

**INTEGRATED SAFEGUARDS DATA SHEET
APPRAISAL STAGE**

Report No.: ISDSA8029

Date ISDS Prepared/Updated: 19-Mar-2014

Date ISDS Approved/Disclosed: 19-Mar-2014

I. BASIC INFORMATION

1. Basic Project Data

Country:	Macedonia, former Yugoslav Republic of	Project ID:	P148023
Project Name:	Macedonia National and Regional Roads Rehabilitation (P148023)		
Task Team Leader:	Liljana Sekerinska		
Estimated Appraisal Date:	24-Mar-2014	Estimated Board Date:	03-Jun-2014
Managing Unit:	ECSTR	Lending Instrument:	Investment Project Financing
Sector(s):	Rural and Inter-Urban Roads and Highways (90%), General public administration sector (10%)		
Theme(s):	Regional integration (50%), Trade facilitation and market access (50%)		
Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)?			No
Financing (In USD Million)			
Total Project Cost:	70.00	Total Bank Financing:	70.00
Financing Gap:	0.00		
Financing Source			Amount
Borrower			0.00
International Bank for Reconstruction and Development			70.00
Total			70.00
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

2. Project Development Objective(s)

The Project Development Objective is to enhance the connectivity of selected national and regional roads, primarily to Corridors X and VIII, and to improve PESR's capacity for road safety and climate resilience.

3. Project Description

The proposed project will finance the rehabilitation of key state road sections to improve road connectivity, safety and climate resilience. As transport costs and travel time decrease, more direct travel between origins and destinations will be generated, therefore creating a more accessible and reliable transport system. It will also allow cost savings for road users and traveling will become safer than it is today. The proposed project will also address the mobility and accessibility needs of the poor in lagged regions, and by doing that, the project will maximize the poverty impact and promote shared prosperity in the Macedonia. Well-managed and adequate transportation systems, particularly inter-urban and regional corridors, are a key part of a country's economic structure, providing efficient and low cost access of goods and people. Two of the regions where the project will be implemented rank low in terms of accessibility and are amongst the poorest in the country, with poverty rates higher than the national average. Financing road improvements and improving connectivity in these lagged regions could directly benefit low-income populations by improving access to markets and social services on one hand, and securing short term and long-term employment opportunities on the other.

In addition, the project will contribute to the ongoing efforts by the Government and the current World Bank project (Regional and Local Road Program Support Project or RLRSP) to improve road condition in an efficient manner through better road asset management practices (introduced and currently under implementation of RLRSP). The project is envisaged to have two components.

Component 1: Road Rehabilitation Works: US\$62.2 million). The rehabilitation of some road sections would include pavement rehabilitation, drainage rehabilitation, small repairs of bridges and structures, and installation of road safety equipment/signs. This component will also support the incorporation of road safety measures and climate resilience measures in the design of the Project's road sections. The three sections that have been identified with PESR for the first year program are:

- Rehabilitation of national road M5 from Bitola to Makazi (23km)
- Rehabilitation of national road M5 from Resen to Bukovo (11km)
- Rehabilitation of regional road P409 from Boskov Bridge to Debar (8 km)

More road sections for rehabilitation will be further identified through the road asset management system being developed under the ongoing Bank-financed Project.

Component 2: Institutional Strengthening and Project management (Estimated Cost: US\$7.8 million). This component consists of activities to strengthen PESR's capabilities on issues related to road safety; climate resilience and road asset management. Also, this component will include project design for later year road works, and is expected to finance the provision of goods, consultants' services, and training, including a financial audit to support project coordination, implementation, and management.

The road sections that will be part of the second to fourth year program of the Project will be selected during project implementation following defined eligibility criteria that ensure economically viable, satisfy social and environmental safeguards and are in line with the objective of the Project. The definition of the second to fourth year program will benefit from PESR's implementation of a Road Asset Management System currently introduced with support from the ongoing Regional and Local Roads Program Support Project.

4. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

The location of the project is determined by the location and configuration of the roads proposed for the rehabilitation, as well as by the location of affiliated facilities such as construction materials borrow areas, material processing plants, and construction plants.

