

# INTEGRATED SAFEGUARDS DATA SHEET

## APPRAISAL STAGE

**Report No.: ISDSA12210**

**Date ISDS Prepared/Updated:** 13-Mar-2015

**Date ISDS Approved/Disclosed:** 13-Mar-2015

### I. BASIC INFORMATION

#### 1. Basic Project Data

|  |   |                              |                              |
|--|---|------------------------------|------------------------------|
| <b>Country:</b>  | Croatia   | <b>Project ID:</b>           | P147499                      |
| <b>Project Name:</b>   | Sustainable Croatian Railway in Europe (P147499)  |                              |                              |
| <b>Task Team Leader(s):</b>  | Jean-Francois Marteau   |                              |                              |
| <b>Estimated Appraisal Date:</b>   | 09-Mar-2015   | <b>Estimated Board Date:</b> | 30-Apr-2015                  |
| <b>Managing Unit:</b>  | GTIDR   | <b>Lending Instrument:</b>   | Investment Project Financing |
| <b>Sector(s):</b>  | Railways (80%), Public administration- Transportation (15%), Information technology (5%)  |                              |                              |
| <b>Theme(s):</b>   | Regional integration (35%), Other public sector governance (25%), Debt management and fiscal sustainability (20%), Other social development (10%), Trade facilitation and market access (10%) |                              |                              |
| <b>Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)?</b> |   |                              | No                           |
| <b>Financing (In USD Million)</b>  |   |                              |                              |
| Total Project Cost:  | 200.80  | Total Bank Financing:        | 183.40                       |
| Financing Gap:   | 0.00  |                              |                              |
| <b>Financing Source</b>  |   |                              | <b>Amount</b>                |
| Borrower   |   |                              | 17.40                        |
| International Bank for Reconstruction and Development  |   |                              | 183.40                       |
| Total  |   |                              | 200.80                       |
| <b>Environmental Category:</b>   | B - Partial Assessment  |                              |                              |
| <b>Is this a Repeater project?</b>   | No  |                              |                              |

#### 2. Project Development Objective(s)

The Project Development Objective (PDO) is to improve the operational efficiency and the financial sustainability of the public railway sector in Croatia.

### 3. Project Description

The project comprises four components:

#### Component 1: Project Coordination and Sector Policy Support (EUR 2.6 million)

The objective of this component is to assist the MMATI to enhance its institutional capacity as coordinator of the railway sector to improve governance and overall management of the sector. This would contribute to improving the efficiency in the use of Public Resources and sustainability of the sector investment, and to enhancing the financial sustainability of the sector. It will also ensure resources to improve its performance in its coordinating role for the project, in the sector reform monitoring. The project would aim at that through the following activities:

1.1 Asset Management Support (total costs of EUR 1 million). Support to MMATI and the companies in finalizing asset management separation between the companies and clarifying the legal status of the main assets.

1.2 Assistance to the MMATI in project coordination and sector policy (total costs of EUR 1.6 million), including sector reform monitoring and definition of railway services obligations with HZP (PSO contract) and HZI, and the preparation of the railway sector development and infrastructure maintenance plan once the national transport strategy is completed in 2016. This may also include support to oversight of operations improvements in HZI and HZP .

#### Component 2: Support to HZ Passenger Transport Restructuring (EUR 52.4 million, of which the WB is financing EUR 43 million)

The objective of this component is to support HZP in improving its operational efficiency and financial situation in order to deliver better services in a financially sustainable way. This would include actions on the cost structure (labor, fleet condition) and on its organization. It would include the following subcomponents:

2.1 Retrenchment (total costs of EUR 16.1 million, including EUR 4.6 million of retroactive financing). Work force would be rationalized through retroactive financing of eligible severance payments made after May 10, 2014, and financing of the implementation of HZP's retrenchment plan for 2015-2018 for a total of EUR 16.1 million. This would include financing retrenchment in some of HZP's subsidiaries which are undergoing restructuring. Support services for retraining and enhancing opportunities for finding alternative employment, including counseling and advisory support and employment intermediation could also be financed under the project.

