
<tr>
<th>Description</th>
<th>Requirements</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>The expropriation of land is not expected but may be required, or if loss of access to income of legal or illegal users of land may take place under some subprojects</td>
<td>The RPF guidance and requirements are followed when and if land acquisition, restrictions on land use and involuntary resettlement is required.</td>
<td>PIU/Contractor</td>
</tr>
</tbody>
</table>
**Biodiversity Conservation and Sustainable Management of Living Natural Resources**

| Vegetation could be temporarily affected by the pollution from construction works, which could lead to disruption of growth and development and can accelerate the aging process. No regular or seasonal strong movement of animals is observed in the area. | Examination and inventory of large trees in the vicinity of construction works is carried out. Large trees should be marked and fenced for protection, their root system is protected and any damage to the trees is prevented. Where subproject area intersects with Emerald Site (road works), such points are marked out in Contractor’s ESMP. Physical footprint of reconstruction activities is limited to right-of-way and access to Emerald Sites is temporarily fenced off for protection and limitation of exposure to construction impacts (noise, dust etc.) | Contractor |

**Cultural and Historical Heritage**

| Buildings of historical and cultural heritage and chance finds of artifacts | If construction works are carried out in a building of historical and cultural value, the Ministry of Culture/Local department is notified and all necessary permits are obtained from designated authorities, and all construction works are planned and carried out in accordance with the requirements of the legislation of Ukraine. Rehabilitation of each such site is developed and managed in accordance with principles of good practice in the cultural heritage field. Chance Find Procedure for the artifacts or other possible “accidental finds” found during excavation or construction works is developed as part of Contractor’s ESMP. | Contractor |

**Operational Phase**
Part 3: Environmental and Social Monitoring Plan

To keep track of the requirements, responsibilities and costs for monitoring the implementation of environmental mitigation identified in the analysis included in an environmental assessment for Substantial Risk projects, a monitoring should be used. Environmental and social monitoring during project implementation provides information about key environmental and social aspects of the project, particularly the environmental and social impacts of the project and the effectiveness of mitigation measures. Such information enables the borrower and the Bank to evaluate the success of mitigation as part of project supervision, and allows corrective action to be taken when needed. Therefore, the ESMP identifies monitoring objectives and specifies the type of monitoring, with linkages to the impacts assessed and the mitigation measures described in the ESMP. Specifically, the monitoring section of the ESMP provides (a) a specific description, and technical details, of monitoring measures, including the parameters to be measured, methods to be used, sampling locations, frequency of measurements, detection limits (where appropriate), and definition of thresholds that will signal the need for corrective actions; and (b) monitoring and reporting procedures to (i) ensure early detection of conditions that necessitate particular mitigation measures, and (ii) furnish information on the progress and results of mitigation.

| Community health and safety compromised due to increased traffic, road deterioration due to usage of heavy vehicles | Traffic Management Plan with road signs are developed for project operation. |
| PIU |

| Workers’ employment conditions, occupational risks are worsened during operations of roads, AgrHhub and laboratory. | Adopted OHS protocols following the World Bank Group Environmental Health and Safety Guidelines for operations, requirement to provide protective equipment. |
| PIU |
A Monitoring Plan format is provided in the table below. The project cycle is broken down into three phases (construction, operation and decommissioning). The format also includes a row for baseline information that is critical to achieving reliable and credible monitoring. The key elements of the Monitoring Plan are:

- What is being monitored?
- Where is monitoring done?
- How is the parameter to be monitored to ensure meaningful comparisons?
- When or how frequently is monitoring necessary or most effective?
- Why is the parameter being monitored (what does it tell us about environmental impact)?

In addition to these questions, it is useful to identify the costs associated with monitoring (both investment and recurrent) and the institutional responsibilities.

When a monitoring plan is developed and put in place in the context of project implementation, the PIU will request reports at appropriate intervals and include the findings in its periodic reporting to the World Bank and make the findings available to Bank staff during supervision missions.