5. Environmental and Social Safeguards Specialists

Gulana Enar Hajiyeva (ECSEN)

Bekim Imeri (ECSSO)

6. Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/ BP 4.01	Yes	This policy is triggered because civil works to be implemented under the project represent environmental risks which are mainly temporary and limited by the period of construction, and manageable and mitigatable. The potential impacts may include destabilization of slopes in sensitive areas, loss of tree plantations in various sections alongside the existing road, disturbance of drainage systems, extraction of road construction materials, increased dust production and air and noise pollution, disturbance to wildlife in the project area, etc. Because of the programmatic approach of this project, an Environmental Assessment and Management Framework has been prepared by the client, which underlines the main environmental risks associated with the implementation of the road rehabilitation projects, and defines the procedures, institutional responsibilities and implementation arrangements for the preparation of road-specific Environmental Assessments and Management Plans (EAMP) for the roads to be identified later in the course of program preparation and implementation. The EAMF also provides for an assessment of client's capacity to manage environmental risks and ensure implementation of mitigation measures. In addition, the client has prepared separate and specific Environmental Assessment Reports and Management Plans for each of the road sections already identified for the first year of the Project. Those EAMPs determined site-specific impacts which are likely to occur due to the program implementation, proposed mitigation measures, defined responsibilities and arrangements for the

		implementation of those measures, and outlined the monitoring mechanism.
Natural Habitats OP/BP 4.04	No	The policy is not triggered because rehabilitation of roads is not expected to cause any considerable impacts on natural habitats. In addition, the road specific Environmental Assessments and Management Plans considered anticipated impacts and identified adequate mitigation measures.
Forests OP/BP 4.36	No	
Pest Management OP 4.09	No	
Physical Cultural Resources OP/ BP 4.11	No	The policy is not triggered, however, the respective EAMPs include provision to be followed by the client and contractor in case of any chance finds.
Indigenous Peoples OP/BP 4.10	No	
Involuntary Resettlement OP/BP 4.12	Yes	The policy is triggered because of programmatic nature of the road rehabilitation program. The program, beyond the first year, will invest in national roads that will be rehabilitation only and thus there will be unlikely need for Involuntary Resettlement, or perhaps impacts on livelihood. However, there might be need for small scale of temporary land acquisition or right of way agreements. Because of unknown rehabilitation works to be financed beyond the first year, in order to avoid need for restructuring if small scale temporary or permanent land acquisition is needed, the implementing agency prepared a Resettlement Policy Framework whereby impacts such as: temporary or permanent land acquisition, right of way impacts are addressed. The framework defines the sequencing, implementation arrangements and entitlements for each potential impact separately and also specifies a template for specific Land Action Plan. For the first year program there will be no impact on private assets or any other assets that are of any use. No need for impact of neighboring land has been specified with on the site specific Environmental and Social Mitigation Plans.
Safety of Dams OP/BP 4.37	No	

Projects on International Waterways OP/BP 7.50	No	
Projects in Disputed Areas OP/BP 7.60	No	

II. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

<p>1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:</p> <p>The project has been assigned an environmental category B, because it will support the rehabilitation of the existing roads within the the current ROW and without any changes to the existing alignment, which is associated with environmental risks which are not significant or irreversible, and can be mitigated if properly managed. The Environmental Assessment and Management Plans (EAMPs) have been prepared for the three roads proposed for the first year of the project implementation. Those EAMPs identified the following main types of potential negative impacts which are likely to occur due to the project implementation:</p> <ul style="list-style-type: none"> - generation of solid and liquid construction and domestic wastes; - dust, noise and vibration due to the use of construction machinery (construction phase), and due to increased traffic flow (operation phase); - air pollution by exhaust gases and dust; - soil damage due to excavation works and borrowing construction machinery; - soil contamination due to accidental spills of fuel and lubricants; - water pollution due to improper waste management and accidental fuel and lubricant spills. Out of the three roads proposed for the first year of the project, the risk of water pollution is anticipated only in the case of the road Boshkov Most - Debar, which passes over the Lake Debar and goes by the River Radica (no bridge rehabilitation is envisaged though); - issues related to traffic safety and human health during the construction phase. <p>The above impacts will be minimized or mitigated by the implementation of measures envisaged by the respective Environmental Mitigation Plans and monitored by PESR as provided for by respective Environmental Monitoring Plans.</p> <p>Most probably because of the nature of works, rehabilitation of the roads, no land acquisition is expected due to the project implementation. However, since the project will finance a program of road rehabilitation in future there might be a need for some alignments and in such cases there might be need for small impacts of neighboring land. The Resettlement Policy Framework will guide potential need for small scale land acquisition if needed.</p>
<p>2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:</p> <p>The environmental aspects of the operation of rehabilitated roads are those related to air pollution from automobile emissions, noise and pollution of soil and surface water with litter and drainage from the roads. However, since the roads will be operated within the existing footprint, and noise and drainage pollution will be decreased due to the improved road and drainage conditions, the anticipated incremental impacts are expected to be insignificant.</p>
<p>3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.</p>
N/A

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.

