

**UKRAINE: CONFLICT RESPONSE AND RECOVERY PILOT AND CAPACITY
BUILDING PROJECT**

**Environmental Management Plan Checklist and Format
for Low-risk Topologies**

March 2016

PART I: Activity Description

1. INTRODUCTION

Ukraine is currently experiencing an acute period of political transition, instability and insecurity. The last two years have witnessed several momentous events: the “Maidan” uprising that led to the ousting of the previous President, Presidential, Parliamentary and local elections in 2015, and the outbreak of conflict in eastern Ukraine. In March 2014, the Autonomous Republic of Crimea and City of Sevastopol held referenda to join the Russian Federation, which were widely criticized and declared as “having no validity” in the UN General Assembly resolution 68/262. These recent developments have exacerbated underlying sources of fragility and conflict, including severe economic downturn, endemic corruption and governance challenges, and regional divides. Despite the recent extension of a fragile ceasefire agreement (the Minsk Protocol – “Minsk 2”) in February 2015, fighting in eastern Ukraine continues.

The onset of political crises and conflict in Ukraine has compounded the country’s existing economic challenges and overall development prospects. Conflict has paralyzed economic activity in Ukraine’s eastern industrial heartland—the Donetsk and Luhansk regions account for almost one-quarter of Ukraine’s industrial activity and an equal share of its exports.¹ Disruptions in industry, transport and small and medium enterprise activity have led to widespread job loss and a crisis of investor confidence has stymied business development. Hostilities in the Donbas region have led to a decline of Ukraine’s exports (by over 13 percent) and imports (by over 28 percent) due to deterioration of trade with Russia and an overall decrease in economic activity.² The World Bank predicted a real GDP decline of 12 percent in 2015 due to trade deficits and a drop in commodity prices alongside a re-escalation of the conflict in early 2015.³

The impacts of conflict are particularly acute for the poor and vulnerable living in eastern Ukraine. Nearly 10,000 people have been killed and over 4 million people in the Donbas region have been directly affected. Insecurity in eastern Ukraine has interrupted service delivery, infrastructure and urban development for eastern populations. As a result of the conflict, over 2.7 million people have been displaced both internally (1.6 million) and outside of Ukraine (1.1 million).⁴ This represents over 5 percent of Ukraine’s population. Nearly 60 percent of IDPs are pensioners, 60 percent are women, 13 percent are children and 4 percent are disabled. More than

¹ UN, EU, WBG, ‘*Ukraine: Recovery and Peacebuilding Assessment*’; March, 2015

² Economic Connectivity of Trade in Ukraine, Swiss Confederation, 2016.

³ World Bank, ‘*Macro Economic Update*’ October 2015.

<http://pubdocs.worldbank.org/pubdocs/publicdoc/2015/10/34131444107623273/UA-MacroeconUpdate-Oct-2015-en.pdf>

⁴ Ukraine Ministry of Social Policy.

half of IDPs have stayed in Donetsk and Luhansk regions near the conflict zone, but IDPs have also settled throughout the country in search of opportunity. While the GoU has taken steps to protect and support internally displaced by adopting relevant legislation and allocating available resources, the overall economic situation and the increasingly protracted nature of the challenge means IDPs are becoming increasingly vulnerable.

The increasing numbers of Ukrainians (enlisted, conscripted, volunteers) returning home from military service in eastern Ukraine also face challenges in reintegration back into communities. Soldier returning from the frontlines experience post-traumatic stress disorders and other health challenges. The contraction of Ukraine's economy means that often jobs and livelihood opportunities are limited for former combatants. As displacement and conflict-related socio-economic pressures mount, there is a need to build the resilience of households and communities to cope in the mid- to longer-term.

At the request of the Government of Ukraine, the UN, World Bank, and EU finalized the Recovery and Peacebuilding Assessment (RPA) for Eastern Ukraine in April 2015. Since that time, the United Nations and the World Bank have been working with GoU counterparts to support RPA implementation. The GoU has advanced institutional arrangements for oversight and coordination of recovery and peacebuilding activities in Ukraine, including an overarching governance structure. Despite initial delays due to Ukraine's economic crisis and competing political priorities, there has been recent momentum behind this GoU-led process. The GoU has established the 'State Agency of Ukraine for Donbas Recovery (SADR) and will soon establish a high-level policy-making body, the 'National Council on Recovery of Eastern Regions of Ukraine' to set policy and strategic direction for recovery efforts. As its initial task, SADR has been charged with advancing the GoU proposed, 'State Target Programme for Recovery of the Eastern Regions of Ukraine (State Programme)' that will take RPA findings as a foundation for developing a Government-led strategy and financing approach for recovery and peacebuilding activities.

As a newly-established entity with a broad-ranging mandate in a highly complex operating environment, SADR has requested technical and financial support to help achieve its objectives. The proposed project aims to enhance recovery and peacebuilding in Ukraine by supporting the role and effectiveness of the State Agency of Ukraine for Donbas Recovery as the 'institutional hub' for advancing efforts to address the development impacts of the conflict. As the focal point Agency for recovery efforts, support to the SADR will help build a stronger foundation and national system to coordinate current and future national and international response efforts.

2. PROJECT OBJECTIVE

The goal of the project is to build the Government of Ukraine's institutional capacity to address the development impacts of the conflict. This will include through capacity building, knowledge generation and pilot recovery and peacebuilding activities.

3. PROJECT DESCRIPTION

The proposed project is organized in three inter-related components to support capacity building, knowledge generation, and pilot activities.

Component 1– SADR Capacity Building, Project Management, and Monitoring and Evaluation (*Recipient Executed by SADR US\$ 900,000*)

This component will build the early capacity of the State Agency for Donbas Recovery to fulfill its strategy, planning and coordination mandate as well as to effectively manage, monitor and evaluate proposed recipient executed pilot activities and future national and international assistance. As a new State Agency, and with the GoU's continuing budget crisis and competing reform process, SADR faces challenges in establishing itself as the focal point for recovery activities. Despite these obstacles, SADR has made significant progress in recent months. The Head of Agency for SADR was appointed in May 2015 and SADR became operational with initial staff hired in June 2015. As of February 2016, SADR has established its offices in Kyiv and has 26 staff members, including with competencies in legal affairs, accounting, human resources, communications, humanitarian assistance, economic recovery, public-private partnerships and displacement response. SADR has a staffing plan for 70 future personnel although low wages and limited availability of technical staff with a peacebuilding and recovery skillset has made recruitment difficult.

In this institutional context, Component 1 would include the following types of activities designed to both enable SADR to implement Component 3 activities and to more broadly build the capacity of SADR to coordinate future national and international programming and financing for peacebuilding and recovery. The principle for capacity building assistance will be to prioritize activities that complement incremental costs provided by the Government of Ukraine for SADR and to provide an initial surge of support during SADR's start-up phase. Capacity building will also include attention to building SADR presence and reach in eastern Ukraine and support for municipal/local level capacity building for recovery and peacebuilding planning and program implementation. SADR is interested in creating a satellite office in eastern Ukraine that would enable enhanced coordination with local governmental and non-governmental partners and program oversight.