<table>
<thead>
<tr>
<th>Stage</th>
<th>Monitoring Parameter</th>
<th>Location of monitoring activity</th>
<th>Monitoring Procedure</th>
<th>Monitoring Timeline</th>
<th>Monitoring Organization</th>
<th>Cost of monitoring</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>
ESMF for Eastern Ukraine: Reconnect, Recover, Revitalize – 3R Project

<table>
<thead>
<tr>
<th>Construction</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Part 4: Capacity Development and Training

To support timely and effective implementation of environmental and social project components and mitigation measures, the ESMP draws on the EA’s assessment of the existence, role, and capability of environmental and social units on site or at the PIU level. Specifically, the ESMP provides a description of institutional arrangements – who is responsible for carrying out the mitigatory and monitoring measures (e.g., for operation, supervision, enforcement, monitoring of implementation, remedial action, financing, reporting, and staff training).

Part 5: Implementation Schedule and Cost Estimates

For all three aspects (mitigation, monitoring, and capacity development), the ESMP provides (a) an implementation schedule for measures that must be carried out as part of the project, showing phasing and coordination with overall project implementation plans; and (b) the capital and recurrent cost estimates and sources of funds for implementing the ESMP. These figures are also integrated into the total project cost tables.

Part 6: Integration of ESMP with subproject

The borrower’s decision to proceed with a project, and the Bank’s decision to support it, are predicated in part on the expectation that the ESMP will be executed effectively. Consequently, the Bank expects the plan to be specific in its description of the individual mitigation and monitoring measures and its assignment of institutional responsibilities, and it must be integrated into the subproject’s overall planning, design, budget, and implementation. Such integration is achieved by establishing the ESMP within the subproject so that the plan will receive funding and supervision along with the other components.
Annex 6. ESIRT reporting requirements

1. Incident Management and Reporting Process

A. Step 1 – Initial Communication

In case of the accident on any of the project sites, the Contractors will inform the PIU and/or the Bank Team; inform appropriate authorities in compliance with local regulations; secure the safety of workers, public, and provide immediate care.

As soon as any member of the Contractor’s or PIU team member becomes aware of an alleged or actual incident, the team member will notify the PIU and/or the Bank Team. This initial communication will be sent regardless of the severity of the incident. The most crucial element of this communication is speed. When an incident is reported, the following questions are a guide to the type of information to be gathered quickly:

- What was the incident? What happened? To what or to whom?
- Where and when did the incident occur?
- What is the information source? How did you find out about the incident?
- Are the basic facts of the incident clear and uncontested, or are there conflicting versions?
- What were the conditions or circumstances under which the incident occurred?
- Is the incident still ongoing or is it contained?
- Is loss of life or severe harm involved?
- How serious was the incident? How is it being addressed? How is the MRTOT and UAD responding?
- What, if any, additional follow up action is required, and what are the associated timelines?
- Are any Bank staff involved in the incident?

The requirement to report will be defined in the Project’s ESCP. As required by the contracts, the Contractor will report incidents to the PIU – the MRTOT and UAD will ensure that reporting obligations on compliance with ESHS requirements are incorporated into works and other relevant contracts. MRTOT and UAD will monitor the reports for incidents.

B. Step 2 – Classification (done by the Bank Team)

Based on information received, the Bank Team will classify the incident based on several factors, including the nature and scope of the incident, as well as the urgency in which a response may be required. There are three levels of classification: Indicative, Serious and Severe. Overview of different levels is provided in the box below.

