

Draft Terms of Reference

Consultancy services for preparation of the Albania Results-Based Road Maintenance and Safety Project – Environmental and Social due diligence

May 7, 2013

I. Background

1. The Government of Albania (Recipient) has received grant financing from the World Bank administered Europe and Central Asia Region Capacity Development Trust Fund (ECAPDEV) for preparation of the Albania Results-Based Road Maintenance and Safety Project (RRMSP). ECAPDEV has been established to build operational capacity in the region, and support improvements in the quality and speed of project preparation. ECAPDEV is a Multi-Donor Trust Fund with initial pledge of resources from the Government of Russia. This grant is a Recipient Executed Trust Fund, which will be implemented by the Albanian Road Authority through its project implementation team.

2. The purpose of this Terms of Reference (TOR) is to define the scope of work and tasks for the consultancy services to help the Government develop environmental and social due diligence documents for the RRMSP, including: Environmental Management Framework (EMF), Resettlement Policy Framework (RPF), and site specific Environmental Management Plans (EMP) for the first year road sections of the RRMSP. The TOR also includes capacity building activities of the ARA staff in preparing and implementing environmental and social safeguard documents.

II. Grant Description

3. The Development Objective of the Grant is to support the Government of Albania in preparing a Results-Based Road Maintenance and Safety Project (RRMSP) and to enhance the capacity of the Albanian Road Authority in road asset management and road safety. The sound preparation of RRMSP will contribute to better and effective use of the limited government funding in improving road maintenance.

4. The proposed grant would finance the preparation of the following activities for the Results-based Road Maintenance and Safety Project:

5. **Grant Component 1** will finance prioritization of the National Road Network repair/maintenance; and preparation of the RRMSP first year repair/maintenance program. This will also include capacity enhancements in these activities:

(a) Assessment of the existing National Road Network inventory and improving the usability of existing Road Asset Management System in ARA; identifying deficiencies that would be addressed through the project. On-the-job-training of ARA staff to populate, maintain and administer the computer-based Road Asset Management System (RAMS);

(b) Planning and prioritization of the National Road Network repair/maintenance needs based on actual physical conditions (accessibility, viability, safety), socio-economic criteria and balanced geographical distribution; and preparation of the RRMSP first year design and bidding documents (bidding documents will incorporate the recommendations of the independent road safety audit). Following the successful piloting of performance-based maintenance contracts in Albania, the planning and prioritization will consider a balanced approach between performance-based maintenance contracting and traditional competitively-

tendered input/output based maintenance contracting. This component will include capacity support to ARA in planning and prioritization and in the expansion of performance-based maintenance contracting.

6. **Grant Component 2** will finance capacity enhancement of the Albanian Road Authority and the Secretariat of the Inter-ministerial Road Safety Council in road safety:

(a) Introduction of Road Safety Audit Practices as part of operationalization of the Road Safety Action Plans, including conducting independent road safety audits for priority sections at design stage and incorporation of road safety standards in the bidding documents;

(b) Road Safety capacity enhancement and training for the Secretariat of the Inter-ministerial Road Safety Council in the area of Inter-Ministerial coordination, public outreach, and monitoring of action plan implementation.

7. **Grant Component 3** will finance Environmental and Social due diligence activities:

(a) Preparation of Environmental and Social Safeguards documents, including: Environmental Management Framework (EMF), Environmental Management Plans (EMPs) for the RRMSPP first year repair/maintenance program, Resettlement Policy Framework (RPF), and Resettlement Action Plans for the RRMSPP first year repair/maintenance program (if applicable);

(b) Review and identification of gaps / inconsistencies between regulations governing environmental and social safeguard policies of the government and guidelines of the World Bank and the European Union; provision of the on-the-job training of ARA staff to prepare and implement environmental and social safeguard documents.

8. **Grant Component 4** will finance Implementation Support Activities:

(a) Definition of the RRMSPP PDO and DLIs related to the implementation of the road repair/maintenance, and establishing baseline values and annual targets;

(b) Preparation of RRMSPP project operation manual;

(c) Grant management and implementation support to ARA, including audit and training.

III. Scope of Work and Objectives

9. The scope of work under this Terms of Reference relate to Grant Component 3 Environmental (Activity 1) and Social (Activity 2) due diligence activities.