A focus will also be on supporting SADR in establishing coordination and consultation mechanisms that engage donors and other national/international partners to lay the groundwork for future investments and recovery programming.

Component 2 – Building knowledge on the socio-economic impacts of displacement and combatant return (*Bank executed, US\$ 400,000*)

This component will support the design and implementation of new research and analysis to assess the socio-economic impacts of displacement and combatant return in order to provide robust data to underpin future planning and programming. The overall goal is to identify policy and program responses that mitigate the potential negative socio-economic impact of conflict-affected population presence on host communities and maximize the social-economic benefits of conflict-affected population presence for host communities and the Ukrainian economy as a whole.

Two main analytic products are envisioned that are targeted to areas of World Bank comparative advantage and where the World Bank has global knowledge and experience in development response. These analytic activities will directly inform the design and implementation activities outlined in Component 3.

- a) A representative household survey of IDPs and host communities to assess the impact of displacement on issues such as labor markets/livelihoods, housing, municipal services, education, healthcare, welfare, and social cohesion. This may be accompanied by a complementary qualitative assessment focused on perceptions and experiences of key stakeholders, their priorities as well as exploration of factors contributing to the trends identified through the quantitative work.
- b) A survey to assess psychosocial and economic reintegration needs of former combatants to include a baseline assessment of the population of returning combatants from eastern Ukraine to identify potential areas for psychosocial and economic reintegration support. The assessment would cover both combatant needs, family/community needs and potential opportunities for socioeconomic integration based on needs, skills, available support services and structures, labor market, and private sector investment opportunities.

This component would also include capacity building and technical assistance to the relevant GoU agencies in survey design, implementation, and data analysis in order to facilitate future GoU ownership of survey efforts.

Component 3: Piloting activities to respond to the development challenges of displacement and combatant return (*Recipient executed by SADR, US\$ 2.3 million*)

27. Based on the results of the analytic work described above, Component 3 would include pilot activities to respond to the developmental needs of the internally displaced persons (IDPs), former combatants and host communities as a complement to ongoing humanitarian response efforts. The goal of Component 3 is to build GoU capacity to implement innovative development-oriented programming that could be brought to scale through future national and international financing.

28. This component would be designed based on the results of Component 2 assessments and following sufficient capacity building support to SADR to manage project activities. Target communities for pilot support would be chosen based on the following principles:

- a) communities with high concentrations of combatants and/or IDPs (see figure 1);
- b) areas where host communities are already vulnerable due to conflict impacts, lack of employment and economic opportunities, and social cleavages;
- c) communities where there exists a gap in national/international development support;
- d) regions neighboring Donetsk and Luhansk which World Bank group staff can access for supervision (based on security situation/travel restrictions).

SADR would pilot an integrated set of activities to respond to the unique needs of Ukraine's displaced (e.g. large numbers of pensioners; repeat returns; availability of high-skilled labor force), former combatants and host communities. The specific set of interventions to be delivered would be tailored based on assessment results but would likely include livelihood opportunities, housing support, municipal services and social assistance, health and psychosocial support as well as activities to promote social cohesion and community revitalization. The pilot would also explore

possible joint programming with the IFC to promote private sector development and job creation in areas with high IDP or former combatant populations.

Lessons from the pilot activities and capacity building would then be utilized to inform a more comprehensive GoU strategy and budgeting as well as to help in the better targeting and design of investments by the Bank and other development partners. For the Bank, these pilots could directly inform the Community Social Support project under preparation as well as projects focused on health, urban development, and district heating that operate in communities with IDP populations.

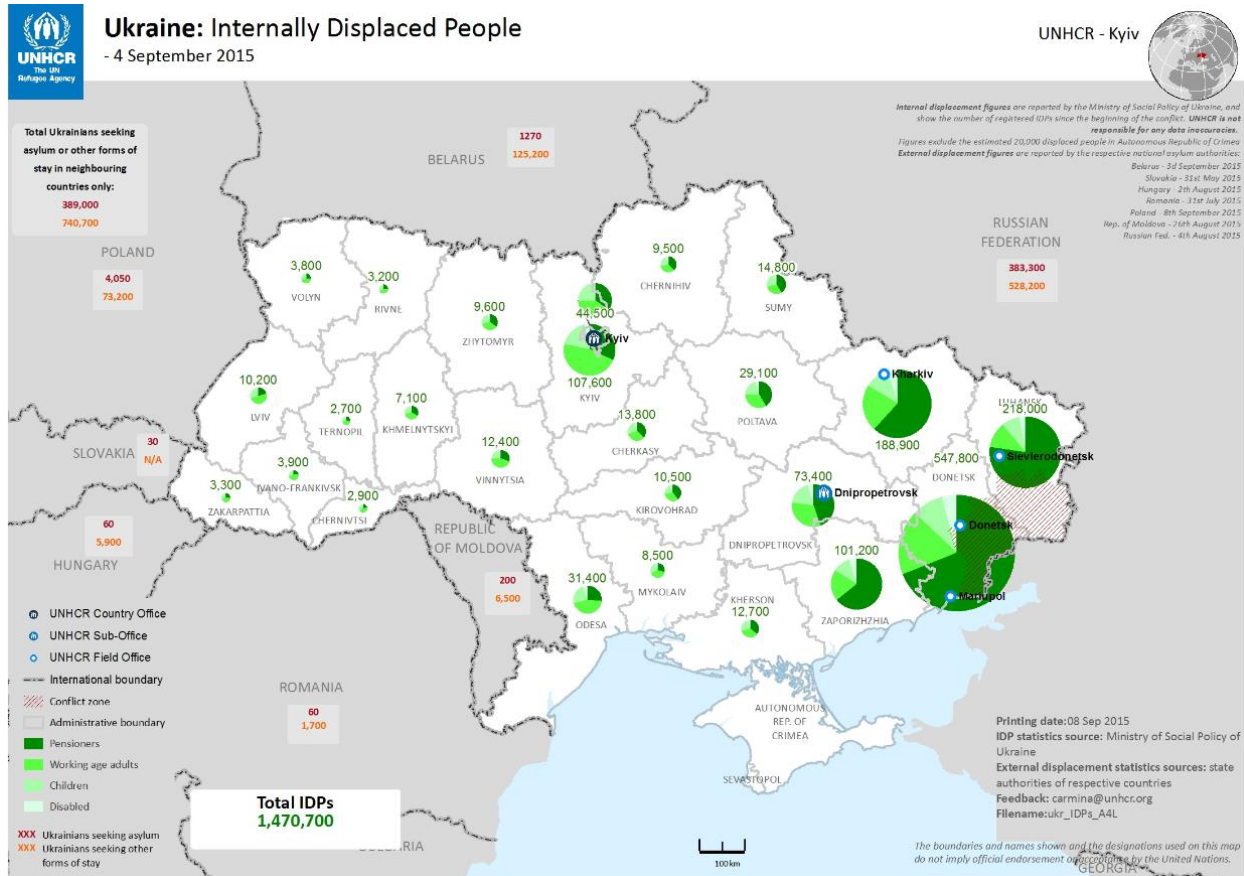
4. ENVIRONMENTAL FOOTPRINT

Based on the criteria above, pilot activities focused on IDPs and/or ex-combatants will take place in one or two of the following oblasts: Kharkiv, Zaporizhzhia, Dnipropetrovsk, and/or Mykolayiv. While displacement has been countrywide, the five most affected regions include Donetsk and Luhansk regions, where the active conflict is taking place, followed by Dnipropetrovsk and Kharkiv. In terms of returning combatants (including volunteers and regular forces), reliable data is very difficult to obtain. However, Mykolayiv and Dnipropetrovsk oblasts have been identified by the State Agency for Donbas Recovery in early consultations as potential oblasts facing challenges in combatant return combined with existing vulnerabilities and IDP populations. In Dnipropetrovsk oblast, for example, authorities list 8,817 demobilized.