2.2 Contribution to Restructuring Plan Implementation (total costs EUR 36.3 million). This comprises three main categories of investment:

- (i) Rehabilitation of rolling stock to improve efficiency of the fleet (total costs of EUR 23.3 million). The condition and availability of HZP rolling stock would be improved by rehabilitating and maintaining rolling stock. The State also subsidizes this activity and the financing of the company's periodic maintenance program would be coordinated between the State and the project;
- (ii) IT modernization and integration (total costs of EUR 10.1 million). Operational and financial management in HZP would be improved through IT investment, covering the whole company including fleet management system, ticketing and commercial management system;
- (iii) Studies and implementation of measures (total costs of EUR 2.9 million) recommended to adapt business processes to reorganized operations and to improve energy efficiency.

Component 3: Support to HZ Cargo Restructuring (EUR 47.6 million, of which the WB financing is EUR 41.5 million)

The objective of this component is to support HZC in increasing its operational efficiency and financial situation in order to deliver better services in a financially sustainable way. This would include actions on the cost structure (labor, fleet condition) and on its organization (IT improvements):

3.1 Retrenchment (total costs of EUR 23.1 million, including EUR 10.6 million of retroactive financing). Work force would be rationalized through retroactive financing of eligible severance payments made after May 10, 2014, and financing of the implementation of HZC's retrenchment plan for 2015-2017 for a total of EUR 23.1 million. Support services for retraining and for finding alternative employment, including counseling and advisory support and employment intermediation could also be financed under the project.

3.2 Contribution to Restructuring Plan Implementation (total costs of EUR 24.5 million). This comprises two main categories of investment:

- (i) Periodic maintenance of rolling stock. The condition and availability and efficiency of the fleet would be improved by periodic maintenance and rehabilitation of rolling stock (total costs of EUR 21.6 million);
- (ii) IT modernization and integration (total costs of EUR 2.9 million). Operational and financial management in HZC would be improved through IT investment, covering the whole company, including fleet management system, commercial management system.

Component 4: Support to HZ Infrastructure Restructuring and Enabling Investment to Increase the System Efficiency (EUR 76.4 million)

The objective of this component is twofold: (i) to support HZI in improving its operational efficiency and financial sustainability through restructuring, and (ii) to contribute to restore the physical infrastructure's condition including safety, improving its clients operating conditions. This would include actions on the cost structure (labor) and financing (including retroactive financing) of emergency rehabilitations or safety measures, as well as studies to improve network and operations efficiency. It would include the following subcomponents:

4.1 Retrenchment (total costs of EUR 13.7 million). Workforce would be rationalized by financing the implementation of HZI's retrenchment plan for 2015-2019. Support services for retraining and enhancing opportunities for finding alternative employment, including counseling and advisory support and employment intermediation could also be financed under the project.

4.2 Railway Safety Crossings Program (total costs of EUR 10.7 million, including EUR 1 million of retroactive financing). The first tranche of the HZI 10-year plan for the installation of railway safety crossings is based on a prioritization criteria prepared with support from the Bank. This would include financing of a EUR 2 million existing contract (including retroactive financing of EUR 1 million) and a new contract for 2015-2016.

4.3 Other Railway Safety Investment (total costs of EUR 6.8 million). The Project would finance improvement of structures which currently represent a safety risk and the reinforcement of areas prone to landslides or rock falls. The safety improvements will also result in faster and more reliable

train operations.

- (i) Cuts and slope reinforcement on the corridor Vb around Rijeka (total costs of EUR 4.6 million). The reinforcement will reduce the track maintenance costs.
- (ii) Emergency bridges reconstruction on corridor Vb (total costs of EUR 2.2 million). Due to their deteriorated condition, these bridges represent a safety threat.