**Incident Calcification Guide:**

<table>
<thead>
<tr>
<th>Indicative</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Relatively minor and small-scale localized incident that negatively impacts small geographical areas or small number of people</td>
</tr>
<tr>
<td>• Does not result in significant or irreparable harm</td>
</tr>
<tr>
<td>• Failure to implement agreed E&amp;S measures with limited immediate impacts</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Serious</th>
</tr>
</thead>
<tbody>
<tr>
<td>• An incident that caused or may potentially cause significant harm to the environment, workers, communities, or natural or cultural resources</td>
</tr>
</tbody>
</table>
• Failure to implement E&S measures with significant impacts or repeated non-compliance with E&S policies incidents
• Failure to remedy indicative non-compliance that may potentially cause significant impacts
• Is complex and/or costly to reverse
• May result in some level of lasting damage or injury
• Requires an urgent response
• Could pose a significant reputational risk for the Bank

Severe

• Any fatality
• Incidents that cased or may cause or may cause great harm to the environment, workers, communities, or natural or cultural resources
• Failure to remedy serious non-compliance that may potentially cause severe impacts complex and/or costly to reverse
• May result in high levels of lasting damage or injury
• Requires an urgent and immediate response
• Poses a significant reputational risk to the Bank

C. Step 3 – Investigation – What happened?

MRTOT and UAD will:

• Promptly provide information requested by the Bank and facilitates incident site visits.
• Undertake or cause the Contractor to undertake a Root Cause Analysis (RCA) to understand and document the root cause(s) of the incident. The RCA will be based on existing country processes. The extent of the investigation (RCA) carried out by the MRTOT and UAD’s Contractor will be proportionate to the severity of the incident. The MRTOT and UAD or Contractor will be responsible for funding the preparation of the RCA.
• An RCA will be completed as soon as possible, ideally within 10 days of the incident. The findings of the RCA will be used by the Contractor and MRTOT and UAD to develop measures to be included in a Standards Corrective Action Plan (SCAP) as a complement to existing project safeguards instruments.
• Share the RCA with the Bank and provide complete information about the incident; facilitate additional site visit(s) if needed.

MRTOT and UAD will ensure that incidents are investigated to determine what happened and why, so that processes and measures can be put in place to avoid reoccurrences and so that appropriate remedies are applied. The Bank Team may support the MRTOT and UAD in ensuring an appropriate RCA is conducted by the Contractor or the MRTOT and UAD.

D. Step 4 – Response

MRTOT and UAD will design the SCAP and discuss with the Bank, including actions, responsibilities and timelines for implementation, and MRTOT and UAD monitoring program.
For *Indicative* incidents, documentation of the incident and the MRTOT and UAD/Contractor response may be the only action required. For serious and severe incidents, where an RCA or other investigation is conducted by the MRTOT and UAD/Contractor, the Bank and the MRTOT and UAD will agree on a set of measures as appropriate to address the root causes to help prevent any recurrence of the incident. The measures determined as appropriate by the Task Team will be captured in a Standards Corrective Action Plan (SCAP).

**Box 2 – Example of a MRTOT and UAD’s Action Plan Following a Project Related Fatality**

1) Monthly site meetings attended by PIU and covering safeguards updates
2) The supervision consultant monthly progress report will provide details on ESMP implementation status as well as accidents and grievances
3) PIU will send to the Bank monthly progress reports within 1 week of receipt from the supervision consultants
4) Accidents and grievance log books are placed in all construction sites
5) Any severe injury (requiring off-site medical care) or fatality incident shall be reported to the Bank within 48 hours with basic information and a detailed incident report including the following will be submitted as soon as possible, ideally within 10 working days:
   a) root cause analysis and
   b) corrective action plan on:
      i) immediate mitigation measures in case of continuing danger (e.g. fencing, signboard, guards)
      ii) compensation to the affected family based on a clear rationale
      iii) risk assessment and correct application of ESHS management procedures, and
      iv) medium- and long-term mitigation measures including enhancement of safety measures, audits, and additional training.
   c) Progress monitoring and reporting

The SCAP will specify the actions, responsibilities, and timelines to be implemented by MRTOT and UAD. MRTOT and UAD will be responsible for implementation of the SCAP. The SCAP may include, for example, MRTOT and UAD actions such as the design or upgrading and implementation of Environmental, Social, Health and Safety management systems, processes and training to support consistent safe performance, compensation for injuries or a fatality, pollution prevention and control remedies to be implemented over a few weeks or a multi-year period, according to the specific project circumstances. The SCAP might include requirements for community consultation, compensation payments relating to a resettlement program, or remediation of farmland damaged by contractors. The SCAP also may include or request Bank actions such as provision of technical assistance by the Bank, and/or loan restructuring, including additional financing, if necessary.