10. Since the grant will support preparation of the design and bidding documents for the road maintenance/repair activities to be undertaken in the first year of the RRMSPP (Grant Component 1), the following safeguard policies are triggered: Environmental Assessment OP/BP 4.01, Natural Habitats OP/BP 4.04, Forests OP/BP 4.36, Physical Cultural Resources OP/BP 4.11, and Involuntary Resettlement OP/BP 4.12. Detailed activities under each of the triggered policies are presented in Table 1.

Table 1: Safeguard Policies and related activities

Safeguard Policies Triggered by the Grant activities	Activities
Environmental Assessment OP/BP 4.01	This policy is triggered because the grant will support preparation of the design and bidding documents for the road maintenance/repair activities to be undertaken in the first year of the RRMSP (Component 1). As the RRMSP will be prepared under this grant, the sections to be covered in the first year have not yet been identified.
Natural Habitats OP/BP 4.04	The policy is triggered because of the possibility that the RRMSP will include sections of road which lie within Protected Areas or other sensitive natural habitats. The EMF will address this by setting out precautionary measures for the road maintenance activities in such areas.
Forests OP/BP 4.36	As above: the policy is triggered because of the possibility that the RRMSP may include road sections in forested areas or forest plantations. The EMF will set out appropriate measures
Physical Cultural Resources OP/BP 4.11	The EMF and site-specific EMPs will have provisions in case of chance findings on site, while precautionary section in the EMF will be included for works that may deal with maintenance of specific bridges, which may, due to their historical value or age be a cultural monument.
Involuntary Resettlement OP/BP 4.12	No land acquisition will be financed under the Grant, and at present no land acquisition or resettlement is anticipated under the proposed future RRMS investment project. Nevertheless, as a precautionary measure under this Grant, a Resettlement Policy Framework (RPF) will be developed for the RRMSP to provide for the possibility that adjustments in the maintenance and rehabilitation program result in the necessity for some land acquisition. The RPF will serve as guidance for the entire program. Should it emerge that any of the work on road sections selected for the first year work program of RRMSP do require land acquisition or resettlement, RAPs will be prepared in parallel with the design of those works. The RAPs will follow the RPF and be subject to prior WB approval. The Terms of Reference for consultancy services to prepare the RRMSP first year repair/maintenance program will include a social section, which is considered as due diligence document for this preparation Grant, while the actual RFP and RAP (if required) to be prepared under the Grant will be used as due diligence documentation for the actual future investment Project.

IV. Activity 1 – Environmental due diligence

11. **Objectives.** The objectives of the Activity 1 are to prepare:(i) an Environmental Management Framework document (EMF), which will set forth the guidelines for preparation of site-specific EMPs; and (ii) site-specific EMPs to be prepared during project implementation in parallel with the preparation of design and bidding documents for the target road sections as they are identified. The EMF will include

specific EMPs based on the nature of works that are likely to be selected as priority for the first year work program and two sample EMPs for activities beyond the first year priorities. The EMF will also set out measures to help formulate sound environmental performance into the planning and design stages of the activity. This will include integration of environmental aspects into the results-based approach for the issued maintenance contracts.

12. Anticipated environmental issues which the EMF and then EMPs are expected to address include dust and noise generation from machinery, adequate site organization, storage of paints, equipment and machines, waste separation and management, chance findings, use of salt and/or materials in winter maintenance, and possible small construction interventions in order to improve road safety.

13. **Study Area and Likely Major Impacts.** The future project will cover roads maintenance activities throughout Albania, to include regular maintenance, reconstruction works, winter maintenance, reconstruction of bridges used in transport and other activities that shall be defined within Components 1 and 2 of the Grant. The EMF document shall be developed in close collaboration with the strategic and planning documents, and shall ensure that the sound environmental performance, through the implementation of the EMPs will be one of the performance indicators for the maintenance contracts. The likely major impacts include dust, noise and emissions from works and machinery, storage and use of machinery and/or paints and other chemicals (potential leakage into the soil or groundwater), waste management, rational use of natural resources, camp site organization and safety, traffic management. Provisions will also be made in the EMF in the instances that the pertinent road sections or bridges deal with cultural heritage or are in the close proximity of protected natural areas.

14. **Specific Tasks of Activity 1:**

Task 1. Develop an Environmental Management Framework

- ***Provide an analysis of WB and Albanian requirements and processes for EIA and roads maintenance activities in general:*** Describe the pertinent laws, regulations and World Bank operational policies governing environmental impact assessments at the state and local levels.
- ***Provide an overview of the environmental screening process for the future sub-projects:*** Following the requirements identified above, determine a screening procedure for applications, and how they will meet both requirements. Also provide provisions to avoid activities which would require a profound Environmental Impact Assessment study (corresponding to World Bank Category A).