Final target communities and activities within these oblasts will be agreed based on results of the component 1 capacity building and component 2 surveys. However, pilot activities will be designed for urban settings in these oblasts. The types of activities could include small civil works and private sector development that may have environmental impacts—and thus trigger OP/BP 4.01. As specific grant activities are not yet known, an ESMF is being prepared to ensure project activities are in line with relevant safeguards policies. Operations Manuals (OMs) will be devel-

oped for component 3 activities and will include this ESMF detailing specific eligibility criteria and a screening checklist for pilots to ensure safeguards compliance.



5. POLICY, LEGAL AND ADMINISTRATIVE FRAMEWORK

Ukrainian legislative and regulatory base on environmental issues consists of international conventions, protocols and agreements ratified by the Parliament of Ukraine; laws; resolutions and decrees of the Cabinet of Ministers of Ukraine; orders of the Ministries. By the CMU’s resolutions/ decrees and orders of the Ministries various norms, rules, standards and guidances are approved. To become legal, every document has to be registered with the Ministry of Justice of Ukraine.

Main legal regulations on environmental protection, which are related to RSDP, are the following:

- Law of Ukraine “On Environmental Protection” (1991);
- Law of Ukraine “On Atmospheric Air Protection” (1992);
- Law of Ukraine “On Nature-Protected Areas” (1992);
- Law of Ukraine “On Environmental Expertize” (1995);
- Law of Ukraine “On Waste” (1998);
- Law of the Parliament “On Flora” (1999);
- Law of the Parliament “On Fauna” (2001);
- Forest Code (1994), Water Code (1995) and Land Code (2001).

In 2010 the National Environmental Strategy till 2020 was adopted by the Parliament of Ukraine, and followed by the National Environmental Action Plan for 2011-2015. It foresees the integration of environmental policy into sectoral policies and improvement of the integrated environmental management system. According to the Strategy, there is planned to implement measures for reduction of air pollution from mobile sources; establish the anti-noise shields along the motorways, which close by populated areas and create economic circumstances for the development of infrastructure of environmentally-friendly transport.

5.1 Air Protection Legislation

The legal and institutional frameworks and key environmental requirements in the field of atmospheric air protection are defined in the Law of Ukraine “On Atmospheric Air Protection” (1992). This Law aims to facilitate the maintenance and restoration of atmospheric air to its natural state, the provision of safe living conditions and environmental safety, and the prevention of harmful effects on human health and environment.

Key existing regulations and standards in the field of air protection include:

- Law of Ukraine “On Prohibition of Import and Sale of Ethylated Gasoline and Lead Additive to the Gasoline on the Territory of Ukraine” (2001);
- Decree of the Cabinet of Ministers of Ukraine “On Approval of Program on Phased Cessation of Ethylated Gasoline’s Usage in Ukraine” (1999);
- Decree of the Cabinet of Ministers of Ukraine “On Approval of Procedure of Organizing and Conducting a Monitoring in the Area of Air Protection” (1999);
- Decree of the Cabinet of Ministers of Ukraine “On Approval of Concept on the Reduction of Heavy Metals’ Emissions into the Atmospheric Air” (2000);
- Decree of the Cabinet of Ministers of Ukraine “On Approval of the List of Most Widespread and Dangerous Substances, which Emissions are Subject to Control” (2001);
- Decree of the Cabinet of Ministers of Ukraine “On Approval of the Procedure of Development and Adoption of the Standards for Pollutants’ Emissions Limits in Discharge Gases and Physical Factors’ Impact of Mobile Sources” (2002);
- Decree of the Cabinet of Ministers of Ukraine “On Approval of Concept of State Policy’s Implementation regarding Reduction of Pollutants’ Emissions into the Atmospheric Air, which Caused Acidification, Eutrophication and Formation of Ground Ozone” (2003).

5.2 Water Legislation

The legal framework for water management in Ukraine is provided in the Water Code (1995) and other legislative acts, designed to facilitate the conservation, sustainable and scientifically justified use, and restoration of water resources; the protection of waters against pollution, contamination and depletion; the prevention and mitigation of harmful effects of waters; the improvement of ecological state of water bodies; and the protection of water user's rights. The main

issues of the water supply and waste water are a permit to take water from the water source (“special water use” permit) and a permit to discharge treated or non-treated wastewater into the environment.

Key environmental regulations and standards in the field of water resource management are:

- Resolution of the Parliament “State Program “Drinking Water of Ukraine” for 2011-2020”;
- Decree of the Cabinet of Ministers of Ukraine “Procedure of Approval and Obtaining Permits for Special Water Use”;
- Decree of the Cabinet of Ministers of Ukraine “On Approval of the Rules of the Protection of Surface Waters from Pollution by the Return Waters”;
- Decree of the Cabinet of Ministers of Ukraine “Procedure of Development and Approval of Pollution Discharge Limits and the List of Polluting Substances, for which the Discharge Limits are Set”;
- Decree of the Cabinet of Ministers of Ukraine “Procedure for Implementation of State Water Monitoring”;
- Orders of the State Committee of Construction, Architecture and Housing Policy of Ukraine “On Approval of the Rules for Conducting the Inspection, Technical Assessment, and Certification of External Networks, Water Supply and Sewerage Facilities” and “Regulation on the Safe and Reliable Operation of External Networks, Water Supply and Sewerage Facilities”;
- Order of the Ministry of Environment and Nuclear Safety of Ukraine “The Guidance about the Procedure of Development and Approval of Standards for Pollutants’ Discharge Limits in Water Bodies with Return Waters”.

5.3 Environmental Impact Assessment

The Law of Ukraine “On Environmental Expertize” (1995) requires the state ecological expertize of investment projects. The decision “no objection” from the Ministry of Ecology and Natural Resources of Ukraine is mandatory for any investment/construction project.

Engineering survey, design and construction are regulated by the Ministry of Regional Development, Construction, Housing and Communal Services of Ukraine. There is existed a whole set of design and construction norms and standards, including the State Construction Norms on Conducting Assessment of Environmental Impact (Ukrainian acronym OVNS, DBN A.2.2-1-2003). It is not mentioned in the Law “On Environmental Expertize”, but it is prescribed by the regulatory acts that the project proponent should submit OVNS documentation - a volume of design documentation for state ecological expertize.