**E. Step 5 – Follow up**

MRTOT and UAD will implement SCAP; monitor progress; report on implementation to the Bank.
If the Bank considers that the SCAP measures will not be effective, or where MRTOT and UAD has shown itself unwilling or unable to put corrective measures in place, the Bank may consider a decision to fully or partially suspend disbursements until such actions are in place, or, in some circumstances, may consider cancelling all or part of the project following the suspension.

2. Responses and Remedies

Illustrative examples of responses and remedies available for different types of incidents prior to and during project implementation are set out in this section for guidance of task teams and management.

Health and Safety Examples

Examples of potential responses by the Bank and MRTOT and UAD to worker occupational health and safety incidents of varying severity are presented in Table 1.

Table 1 Potential Responses to Health & Safety Incidents of Different Severity

<table>
<thead>
<tr>
<th>Health &amp; Safety Issues</th>
<th>Potential MRTOT and UAD actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Severe</td>
<td>• Improve barriers, alarms, signage, training, work processes and procedures</td>
</tr>
<tr>
<td>Any fatality, permanent disability, or outbreak of life-threatening project-related communicable disease</td>
<td>• Address gaps in competence, expertise, numbers of project OHS team and/or project management team</td>
</tr>
<tr>
<td></td>
<td>• Ensure that Health and Safety risk assessment has been conducted and appropriate management plans are put in place, implemented and enforced</td>
</tr>
<tr>
<td>Serious</td>
<td>• Review relevant sections of health and safety risk assessment for adequacy</td>
</tr>
<tr>
<td>Major (non-fatal) accident or near-miss</td>
<td>• Improve barriers, signage, training, working methods</td>
</tr>
<tr>
<td></td>
<td>• Enforce use of personal protective equipment</td>
</tr>
<tr>
<td></td>
<td>• Complement Project Implementation Unit (PIU) with adequate competencies and expertise with OHS specialist</td>
</tr>
<tr>
<td>Serious</td>
<td>• Improve use of grievance redress mechanism</td>
</tr>
<tr>
<td>Repeated observations of dangerous behavior or clear violations of safety protocols</td>
<td>• Review relevant sections of health and safety risk assessment for adequacy</td>
</tr>
<tr>
<td></td>
<td>• Implement (revised) OHS management plan, including training</td>
</tr>
<tr>
<td>Indicative</td>
<td>• Remedy the outstanding issues</td>
</tr>
<tr>
<td></td>
<td>• Repeat awareness training and messaging</td>
</tr>
<tr>
<td></td>
<td>• Improve work process or procedure</td>
</tr>
</tbody>
</table>
## E&S Examples

Examples of potential responses by the Bank and the MRTOT and UAD to Environmental and Social incidents of varying severity are presented in Table 2.

### Table 2 Potential Responses to Environmental and Social Incidents of Different Severity

<table>
<thead>
<tr>
<th>Environmental/Social</th>
<th>Potential MRTOT and UAD actions</th>
</tr>
</thead>
</table>
| **Severe (Social)**  | • Identify evicted people and provide compensation and support for identification of new housing/other facilities as relevant, in line with Bank safeguards requirements, including appropriate consultation  
 • Clear instructions to project implementer(s) with respect to resettlement process, including sanctions for non-compliance with MRTOT and UAD, as well as Bank requirements;  
 • Implement all measures identified in SCAP |
| Forced resettlement without due process or compensation |
| **Severe (Environmental)** | • Engage with law enforcement to halt the poaching  
 • Anti-poaching training for project workers and community members to make clear incentives and penalties  
 • Include sanctions for inappropriate worker behavior, including poaching, in Contractors’ contracts  
 • Develop an alternative livelihoods program for communities around protected areas |
| Poaching or trafficking in endangered species |
| **Serious (Social)** | • Review GRM and address issues (upgrade, improve access, publicize GRM in community/ies, better organize response process)  
 • Train PIU staff on GRM management and monitoring  
 • Assign responsibility to qualified PIU staff |
| GRM not functioning |
| **Indicative (Environmental)** | • Improve work process or procedures as necessary  
 • Train project staff on spills and associated procedures  
 • Increase on-site monitoring if necessary  
 • Review contract language for appropriate sanctions language |
| Hydrocarbon or chemical spills with low to medium environmental impact |
ESMF for Eastern Ukraine: Reconnect, Recover, Revitalize – 3R Project
Annex 7. Risk Management and Chance Find Procedures for UXO/Landmines