Task 2. Develop Environmental Management Plans for the first year anticipated project activities and at least two sample EMPs for anticipated project activities beyond the first year

- ***Provide a full description of the project:*** including background data on the site, the conditions and needs for maintenance and the planned outcome. Include any of the water bodies, specific soil characteristics, rainfall and runoff characteristics, potential protected areas and/or cultural heritage, with baseline socio-economic parameters of the area.
- ***Legislative and Regulatory Considerations:*** Describe the pertinent laws, regulations, permitting procedures and standards governing environmental quality, environmental impact assessments, outdoor works, traffic management, waste management, at the regional and national level.
- ***Determination of Potential Impacts of the Proposed Project:*** In this analysis, distinguish between significant positive and negative impacts, direct and indirect impacts, and immediate and long-term impacts for the project locations. Identify impacts that are unavoidable or irreversible. Wherever possible, describe impacts quantitatively, in terms of

environmental costs and benefits. Assign economic values for each activity. Characterize the extent and quality of available data, explaining significant information deficiencies and any uncertainties associated with predictions of impact. Provide all relevant information in a format which is acceptable and required by the Albanian environmental legislation (if necessary).

- ***Summarize Potential Impacts into the World Bank Environmental Management Plan tables:*** Estimate the impacts and costs of the mitigation measures and of the institutional and training requirements to implement them. Assess compensation to affected parties for impacts that cannot be mitigated. Prepare an EMP, including proposed work programs, budget estimates, schedules, staffing and training requirements, and other necessary support services to implement the mitigating measures, monitoring, etc. Include measures for emergency response to accidental as appropriate. Prepare a detailed plan to monitor the implementation of mitigating measures and the impacts of the project during rehabilitation/construction and operation. Include in the plan an estimate of capital and operating costs and a description of other inputs (such as training and institutional strengthening) needed to implement the plan. Review the authority and capability of institutions at local, provincial/regional, and national levels and recommend steps to strengthen or expand them so that the EMP may be effectively implemented. The recommendations may extend to new laws and regulations, new agencies or agency functions, intersectoral arrangements, management procedures and training, staffing, operation and maintenance training, budgeting, and financial support. Include brief guidelines on the public disclosure and consultations process, records of which are an integral part of the EMP.

NOTE: The first year and sample EMPs will be prepared as per the outline defined in the EMF, which reconciles both, the World Bank and the Albanian legal requirements, while following the general outline given above, and using the standard World Bank EMP tables provided in the Annex of this ToR.

Task 3. Develop measures for works that may be related to cultural heritage. In the event that a proposed project activity would deal with potential or identified cultural heritage site (such as bridges) identify the overall procedure and requirements of the World Bank's Operational Policy OP 4.11 on Physical Cultural Resources and the relevant Albanian laws and institutions to be involved.

Task 4. Develop measures for works that may be related to natural habitats or otherwise protected or sensitive natural areas. In the event that a proposed project activity would be located within, or in a close proximity of a natural habitat or otherwise protected or sensitive natural area, identify the steps that need to be taken in EMP preparation for this site, including World Bank's OP 4.04 on Natural Habitats and relevant Albanian laws and bylaws including details on local authorities that need to be involved.

Task 5. Prepare a Final Report Following preliminary disclosure and public consultations (see section VI) and integration of conclusions and pertinent documents from such consultations, the Consultant will provide a final EMF report which is concise and limited to significant environmental issues, as a concise unification of all existing documents and measurements. The main text should focus on findings, conclusions and recommended actions, supported by summaries of the data collected and citations for any references used in interpreting those data. Detailed or uninterrupted data are not appropriate in the main text and should be presented in appendices or a separate volume. Unpublished documents used in the assessment may not be readily available and should also be assembled in an appendix. The consultant should organize the environmental assessment report according to the outline given in Annex 1 of this Terms of Reference.