The key Law, which regulates all types of construction activities, is the Law “On Regulation of City Planning Activity” (2011). This Law prescribes what kind of documentation should be prepared for construction projects of different types, and how this documentation should be reviewed.

A full-scale OVNS (as stipulated by DBN A.2.2-1-2003, with materials of public consultations) is required only for projects of high environmental hazard. To find out whether the project should be considered as such, a developer with the design organization should use criteria defined by the Law of Ukraine “On High Hazard Facilities” (2001) and Decree of the Cabinet of Ministers of Ukraine (CMU) “On Identification and Declaring of Safety of the Facilities of High Hazard” (2002). In addition, there is existed a “List of High Hazard Activities and Facilities”, which was approved by the CMU’s Decree in 2013. In this list (p.13) “New construction, reconstruction, rehabilitation and capital repairs” of roads and highways are mentioned. This means that RSDP selected road sections are fell into the category of “high hazard”, which requires a full-scale Environmental Impact Assessment (OVNS).

5.4 Waste

Generally, a key legislation, which regulates waste management in Ukraine are:

- Law of Ukraine “On Environmental Protection” (1992).

This Law provides a general provision for the environmental protection by preventing pollution with waste. It also requires obtaining permits for waste disposal, and stipulates waste’s re-use and recovery.

- Law of Ukraine “On Sanitary and Epidemiological Well-Being of the Population” (1994).

This Law introduced the State Sanitary Norms and Rules for maintenance of territories of settlements, rules for urban planning, etc.

- Law of Ukraine “On Local Self-Government” (1997).

This Law defines responsibilities of local self-government, including elected (councils) and executive (administrations) bodies.

- Law of Ukraine “On Waste” (1998).

This Law governs collection, transportation, storage, separation, utilization and disposal of different types of waste. It also regulates obtaining permits for waste management operations, waste’s storage and disposal.

- Law of Ukraine “On Housing and Communal Services” (2004).

This Law establishes the principles of state policy for the provision of housing and communal services.

5.5 Other Regulations

Road construction broadly, including environmental mitigation measures, is governed by the following main documents:

- Construction Norms and Regulations (SNiP) 3.03.01-87 “Earth Structures, Foundations and Substructures”;
- Occupational Safety Regulations (NAOP) 45.2-7.02-80 Construction Safety SNiP III-4-80*;
- State Construction Regulations (DBN) A.2.2-3-2004 “Design. Composition, Procedure for Formulation, Clearance and Approval of Design Documentation for Construction”;
- DBN A.3.1-5-96 “Arrangement of Construction Operations”;
- DBN B.2.3-4:2007 “Transport Facilities. Motorways. Part I. Design. Part II. Construction”.

Requirements for environmental protection in the motor road industry are set forth by the Industrial-Specific Construction Norms (VBN) V.2.3-218-007-98 “Environmental Requirements to Motor Roads (Designing)”. Environmental impacts are assessed according to the Industry-Specific Standard of Ukraine (GSTU) 218-02071168-096-2003 “Assessment and Forecasting of the Environmental Condition of Roads and Production Facilities”.

Detailed list of regulatory documents governing environmental protection, sanitary, health and safety, and other requirements to the design documents will be reflected in Environmental Impact Assessment (OVNS).

5.6 World Bank’ Safeguards Policy

Taking into account the nature of the proposed project, out of 10 Operational Policies of the World Bank one policy - OP/BP 4.01: Environmental Assessment is triggered.

OP/BP 4.01: Environmental Assessment

This policy is triggered if a project is likely to have potential (adverse) environmental risks and impacts in its area of influence, which is the case with conflict response and recovery pilot and capacity building project OP 4.01 covers impacts on the natural environment (air, water and land); human health and safety; physical cultural resources; transboundary and global environment concerns.

The project activities under Component 3 trigger OP 4.01 on Environmental Assessment due the possibility of small civil works and support for development or expansion of business enterprises that have potential environmental issues. The potential adverse environmental impacts for the pilot projects are summarized below and are restricted in scope and severity:

- Dust and noise due to demolition and construction;
- Disposal of construction wastes;

- Risk from inadequate handling of hazardous wastewater, air emissions and spillage of hazardous material during operation of the building;

Therefore, some project activities envisioned under component 3 are classified as Environmental Category B. The Borrower is responsible for conducting environmental impact assessment and preparation of site-specific Environmental and Social Management Plans (ESMPs).

The Borrower will disclose this ESMF and site-specific ESMPs and provide relevant information in a timely manner prior to consultation and in a form and language accessible to the groups being consulted. The above documents will be made available in the country and in the project locations in the local language and at a public place accessible to project-affected groups and local NGOs.

The project screening procedure outlined in this ESMF should identify and exclude activities that require involuntary land acquisition as defined by the World Bank's policy OP 4.12. That is, they do not result in:

- (a) the involuntary⁷ taking of land resulting in
 - (i) relocation or loss of shelter;
 - (ii) lost of assets or access to assets; or
 - (iii) loss of income sources or means of livelihood, whether or not the affected persons must move to another location; or
- (b) the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the displaced persons.

Any proposed investments triggering OP 4.12 on Involuntary Resettlement will not be eligible for funding under the project.

5.7 Comparison of Ukrainian Legislation and World Bank's Requirements

The analysis of Ukrainian and the World Bank requirements on the Project's Environmental Assessment and Environmental and Social Management Plan indicates that they are largely similar.

5.7.1 Environmental Assessment

The World Bank's environmental assessment policy and procedure is generally compatible with the Environmental Impact Assessment (EIA) system and practice established in Ukraine, both terminologically and methodologically.

A key common requirement, articulated in both systems, relates to the mandatory character of the environmental impact assessment as an integral part of project preparation, design and development for any project activity that involves a new construction and/or upgrade of an existing facility.

For “non-high-hazard” objects a shorter version of EIA can be prepared. The scope of this “shorter” version is agreed by the local authorities and State Sanitary and Epidemiological Service.

In case of a full-scale EIA, the requirements to the scope of environmental and social assessment, as well as requirements to the disclosure of information according to Ukrainian legislation are similar to the requirements of the World Bank’ safeguard policies. Key Ukrainian document which regulates EIA process and stipulates requirement to EIA documentation is State Construction Norms DBN A.2.2-1-2003.

6. IMPLEMENTATION ARRANGEMENTS

The recipient - SADR - has limited capacity for safeguards management. However, the capacity building activities envisioned under Component 1 would include the development and training of a PIU that includes safeguards competencies. Through the grant, opportunities would be provided for safeguards staff assigned to the project to train with and exchange with other established PIUs for World Bank projects in Ukraine. As part of the Project, the safeguards specialist in the PIU will access available safeguards trainings and resources and receive support from Bank safeguards specialists. Through these measures, the PIU is expected to have sufficient capacity to ensure that all Safeguards policies are respected throughout implementation.