4.4 Emergency infrastructure investments to bring back some lines to acceptable operating standards and small capacity improvements (total costs of EUR 45.2 million). The component consists in financing emergency rehabilitation works along sections which are not going to receive EU funds under the 2014-2020 programming period, yet are prioritized based on their levels of traffic, status (priority is given to international corridors). It mostly consists of rehabilitation of track and electrical systems along international corridors.

- (i) Track rehabilitation along the Ogulin-Moravice section (corridor Vb) (total costs of EUR 7.3 million, including EUR 3.8 million of retroactive financing). The rehabilitation started in 2014 and is expected to be completed in 2015. The works are located along the Zagreb-Rijeka section of the corridor Vb.
- (ii) Signaling upgrade between Moravice and Rijeka (total cost EUR 5.9 million, including EUR 3.5 million of retroactive financing). The work started in 2014 and should be completed in 2015.
- (iii) Rehabilitation of the Varazdin-Cakovec line, which is one of the high priority regional lines (total costs of EUR 13.3 million);
- (iv) Replacement of switches, electrical, and support systems (for safety and signaling) on international and national corridors (total cost of EUR 14.1 million, including EUR 3 million retroactive financing);
- (v) Construction/improvement at stations and stops (total costs of EUR 4.6 million, including EUR 2.0 million of retroactive financing). One particular project under this component is cargo handling capacity expansion at the station Rijeka-Brajdica. It will help increase the railway share in cargo traffic coming to Rijeka port. This is a complement to the investment prepared under the Second Rijeka Gateway Project. The construction of a new stop at the Borongaj university campus (Zagreb) aims at supporting daily access to students. It will also help reduce congestions on roads within Zagreb greater area.

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

Periodic maintenance of rolling stock aiming at improving efficiency of the fleet both in HZP (Component 2) and HZC (Component 3) carry environmental safeguard relevance. Rehabilitation of rolling stock includes locomotives and wagons for passenger as well as locomotives for the freight transport. The proposed rehabilitation could include medium term overhaul and major overhaul, with different scope of work. Locomotives undergo periodic maintenance repairs every 12 years, and every second repair is larger and is almost a full rehabilitation. The repair of locomotives and wagons is carried out in specialized workshops and factories, not on the companies' site.

Maintenance repairs of locomotives can include, but are not limited to, locomotive washing,

changing of engine parts, changing of oil, pumps, metal parts, axes, wheels, insulation, refurbishment, cleaning of turbines, replace of oil in transformer, dying and varnishing, etc. Main resulting environmental concerns are waste generation, management and disposal and waste water management. Waste expected to be generated varies from hazardous waste (oil, petrol and varnishes, dyes, oiled cloths and clothes, recyclables, etc.). The usual practice in service contracting makes the company contracted for maintenance legally responsible for these issues. The periodic maintenance subcontractors are not yet identified and might be located anywhere in the country or even abroad.

Under Component 4, activities may include rehabilitation works for cuts and slope reinforcement on the corridors from Rijeka, rehabilitation and various emergency electromechanical and structure works in key parts of the network around the Borongaj station in Zagreb, rehabilitation of the Ogulin - Moravice line, rehabilitation of Varazdin - Cakovec line as well as railway crossings installations at various points. Some of the activities to be supported under Component 4 have started in 2014 (for example Ogulin - Moravice rehabilitation) and therefore some of the works and goods would be retroactively financed.

The exact sites to be rehabilitated along the mentioned lines / corridors are not yet confirmed. The prospective works include change of sleepers, electrification, signaling, rehabilitation of drainage, rehabilitation of slopes, concrete and asphalt lining, earth works (removal of earth, asphalt and concrete), reinforcement of tunnels, reconstruction of bridges, etc. Main resulting safeguard issues are related to earthworks, construction and railway reconstruction resulting in generation of large quantities of construction waste and large number of wooden, impregnated sleepers, used stone aggregate and electronic waste that need to be adequately disposed/ recovered since considered hazardous waste.