Definition of UXO/Landmines

Unexploded Ordnance (UXO) - refers to munitions (bombs, rockets, artillery shells, mortars, grenades and the like) that were used but failed to detonate as intended. UXO include artillery and tank rounds, mortar rounds, fuses, grenades, and large and small bombs including cluster munitions, sub-munitions, rockets and missiles. UXOs are usually found in areas where conflict has taken place or at military firing ranges. They are often extremely unstable and can detonate at the slightest touch. Injuries can often occur when people are farming or undertaking construction work in a contaminated area and touch, move or tamper with them. UXO accidents are often more lethal than landmines due to their higher explosive and fragmentation content.

A cluster munition is a form of air-dropped or ground-launched explosive weapon that releases or ejects smaller submunitions. Commonly, this is a cluster bomb that ejects explosive bomblets that are designed to kill personnel and destroy vehicles. Other cluster munitions are designed to destroy runways or electric power transmission lines, disperse chemical or biological weapons, or to scatter land mines. Some submunition-based weapons can disperse non-munitions, such as leaflets. Because cluster bombs release many small bomblets over a wide area, they pose risks to civilians both during attacks and afterwards. Unexploded bomblets can kill or maim civilians and/or unintended targets long after a conflict has ended, and are costly to locate and remove.

Landmines - are victim-activated explosive traps. It can target a person and/or a vehicle. A mine comprises a quantity of explosive, normally contained within some form of casing (typically in metal, plastic or wood), and a fusing mechanism to detonate the main explosive charge. land mines are difficult to be detected with natural eyes as they are mostly covered with vegetation and soil over time or intentionally covered to hide their tracks. Some mines are placed deep in ground for specific purposes with their own methods of detonation and the land mines are created and planted by many categories according to their targeted person or things or number of causalities. They can be activated by a range of mechanisms including pressure, trip wire, electrical command or magnetic influence. Some modern mines can be initiated using other forms such as electronic sensor.

Landmines are generally classified into two types: anti-tank (or anti-vehicle) and antipersonnel. Anti-personnel mines are also commonly further divided into four categories based on their primary method of causing injury: blast; fragmentation; bounding fragmentation; and directional fragmentation.

Legal and Institutional Framework on demining activities in Ukraine

In November 2018, the National Bureau for Standardization adopted the National Mine Action Standards developed with the support of international humanitarian mine action actors. These will ensure that all actors are conducting mine clearance in accordance with international mine action
standards (IMAS). In December 2018, the Parliament of Ukraine adopted on December 6, 2018 the Law of Ukraine #2642-VIII on Mine Action. The law covers establishment of the national mine action authority and the procedure for accreditation of mine action actors in Ukraine. It is expected that implementation of the law will lead to more coordinated, efficient, transparent, safer and higher-quality demining, for the benefit of all people living in conflict-affected areas.

Humanitarian mine action stakeholders:

- International: Danish Refugee Council-Danish Demining Group (DRC- DDG), HALO Trust Ukraine, Swiss Foundation for Demining (FSD), OSCE, ICRC, UNDP, UNICEF and others.