6.1 Establishment of Environmental Expertise within SADR

A Specialist would be identified within SADR, who would be responsible for coordination and supervision of the Environmental and Social Management Plans and risk mitigation measures undertaken in the projects and cooperate with territorial departments for environment protection. The Specialist would work within PIU management for coordination of project activities as related to ESMF implementation and would:

- a) coordinate environmental training for local staff and local contractors;
- b) disseminate existing environmental and social management guidelines and develop guidelines in relation to issues not covered by the existing regulations, for implementation, monitoring and evaluation of mitigation measures;
- c) ensure contracting for construction and supply of equipment includes reference to appropriate guidelines and standards; and
- d) conduct periodic site visits to inspect and approve plans, monitor compliance, and carry out consultations with local communities.

6.2 Site Specific Environmental Screening and Review

As a part of the ESMF, all project supported activities for Component 3 must be subjected to a site-specific environmental screening and review process. The local authorities are obliged according to the law to submit an Environmental Approval for the civil works. This process would minimize site-specific environmental impacts and would use a standardized appraisal format that includes, but is not limited to, review of:

- a) current environmental problems at the sites (soil erosion, water supply contamination, etc.); and
- b) potential environmental and social impacts, if any, due to the project (disposal waste from construction, construction noise and dust, etc.).

Any new construction and rehabilitation activities would require a site-specific ESMP that would identify the potential environmental and social impacts and the mitigation measures to be implemented. The site-specific ESMPs would need to be disclosed and consulted with affected stakeholders.

6.3 Monitoring and Supervision

The environmental issues including mitigation measures are supervised periodically by the SADR and other relevant agencies.

No major environmental and social impacts are anticipated under the proposed program given the relatively small size of most of the investments. None of the units to be financed are expected to have any large scale, significant and/or irreversible impacts. The potential negative environmental impacts are expected to be localized or able to be mitigated during the construction and operation stages.

Environmental regulations currently in force in Ukraine make control and supervision of construction works mandatory. Contracts and bill of quantities will include clauses for appropriate disposal of construction material and disposal of construction waste. Procurement documents will specify that no environmentally unacceptable materials will be used. Bidding documents will include rehabilitation of adequate sanitary facilities, including appropriate disposal of wastewater and sewerage. The environmental management guidelines included in Annex 1 will be provided to contractors engaged in civil works under the project, and will be made an integral part of the civil works contracts.

The generic ESMP presented below identifies the potential environmental impacts and related mitigation measures for most of the activities under the proposed pilot activities within Component 3.

Generic Environmental Management Plan for Component 3

Environmental Component	Impacts	Mitigation Measures
Physical Environment		
Soils	Contamination from waste materials	<ul style="list-style-type: none"> • protection of soil surfaces during construction • control and daily cleaning of construction sites; • provision of adequate waste disposal services to assure regular waste discharge and soil
Water	<ul style="list-style-type: none"> • clogging of drainage works • introduction of hazardous wastes 	<ul style="list-style-type: none"> • special attention to drainage, proper disposal of oil and other hazardous materials; • rehabilitation of adequate sanitary

		facilities and purifying constructions including appropriate disposal of wastewater and sewerage
Air Quality	dust during construction	dust control by water or other means to keep dust down if problem is evident
Noise	noise disturbance during construction or operation	restrict construction to certain hours
Social Environment		
Aesthetic and Landscape	<ul style="list-style-type: none"> • risk of construction debris dumped into nearby water bodies; • disposal of construction waste • risk of unauthorized access to the construction areas 	<ul style="list-style-type: none"> • the building site will be cleaned and all debris and waste materials will be disposed of in accordance with clauses specified in the bills of quantities; • the sites for disposal of construction waste will be government- approved sites; • maximal secondary use of wastes; • fencing of the construction areas to avoid unauthorized access;
Human Health	<ul style="list-style-type: none"> • construction accidents • handling of asbestos material • working under an exposure of noise and dust • Exposure to local communities of noise and dust • potential negative impact of materials used in the construction 	<ul style="list-style-type: none"> • specially designed systems for handling/disposal of hazardous wastes; • training for workers on appropriate methods for handling asbestos materials; • use of individual protection means; • prior health check-ups of workers involved in the renovation works; • ensure a use of only materials which have an appropriate permission;

The screening will be conducted once the final project sites are agreed with local administration. An environmental specialist from within the local administration would be requested to do the screening process and submit the assessment to SADR for final review/approval.

7. ENVIRONMENTAL GUIDELINES AND MITIGATION MEASURES

7.1 Introduction

The Environmental Guidelines section details the specifics to be addressed in the ecological/biologic concept, design and planning of civil works projects for the upgrading of health infrastructure. The guidelines cover the handling of construction debris generated, selection of construction materials and construction methods with limited impact on the environment, energy saving methods as well as the handling of medical and non-medical wastes under project supported activities. The guidelines are a base for training, programming, research, discussions and workshops. However, in selecting suitable construction methods and materials for the clinics, great attention should be paid to locally available traditions, skills and resources in the project sites.

7.2 Construction Site

The site specific screening and review should carefully assess the following issues:

- Prior consultation with the affected community to explain the planned works, potential impacts and understand community concerns.
- Dust and noise due to the demolition and construction.
- Dumping of construction wastes, accidental spillage of machine oil, lubricants, etc. (see Annex regarding management of asbestos-containing materials and PCBs in obsolete transformers).
- Risk from discharge of infectious or hazardous waste to the sewage system, requiring pretreatment.

Dust from transportation and handling of construction works will be minimized by sprinkling water and other means such as enclosure of construction sites. To reduce noise, construction will be restricted during certain hours. All debris, construction and wood waste will be stored within the work site. Wood waste will be stored separately and arranged to be recycled instead of disposing it. Open burning and illegal dumping will not be permitted. Proper sites for earth/clay and sand disposal will be determined and prior approval from relevant authority for disposal will be obtained. Stock piling of construction debris on site will be avoided and waste will be disposed of on a regular basis at the authorized government dumping ground. Debris chutes will be provided to transfer debris from higher floors to the ground.

It is necessary to arrange transport and make agreements with relevant organizations involved in waste and construction debris discharge.

It is also required to create necessary conditions for safe removal of sewage during the rehabilitation and renovation and observe the ecological and sanitary regulations during the rehabilitation of sanitary and technical equipment, sewage pipes and purifying constructions.

The following remarks are intended to reflect the type of standards and guidelines to be incorporated in the construction and rehabilitation of hospital facilities.

At the end of the rehabilitation and renovation, if the new equipment or systems (e.g., sewerage) are installed, it is necessary to confirm the regularity and safety of each equipment unit or system. It is therefore necessary to create a working commission including representatives of environment protection agencies.

7.3 Energy Efficiency, Insulation and Ventilation

Insulation should be tailored to the seasonal impacts of climate, internal thermal load, and characteristics of exposure. Vapor barriers should prevent moisture intrusion in the roof insulation and outer wall cavities and using damp course.