15. **EMF Requirements/Regulations:** In preparing the EMF, the consultant will include precautionary measures for the Protection of Cultural Heritage and for activities in the proximity or within specific Natural Habitats or any protected areas. The scope and content of the EMF is provided in Annex 1 of this ToR. The EMF will fully comply with the provisions of the World Bank Operational Policy 4.01: "Environmental Assessment," Operational Policy 4.04 "Natural Habitats and OP 4.11 "Physical Cultural Resources" and the Pollution and Abatement Handbook (1998) and Disclosure Handbook (December, 2002). The EMF will also analyze the requirements of the pertinent Albanian legislation dealing with environmental impact assessment, protected areas, waste management, cultural heritage and other laws and bylaws with provisions that may be related to or govern the financed activities. EU regulations that govern such activities, but have not yet been transposed into the Albanian legislation also need to be identified. The EMF will provide an overview of both and establish a process for meeting both, the World Bank policies and the Albanian legal requirements.

V. Activity 2: Social Due Diligence

16. **Objectives.** The objective of the Activity 2 is to prepare the Land Acquisition and Resettlement Policy Framework (LARPF). The LARPF to be prepared must reflect regulatory requirements of Albania as well as social safeguard policies and procedures of the World Bank Operational Policies on Involuntary Resettlement OP 4.12. Specific objectives of the LARPF include:

- Provide details on the policies governing land expropriation, the range of adverse impacts and entitlements;
- Present a strategy for achieving the objectives of the resettlement/ land acquisition policy;
- Provide a framework for implementation of the stated strategies to ensure timely acquisition of assets, payment of compensation and delivery of other benefits to project affected persons (PAP);
- Provide details on the public information, consultation and participation, and grievance redress mechanisms in project planning, design and implementation;
- Provide identified sources and estimates of required resources for implementation of the LARPF;
- Provide a framework for supervision, monitoring and evaluation of resettlement implementation.

17. **Content of the RARPF:** The plan will provide a framework to address possible adverse impacts related to land acquisition and resettlement under the RRMSP. The final report should be structured as summarized below. Annex 2 provides a suggested outline.

Section I: Legal framework reviewing the fit between the national law with the World Bank policy.

This section should include a discussion of the Expropriation Law and all other relevant laws pertaining to resettlement and land acquisition in Albania, as well as a discussion of World Bank rules and regulations. The fit between relevant law and WB OP/BP 4.12 on Involuntary Resettlement should be highlighted and areas requiring conciliation should be emphasized.

Section II: Resettlement/land acquisition principles. In addition to Albania legislation, the framework plan should include and emphasize principles of the World Bank's Operational Policy 4.12 on involuntary resettlement such as *Minimization of expropriation of land, Obligatory Legal Process, Compensation and eligibility principles*: and explain whenever expropriation of private land is unavoidable, how are such cases handled according to Albanian law and how does this fit with World Bank regulations.

Section III: Methods of valuing assets, eligibility criteria, and organizational arrangements of delivery of entitlements. The framework plan will outline details for valuing assets and entitlements varying according to land type and use. It will furthermore describe in detail how the Albanian laws distinguish between owners, tenants and project affected people (PAP) with and without occupancy

rights; people who use the land for commercial purpose; and people who have made improvements of any nature.

Section IV: Organizational responsibilities, institutional framework and grievance procedures. The report will describe the overall responsibility for enforcement of the Land Acquisition and Resettlement Policy Framework and for planning and implementing Land Acquisition and Resettlement Plans. The report should provide clear and unambiguous guidance on the roles and responsibilities of the various institutions involved in preparing Land Acquisition and Resettlement Plans if become necessary under the project, and for the day-to-day implementation thereof within the respective jurisdictions. The process of delivery of entitlements should be described in detail, noting who is involved at each stage.

18. **LARPF Requirements/Regulations.** In conducting Activity 2, the consultant has to take into consideration the following relevant documents:

- Albanian laws and/or regulations on, expropriation and other relevant regulations
- World Bank Operational Policy and Bank Procedures OP/BP 4.12 “Involuntary Resettlement”;
- World Bank Involuntary Resettlement Sourcebook: Planning and Implementation in Development Projects, 2004;