The note on finding 33

Status of Landmine in GCT in Luhansk region

33 http://ndekc.volyn.ua/files/pages/f/5e/329cfcb669e50f49553d1665d9b1d5ef/pamyatka/pamyatka.pdf
There is a map\(^34\) of the UXO contamination areas which can be found in open access at the Ministry of Defense (MoD) website. There are confirmed hazardous areas, marked with red triangles, near Svatovo and to the south from Lysychansk. Those areas were cleared from mines; however, the chance find is high, particularly on the boundaries of villages and in windbreakers along the roads\(^35\).

**Risk Management and Chance Find Procedures**

*(i) UXO/Landmine Risk Screening*

Sub-project under Component 1 and Component 2 that involve civil/physical works, the suspected UXO/landmine prone areas with history of UXO will be screened by implementing agencies (with the support of nearby communities) during subproject environmental and social screening (see

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\(^34\) [https://mod-ukr.imsma-core.org/portal/apps/webappviewer/index.html?id=d1fc9330a4964cc793dac7894c725fa3](https://mod-ukr.imsma-core.org/portal/apps/webappviewer/index.html?id=d1fc9330a4964cc793dac7894c725fa3)

\(^35\) According to the representative of the Danish Demining Group of the Danish Refugee Council, which is one of the most active international partner in demining activities.
Annex 2 and Annex 3). If the screening identifies potential risk, community will consider alternative site or change subproject.

(ii) Mitigation Measures

Even after going through the risk screening and avoiding the landmine/UXO contaminated areas during screening process, there is a possibility of “chance finds” of suspected ordinance during project implementation in the sub-project areas. In order to minimize the risk of such encounters, the following measures should be followed in project implementation.

Study procedures to identify and remove landmines/UXO available nationally, for example the one prepared the Ministry of Internal Affairs can be assessed on-line36.

Selection of routes

- To select the common and safe routes used by many local people; avoid using routes not commonly traveled at early morning and night when visibility is poor; don’t use highly vegetated roads or trails
- Do not go to unknown places, abandoned areas where troops previously sheltered or where battles have occurred, or where landmine explosion have occurred
- To inquire the local signs of landmines and strictly follow the rules
- To select another route in case of uncertain information of landmines on the selected route
- Do not touch objects that are not familiar or appear out of place in a given environment

Information Sharing

- Contractors should always inquire the information of landmine prone places/dangerous places from the local villagers and always avoid these places/routes
- Awareness raising to the all personnel working or visiting the site as well as nearby community by the project Implementing Agencies, their respective PIUs, contractors and subcontractors.

Signs of landmines

The international sign for the existence of landmine in a specific area is a skull with two crossed bones beneath it.

Preparedness

Communities in UXO/Landmine risk areas should have information on location and contact details of nearby clinics or health facilities that can treat serious laceration and avulsion. This information should also be maintained by PIUs contractors and be notified to all workers.

Mitigation actions

Implement a ‘Chance Find’ procedures (see below) which clearly defines safe actions to be taken in the event that mines or any other suspected ordnances are encountered during project implementation.

Arrange and coordinate immediate landmine disposal to minimize work stoppages when suspected objects are encountered.

36 http://ndekc.volyn.ua/files/pages/f/5e/329cfc669e50f49553d1665d9b1d5ef/pamyatka/pamyatka.pdf
(iii) Chance Find Procedure

In case of finding the suspected objects during works:

Immediately stop all works and move out using the same path used;

Immediately restrict the entry of all the persons including the workers, in any case;

Immediately inform about the existence of UXO/landmine in a specific area by calling ‘101’ (emergency services), ‘102’ (police) and the community nearby and have to make sure no one enter those areas until the authorities arrive and the landmines are cleared. Please consult the

Set the signs and markings with the use of yellow, red and blue ropes in the landmine existence area to warn the public;

After that the information about the landmine occurrence must be informed to the MRTOT and UAD and MRTOT respective PIUs.

Then the information is step by step reported via to the regional department of Ministry of Emergency Non-technical survey groups (Danish Demining Group (DDG); The HALO Trust, etc.)

Clear the suspected objects with the support of relevant operators safely

The chance find should be ultimately reported to the MRTOT and UAD respective PIUs who will then report to the World Bank.