Window location should be determined on view, ventilation, light, thermal gain, privacy control and interior space functions.

Plumbing should be coordinated to minimize plumbing works and also water service to toilets, kitchen and utility rooms.

All materials and equipment (to be used) should have a security certificate.

7.4 Electrical Systems

Incoming cables should be located underground. Main entrance feed and panel located away from places of work and waiting is prudent in avoidance of electromagnetic fields. Ground fault wiring near any plumbing fixture is a precaution. Selecting the most energy-efficient light fixtures, lamps, appliances and equipment will reduce energy demand but can introduce undesirable electromagnetic fields.

Be aware that close proximity to table, floor and desk halogen, fluorescent and other high-efficiency fixtures and lamps can cause an exposure to harmful electromagnetic fields.

Installation and use of electrical generators has been allowed by local legislation as an alternative source of energy to ensure availability of electricity.

7.5 Finishes

Water-based interior nontoxic, no allergenic paint for drywall or plaster surfaces is preferable to latex or oil-based paints from a respiratory standpoint. Any enamel coating for doors or other surfaces that require a more durable finish is advised to be applied away from interior spaces and be fully aired for over a month before installation. Indoor space should not be occupied until odor and toxins of the paint or finish has been adequately aired.

7.6 Demolition work

Existing building elements (walls, foundations, ground cement slabs etc.) should be carefully demolished and the debris should be sorted and removed as directed by the site-specific EMP (to be determined during the preparation phase of the project). All valuable materials (doors, windows, sanitary fixtures, etc) should be carefully dismantled and transported to the storage area assigned for the purpose. Valuable materials should be recycled within the project or sold.

7.7 Selection of Construction Materials and Construction Methods

Environmentally sound goods and services should be selected. Priority should be given to products meeting standards for recognized international or national symbols. Traditionally well-trying materials and methods should be chosen before new and unknown techniques. Construction sites should be fenced off in order to prevent entry of public, and general safety measures would be imposed. Temporary inconveniences due to construction works should be minimized through planning and coordination with contractors, neighbors and authorities. In densely populated areas, noisy or vibration generating activities should be strictly confined to the daytime.

In addition to the above guidance, Annex 1 presents general Environmental Guidelines for Civil Works Contracts.

8. PUBLIC CONSULTATIONS AND INFORMATION DISCLOSURE APPROACH

The SADR carried out work on establishing cooperation with oblast state administrations in four potential target oblasts (Kharkiv, Zaporizhzhia, Dnipropetrovsk, and Mykolayiv), and presented this ESMP with a cover note describing the project approach. The above materials were distributed to oblast state administrations on March 10, 2016. After the discussion of the cover note and the environmental protection and social activities management documents with representatives of

each oblast state administration, they were invited to take part in a conference call on March 12, 2016, to provide their feedback on the suggested approach. All the feedback so received was summarized and documented. The representatives of oblast state administrations reiterated their interest in the implementation of pilot projects and in the provision of guarantees of comprehensive support and assistance as a result of the consultations.

The potential involvement of an environmental protection unit of an oblast state administration for the coordination and the supervision of the implementation of the environmental management plans and the implementation of the impact mitigation measures within the scope of the project (if implemented) was discussed as well. Representatives of oblast state administrations expressed their consent as a result of the consultations. This information will also be used to provide assistance in the course of providing information about the selection of the end target communities. Once the end target communities are selected, we will engage into more substantive consultations and dialog with representatives of the communities.

9. MONITORING AND REPORTING

Monitoring of environmental risks and impacts will be conducted by local implementing partners/contractors (local administration or local non-governmental organizations) and be reported to local authorities and to SADR management. Monitoring arrangements will be outlined in the operations manual for the project and will also engage the expertise of national environmental academy.

ANNEX 1: ENVIRONMENTAL GUIDELINES FOR CIVIL WORKS CONTRACTS

The contractors are required to use environmentally acceptable technical standards and procedures during the implementation of construction of works. All construction contracts will contain the following requirements:

- Take precautions against negative influence on environment, any environmental damage or loss through prevention or suppression measures (where it is possible) instead of liquidation or mitigation of negative consequences.
- Observe all national and local laws and rules on environmental protection. Identify officers responsible for the implementation of activities on environmental protection conforming to instructions and directions received from the construction and design or environmental protection agencies.
- Store and dispose of construction waste consistent with national regulations and the sub-project (site-specific) EMP
- Minimize dust emission to avoid or minimize negative consequences influencing air quality.
- Provide pedestrian crossing and roads and access to the public places.
- Provide markets with light and transient roundabout connections to assure safety and convenience.
- Prevent or minimize vibration and noise from vehicles during explosive activities.
- Minimize damages and assure vegetation recovery.
- Protect surface and underground water from soil pollution. Assure water collection and distribution.

ANNEX 2: REHABILITATION AND CONSTRUCTION MITIGATION MEASURES CHECKLIST FOR STREAMLINED ENVIRONMENTAL MANAGEMENT PLAN

For low-risk topologies, an alternative to the commonly used “full text” EMP format is to have a checklist approach. The goal is to provide a more streamlined approach to preparing EMPs. This checklist-type format (“EMP Checklist,” see Annex 3) has been developed to provide “pragmatic good practice” and designed to be user friendly and compatible with safeguard requirements. A blank sample is attached as Annex 3.

The checklist-type format attempts to cover typical mitigation approaches to common low-risk topologies with temporary localized impacts. It is anticipated that this format provides the key elements of an Environmental Management Plan (EMP) to meet World Bank Environmental Assessment requirements under OP 4.01 (see Annex 1).

The EMP (Annex 2) format has two sections:

- **Part I:** constitutes a descriptive part (“site passport”) that describes the project specifics in terms of physical location, the institutional and legislative aspects, the project description, inclusive of the need for a capacity building program and description of the public consultation process. This section could be up to two pages long. Attachments for additional information can be supplemented if needed.
- **Part II:** includes the environmental and social screening in a simple Yes/No format followed by mitigation measures for any given activity and the monitoring plan for activities during project construction and implementation. It retains the same format required for standard World Bank EMPs.

Application of the EMP-Checklist

The practical application of the EMP-checklist would include the filling in of Part I to obtain and document all relevant site characteristics and activities. In Part 2 the type of foreseen works, as obtained from the design documents, would be checked and the resulting provisions listed below highlighted (e.g. by hatching the field or copy pasting the relevant text passages into the special provisions of the tender documents).

The whole filled in tabular EMP is additionally attached as integral part to the works contract and, analogous to all technical and commercial terms, has to be signed by the contract parties.

For the monitoring of the Contractor’s safeguards due diligence the designated construction inspector works with Part C of the EMP Checklist, the monitoring plan. This should be developed site specifically and in necessary detail, defining clear criteria and parameters which can be included in the works contracts, which reflect the status of environmental practice on the construction site and which can be observed/measured/ quantified/verified by the inspector during the construction works.

Part C would thus be filled in during the design process to fix key monitoring criteria which can be checked during and after works for compliance assurance and ultimately the Contractor’s remuneration.