The Public Enterprise for State Roads (PESR) has prepared the Environmental Assessment and Management Framework which underlines main environmental risks associated with the road rehabilitation, and defines the procedures, institutional responsibilities and implementation arrangements for the preparation of road - specific Environmental Assessments and Management Plans (EAMPs) for the roads to be identified later in the course of the project implementation. For the three roads already proposed for the first year of project implementation, the PESR developed EAMPs which identified road specific impacts and proposed specific mitigation measures and monitoring plans.

The PESR will be responsible for the implementation of the project. The PESR (earlier ASR) has been involved in the implementation in similar projects for several years. Since 2010, the ASR employed a full time Environmental Specialist who has been responsible for the project environmental management and has been trained at the World Bank organized safeguard training. After the institutional restructuring and establishing the PESR, a specialized Environmental and Social Unit has been set up within PESR. The Unit was reinforced by the second Environmental Specialist and a Social Specialist. The staff of the Unit is knowledgeable in the environmental management practices and the requirements under the World Bank policies, and is able to carry out proper supervision of the implementation of environmental mitigation measures. The staff of PESR is also with the Bank Social Safeguard requirements given that the agency implemented projects financed by the Bank in the past. The newly formed unit, Environmental and Social Unit, will be also responsible for addressing social issues including cases that will trigger Involuntary Resettlement safeguards.

The PESR also prepared the Resettlement Policy Framework which defined the sequencing, implementation arrangements and entitlements for each potential impact separately and also specified a template for specific Land Action Plan. For the first year program there will be no impact on private assets or any other asserts that are of any use and therefore no site specific land acquisition plans will be prepared

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

The project stakeholders include the PESR, MoEPP, local residents and communities which will benefit from the improved road conditions, local executive and environmental authorities. The EAMF and three EAMPs have been disclosed and discussed in country at the public consultation meetings held in March 2014 in the selected locations of the project area. The participants of the consultation meetings included local residents/communities, NGOs, local governments and municipalities as well as local environmental authorities. The Minutes of the public consultations have been recorded and enclosed to respective EAMPs.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	17-Mar-2014
Date of submission to InfoShop	18-Mar-2014
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	

"In country" Disclosure	
Macedonia, former Yugoslav Republic of	06-Mar-2014
<i>Comments:</i> Public consultations were held in the towns of Bitola, Resen and Debar. The disclosed documents included ESAMF, RPF and three road specific EAMPs. The documents were posted on the PESR official web-site on March 18, 2014.	
Resettlement Action Plan/Framework/Policy Process	
Date of receipt by the Bank	19-Mar-2014
Date of submission to InfoShop	19-Mar-2014
"In country" Disclosure	
Macedonia, former Yugoslav Republic of	06-Mar-2014
<i>Comments:</i> Public consultations were held in the towns of Bitola, Resen and Debar. The disclosed documents included ESAMF, RPF and three road specific EAMPs. The documents were posted on the PESR official web-site on March 18, 2014.	
If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.	
If in-country disclosure of any of the above documents is not expected, please explain why:	

C. Compliance Monitoring Indicators at the Corporate Level

OP/BP/GP 4.01 - Environment Assessment	
Does the project require a stand-alone EA (including EMP) report?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If yes, then did the Regional Environment Unit or Sector Manager (SM) review and approve the EA report?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
OP/BP 4.12 - Involuntary Resettlement	
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If yes, then did the Regional unit responsible for safeguards or Sector Manager review the plan?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
The World Bank Policy on Disclosure of Information	
Have relevant safeguard policies documents been sent to the World Bank's InfoShop?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
All Safeguard Policies	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

Have costs related to safeguard policy measures been included in the project cost?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

III. APPROVALS

Task Team Leader:	Name: Liljana Sekerinska	
<i>Approved By</i>		
Sector Manager:	Name: Juan Gaviria (SM)	Date: 19-Mar-2014