- VI. **Disclosure and Public Consultation:** The Consultant will assist the project implementation team in ARA in coordinating the EMF, EMPs, and RPF with relevant agencies. ARA jointly with consultant will be responsible for public disclosure of the documents, followed by consultations with groups likely to be affected by the proposed project and with local NGOs on the environmental and social aspects of the proposed project. For Category B projects, these groups should be consulted once draft documents have been prepared and a summary of the conclusions will be made available prior to the meeting. The draft documents should also be available in a public place accessible to affected groups and local NGOs. Attendance sheet and minutes of meeting from the public consultations will be included as an Annex of the EMF. After disclosure and consultations, the consultant will help ARA prepare minutes of consultations, and update documents to incorporate all comments received prior to re-disclosing the final versions of the documents.
- VII. **Capacity Building of ARA.** In developing the environmental and social due diligence documentation, the consultant will involve and train 2-3 employees throughout all stages of Activity 1 and 2. ARA will be responsible for identifying these people.
- VIII. **Consulting Team.** The Consultant shall have skills and relevant experience required to carry out the described activities. The selected consultant shall have knowledge of the relevant current Albanian legislation and procedures for environmental assessment, land acquisition, resettlement, and compensation; as well as the World Bank safeguards requirements, including experience in organizing disclosure and public consultations. The activities under this TOR require interdisciplinary analysis, and general skills required are: environmental management, environmental impact assessment, biology and cultural heritage, social development analysis, and grievance redress mechanisms.
- IX. **Schedule.** The Activities 1 and 2 of the TOR will be done in parallel. The consultant will have up to 100¹ calendar days to prepare EMF, RPF, and EMPs for the first year RRMSPP, including disclosure, public consultations and integration of the conclusions and recommendations made during the consultations within the report.

¹ The amount of days may be changed if the number of road sections for repair/maintenance activities for the first investment year of RRMSPP increases / decreases, thus changing the number of EMPs for the first year.

- X. **Language of the deliverables.** All documents under this TOR will be prepared in English and Albanian languages for disclosure and consultation purposes.
- XI. **Reporting arrangements.** The consultant will report to the Albanian Road Authority.

Annex 1: Suggested Table of Contents for the EMF Report

Environmental Management Framework

1. Abbreviations and acronyms
2. Executive Summary
3. Introduction
4. Overview of Environmental and Other Requirements in Albania
5. Overview of World Bank OP/BPs and Requirements
6. Environmental Review Process (reconciled process between 2 and 3)
7. Plan for works dealing with Cultural Heritage
8. Plan for Works Dealing with Natural Habitats or Protected Areas
9. Main points from the Public Consultations Process (Attendance Sheet and Official Minutes to be included in the Annex of the EMF)

Environmental Management Plans for at least 2 known activities

1. Introduction
2. Project Description
3. Possible environmental impacts associated with **proposed** project activities
4. Environmental Management Plan – *See tables 1 and 2 below*
 - Environmental Mitigation Plan (table)
 - Environmental Monitoring Plan (table)
 - EMP Implementation Responsibilities
 - Capacity Development and Training Needs
5. Public consultation and disclosure - *Major Conclusions and Comments Made during the Public Consultations*

Table 1: Environmental Mitigation Plan

Phase	Issue	Mitigating Measure	Cost		Institutional Responsibility		Comments (e.g. secondary impacts)
			Install	Operate	Install	Operate	
Pre-construction / Design							
Construction							
Construction							
Construction							
Construction							
Operation							
Operation							
Decommissioning							

Table 2: Environmental Monitoring Plan

Phase	What <i>parameter is to be monitored?</i>	Where <i>is the parameter to be monitored?</i>	How <i>is the parameter to be monitored/ type of monitoring equipment?</i>	When <i>is the parameter to be monitored- frequency of measurement or continuous?</i>	Why <i>Is the parameter to be monitored (optional)?</i>	Cost		Responsibility	
						Install	Operate	Install	Operate
Baseline									
Baseline									
Construct									
Construct									
Operate									
Operate									
Decommission									

Annex 2: Suggested Table of Contents for the Land Acquisition and Resettlement Policy Framework

- 1) A brief description of the project and components for which land acquisition and resettlement are required, and an explanation of why a resettlement plan cannot be prepared;
- 2) Principles and objectives governing resettlement preparation and implementation;
- 3) A description of the process for preparing and approving resettlement plans;
- 4) Estimated population displacement and likely categories of displaced persons, to the extent feasible; estimated land needed for expropriation to the extent feasible
- 5) Eligibility criteria for defining various categories of displaced persons;
- 6) A legal framework reviewing the fit between borrower laws and regulations and Bank policy requirements and measures proposed to bridge any gaps between them;
- 7) Methods of valuing affected assets;
- 8) Organizational procedures for delivery of entitlements;
- 9) Description of grievance procedures
- 10) Outline – template of the Resettlement Action Plan as an annex to the Resettlement Policy Framework