EMP Checklist for Activities

PART A: INSTITUTIONAL & ADMINISTRATIVE				
Country				
Project title				
Scope of project and activity				
Institutional arrangements (Name and contacts)	WB (Project Team Leader)	Project Management	Local Counterpart and/or Recipient	
Implementation arrangements (Name and contacts)	Safeguard Supervision	Local Counterpart Supervision	Local Inspectorate Supervision	Contactor
SITE DESCRIPTION				
Name of site				
Describe site location	Attachment 1: Site Map []Y []N			
Who owns the land?				
Geographic description				
LEGISLATION				
Identify national & local legislation & permits that apply to project activity				
PUBLIC CONSULTATION				
Identify when / where the public consultation process took place (see public consultations annex)				
INSTITUTIONAL CAPACITY BUILDING				
Will there be any capacity building?	[] N or []Y if Yes, Attachment 2 includes the capacity building program			

PART B: ENVIRONMENTAL /SOCIAL SCREENING			
Will the site activity include/involve any of the following potential issues and/or impacts:	Activity and potential issues and/or impacts	Status	Additional references
	1. Building rehabilitation <ul style="list-style-type: none"> • Site specific vehicular traffic • Increase in dust and noise from demolition and/or construction • Construction waste 	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section B below
	2. New construction <ul style="list-style-type: none"> • Excavation impacts and soil erosion • Increase sediment loads in receiving waters • Site specific vehicular traffic • Increase in dust and noise from demolition and/or construction • Construction waste 	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section B below
	3. Individual wastewater treatment system <ul style="list-style-type: none"> • Effluent and / or discharges into receiving waters 	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section C below
	4. Historic building(s) and districts <ul style="list-style-type: none"> • Risk of damage to known/unknown historical or archaeological sites 	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section D below
	5. Acquisition of land ⁵ <ul style="list-style-type: none"> • Encroachment on private property • Relocation of project affected persons • Involuntary resettlement • Impacts on livelihood incomes 	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section E below
	6. Hazardous or toxic materials ⁶ <ul style="list-style-type: none"> • Removal and disposal of toxic and/or hazardous demolition and / or construction waste • Storage of machine oils and lubricants 	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section F below
	7. Impacts on forests and/or protected areas <ul style="list-style-type: none"> • Encroachment on designated forests, buffer and /or protected areas • Disturbance of locally protected animal habitat 	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section G below
	8. Handling / management of medical waste <ul style="list-style-type: none"> • Clinical waste, sharps, pharmaceutical products (cytotoxic and hazardous chemical waste), radioactive waste, organic domestic waste, non-organic domestic waste • On site or off-site disposal of medical waste 	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section H below
	9. Traffic and Pedestrian Safety <ul style="list-style-type: none"> • Site specific vehicular traffic 	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section I below

⁵ Acquisition of land also includes involuntary acquisition of land as noted in earlier sections. These impacts may affect: those who have formal legal rights to land under Ukrainian Law (including business owners), those who do not have formal legal rights to land but have a claim to land or assets, and those who have no recognizable legal right or claim to the land they are occupying (e.g. squatters).

⁶ Toxic / hazardous material includes and is not limited to asbestos, toxic paints, removal of lead paint, etc.

ACTIVITY	PARAMETER	GOOD PRACTICES MITIGATION MEASURES CHECKLIST
A. General Conditions	<ul style="list-style-type: none"> Site is in a populated area Notification and Worker Safety	(a) The local construction and environment inspectorates and communities have been notified of upcoming activities (b) The public has been notified of the works through appropriate notification in the media and/or at publicly accessible sites (including the site of the works) (c) All legally required permits (to include not limited to land use, resource use, dumping, sanitary inspection permit) have been acquired for construction and/or rehabilitation (d) All work will be carried out in a safe and disciplined manner designed to minimize impacts on neighboring residents and environment. (e) Workers' PPE will comply with international good practice (always hardhats, as needed masks and safety glasses, harnesses and safety boots) (f) Appropriate signposting of the sites will inform workers of key rules and regulations to follow.
B. General Rehabilitation and /or Construction Activities	Air Quality	(a) During interior demolition use debris-chutes above the first floor (b) Keep demolition debris in controlled area and spray with water mist to reduce debris dust (c) Suppress dust during pneumatic drilling/wall destruction by ongoing water spraying and/or installing dust screen enclosures at site (d) Keep surrounding environment (side walks, roads) free of debris to minimize dust (e) There will be no open burning of construction / waste material at the site (f) There will be no excessive idling of construction vehicles at sites
	Noise	(a) Construction noise will be limited to restricted times agreed to in the permit (b) During operations the engine covers of generators, air compressors and other powered mechanical equipment should be closed, and equipment placed as far away from residential areas as possible
	Water Quality	(a) The site will establish appropriate erosion and sediment control measures such as e.g. hay bales and / or silt fences to prevent sediment from moving off site and causing excessive turbidity in nearby streams and rivers.
	Waste management	(a) Waste collection and disposal pathways and sites will be identified for all major waste types expected from demolition and construction activities. (b) Mineral construction and demolition wastes will be separated from general refuse, organic, liquid and chemical wastes by on-site sorting and stored in appropriate containers. (c) Construction waste will be collected and disposed properly by licensed collectors (d) The records of waste disposal will be maintained as proof for proper management as designed. (e) Whenever feasible the contractor will reuse and recycle appropriate and viable materials (except asbestos)
C. Individual wastewater treatment system	Water Quality	(a) The approach to handling sanitary wastes and wastewater from building sites (installation or reconstruction) must be approved by the local authorities (b) Before being discharged into receiving waters, effluents from individual wastewater systems must be treated in order to meet the minimal quality criteria set out by national guidelines on effluent quality and wastewater treatment (c) Monitoring of new wastewater systems (before/after) will be carried out
D. Historic building(s)	Cultural Heritage	(a) If the building is a designated historic structure, very close to such a structure, or located in a designated historic district, notify and obtain approval/permits from local authorities and address all construction activities in line with local and national legislation (b) Ensure that provisions are put in place so that artifacts or other possible "chance finds" encountered in excavation or construction are noted, officials contacted, and works activities delayed or modified to account for such finds.
E. Acquisition of land	Activities that result in land acquisition will not be financed under the project	
F. Toxic Materials	Asbestos management	(a) If asbestos is located on the project site, mark clearly as hazardous material

		<p>(b) When possible the asbestos will be appropriately contained and sealed to minimize exposure</p> <p>(c) The asbestos prior to removal (if removal is necessary) will be treated with a wetting agent to minimize asbestos dust</p> <p>(d) Asbestos will be handled and disposed by skilled & experienced professionals</p> <p>(e) If asbestos material is be stored temporarily, the wastes should be securely enclosed inside closed containments and marked appropriately</p> <p>(f) The removed asbestos will not be reused</p>
	Toxic / hazardous waste management	<p>(a) Temporarily storage on site of all hazardous or toxic substances will be in safe containers labeled with details of composition, properties and handling information</p> <p>(b) The containers of hazardous substances should be placed in an leak-proof container to prevent spillage and leaching</p> <p>(c) The wastes are transported by specially licensed carriers and disposed in a licensed facility.</p> <p>(d) Paints with toxic ingredients or solvents or lead-based paints will not be used</p>
G. Affects forests and/or protected areas	Protection	<p>(a) All recognized natural habitats and protected areas in the immediate vicinity of the activity will not be damaged or exploited, all staff will be strictly prohibited from hunting, foraging, logging or other damaging activities.</p> <p>(b) For large trees in the vicinity of the activity, mark and cordon off with a fence large trees and protect root system and avoid any damage to the trees</p> <p>(c) Adjacent wetlands and streams will be protected, from construction site run-off, with appropriate erosion and sediment control feature to include by not limited to hay bales, silt fences</p> <p>(d) There will be no unlicensed borrow pits, quarries or waste dumps in adjacent areas, especially not in protected areas.</p>
H. Disposal of medical waste	Infrastructure for medical waste management	<p>(a) In compliance with national regulations the contractor will insure that newly constructed and/or rehabilitated health care facilities include sufficient infrastructure for medical waste handling and disposal; this includes and not limited to:</p> <ul style="list-style-type: none"> ▪ Special facilities for segregated healthcare waste (including soiled instruments “sharps”, and human tissue or fluids) from other waste disposal: <ul style="list-style-type: none"> a. Clinical waste: yellow bags and containers b. Sharps – Special puncture resistant containers/boxes c. Domestic waste (non-organic): black bags and containers ▪ Appropriate storage facilities for medical waste are in place; and ▪ If the activity includes facility-based treatment, appropriate disposal options are in place and operational
I Traffic and Pedestrian Safety	Direct or indirect hazards to public traffic and pedestrians by construction activities	<p>(b) In compliance with national regulations the contractor will insure that the construction site is properly secured and construction related traffic regulated. This includes but is not limited to</p> <ul style="list-style-type: none"> ▪ Signposting, warning signs, barriers and traffic diversions: site will be clearly visible and the public warned of all potential hazards ▪ Traffic management system and staff training, especially for site access and near-site heavy traffic. Provision of safe passages and crossings for pedestrians where construction traffic interferes. ▪ Adjustment of working hours to local traffic patterns, e.g. avoiding major transport activities during rush hours or times of livestock movement ▪ Active traffic management by trained and visible staff at the site, if required for safe and convenient passage for the public. ▪ Ensuring safe and continuous access to office facilities, shops and residences during renovation activities, if the buildings stay open for the public.

PART 8: MONITORING PLAN							
Phase	What (Is the parameter to be monitored?)	Where (Is the parameter to be monitored?)	How (Is the parameter to be monitored?)	When (Define the frequency / or continuous?)	Why (Is the parameter being monitored?)	Cost (if not included in project budget)	Who (Is responsible for monitoring?)
During activity preparation							
During activity implementation							
During activity supervision							

ANNEX A: BRIEF CONTENTS OF PUBLIC HEARINGS

On March 10, 2016, the State Donbas Recovery Agency of Ukraine distributed the Framework Document on the Environmental and Social Actions Management to Kharkiv, Zaporizhzhia, Dnipropetrovsk and Mykolayiv oblast state administrations together with a cover letter describing the project approach and the potential pilot activities to be undertaken within the scope of the implementation of the Conflict Response and Recovery Pilot and Capacity Building Project in the four oblasts specified above. The Agency also suggested that representatives of the above mentioned oblast state administrations take part in a conference call to provide feedback on the suggested project implementation approach. Consultations on the cooperation in the field of the implementation of pilot projects were held with officers of the relevant line units of oblast state administrations on March 12, 2016. Department heads of oblast state administrations and representatives of the Agency's World Bank cooperation working group took part in the discussion.

A list of project environmental impact consultation participants follows:

Representatives of Oblast State Administrations:

1. Dnipropetrovsk Oblast: O.S. Psariov, Acting Director of the Economic Development Department (Agency Letter # 19/4/1-279-16 of March 10, 2016)
2. Mykolayiv Oblast: V.V. Bon', Deputy Head of the Oblast State Administration; M.V. Vasylieva, Director of the Economic Development Department; D.A. Mats, Head of the Ecology Directorate (Agency Letter # 19/4/1-280-16 of March 10, 2016)
3. Kharkiv Oblast: Yu.I. Shparaha, Director of the Social Protection Department (Agency Letter # 19/4/1-281-16 of March 10, 2016)
4. Zaporizhzhia Oblast: K.I. Bryl, First Deputy Head of the Oblast State Administration; D.V. Chaika, Deputy Director of the Ecology and Natural Resources Department of Zaporizhzhia Oblast State Administration (Agency Letter # 19/4/1-279-16 of March 10, 2016)

Representatives of the Agency:

1. S.L. Zlakoman, Head of the Administration and Organization Directorate, Head of the World Bank Cooperation Working Group
2. D.O. Tatsii, Acting Head of the Infrastructure Reconstruction, Community Development and Support Directorate
3. V.V. Voronina, Head of the Control Section
4. O.V. Vasylevska, Acting Head of the Donor and International Financial Institutions Cooperation Unit

The parties discussed the project's environmental impact. It was stated that no substantial environmental impact was expected under the suggested project, that the project did not call for the new construction, the excavation work, or the damage to be caused to known or unknown monuments of history or architecture, that it would not result in changing the designated purpose or in acquiring/seizing land plots, including, inter alia, the resettlement of persons affected by the project, the forced resettlement, the impact on income and livelihood, the use of hazardous or toxic materials, the removal and the recycling of toxic and/or hazardous waste generated as a result of the demolition and/or con-

struction; that it would not affect forests or protected areas; and would not involve the management of the medical waste.

It is also expected that the installation or equipment to be financed would have no large-scale, substantial and/or irreversible impacts on the environment.

The representatives of oblast state administrations reiterated their interest in the implementation of pilot projects and in the provision of guarantees of comprehensive support and assistance as a result of the consultations.

The potential involvement of an environmental protection unit of an oblast state administration for the coordination and the supervision of the implementation of the environmental management plans and the implementation of the impact mitigation measures within the scope of the project (if implemented) was discussed as well. Representatives of oblast state administrations expressed their consent as a result of the consultations.

This consent of oblast state administrations is confirmed with copies of their letters, namely:

Letter # 408/0/05-8/2-16 of March 12, 2016, from Mykolayiv Oblast State Administration;

Letter # 427/0/31-16 of March 12, 2016, from Dnipropetrovsk Oblast State Administration;

Letter # 01-34/07-2190 of March 12, 2016, from Kharkiv Oblast State Administration;

Letter (no number) of March 14, 2016, from Zaporizhzhia Oblast State Administration.

This information will be used later to provide assistance in the course of providing information about the selection of the end target communities. Once the end target communities are selected, we will engage into more substantive consultations and dialog with representatives of the communities from the above mentioned oblasts.