## 5. Environmental and Social Safeguards Specialists

Daniel P. Owen (GSURR)

Natasa Vetma (GENDR)

Vera Dugandzic (GSURR)

| 6. Safeguard Policies               | Triggered? | Explanation (Optional)  |
|-------------------------------------|------------|---|
| Environmental Assessment OP/BP 4.01 | Yes        | <p>The project was earlier tentatively classified as Category A because of the proposal to construct new railway lines and to do clean-up of a washing station for rolling stock, which is considered a hazardous “hotspot” site due to many years’ accumulation of oil and other residual materials. However, these activities have been omitted from the present project. As the current project is dealing with rehabilitations and maintenance activities the project is categorized as Category B project.</p> <p>The proposed investments will have a number of impacts to the environment ranging from minor to moderately significant. The 3 Borrowers (HBP, HZC and HZI) have prepared a single common commonly prepared single Environmental Management Framework (EMF) providing guidance for preparation of site specific EMPs, which in the majority of cases would be simple EMP Checklists (e.</p> |

|  |     |  |
|--|-----|--|
|  |     | <p>g. rolling stock overhaul, repair of small tunnels, crossroads, slopes, etc.).</p> <p>For works which have started in 2014, and prior to the Board approval of the project, an environmental audit will be carried out of each site. The audits will be carried out by the borrower in close cooperation with WB. Application form for such works and template for audit reports have been prepared in EMF. Each site would be visited to note any significant environmental issue or non-compliance. The subproject might be refused for financing if the audit shows noncompliance with good environmental practice, national or WB policies. The audits will be the subject of WB No Objection.</p>  |
| Natural Habitats OP/BP 4.04            | No  |  |
| Forests OP/BP 4.36                     | No  |  |
| Pest Management OP 4.09                | No  |  |
| Physical Cultural Resources OP/BP 4.11 | No  | Is not expected for the project rehabilitation works to impact physical or cultural resources therefore the policy is not triggered; however, due to possible earth works, EMPs and EMP Checklists will include chance finds clauses.  |
| Indigenous Peoples OP/ BP 4.10         | No  |  |
| Involuntary Resettlement OP/BP 4.12    | Yes | <p>None of reconstruction and rehabilitation works to be carried out on bridges, railway tracks and crossings; signaling upgrade; construction/improvement works at stations and stops are expected to involve either land acquisition or negatively affect third parties. Reconstruction and rehabilitation works will remain within the railway corridor and will be carried out on adjacent state owned land thus not requiring land acquisition. No permanent physical or economic displacement of affected population is expected under the proposed HZI investments. However, rehabilitation and reconstruction works on slopes and cuts at the Rijeka-Skrljevo railway section may require temporary use of private lands for access and works on the sites which may lead to temporary loss of lands.</p> <p>Though permanent land acquisition is not expected under the project at this time, as a precaution the RPF has been prepared and designed to cover the possibility that some</p> |



|  |    |  |
|--|----|--|
|  |    | <p>unanticipated permanent land acquisition will turn out to be necessary. The RPF sets out the guiding principles for development of Resettlement Action Plan (RAP) or Abbreviated Resettlement Action Plan (ARAP) that may be required during project implementation.</p> <p>The works carried out before project approval and subject to retroactive financing have not triggered any land acquisition or resettlement.</p> |
| Safety of Dams OP/BP 4.37                      | No |  |
| Projects on International Waterways OP/BP 7.50 | No |  |
| Projects in Disputed Areas OP/BP 7.60          | No | For the purpose of rehabilitation works and washing of rolling stock only existing water supply and wastewater networks will be used, i.e. the water will not be extracted directly from or discharged into surface or ground water bodies. These requirements are included to due diligence documents (EMPs and EMP Checklists in particular).  |

## II. Key Safeguard Policy Issues and Their Management

### A. Summary of Key Safeguard Issues

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|---|
| <p><b>1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:</b></p> <p>The project triggers Environmental Assessment OP/BP 4.01 policy. The project design classifies the project under category B. The Borrowers: Croatian Railways Passenger Transport (HZP), Croatian Railway Cargo (HZC), Croatian Railways Infrastructure (HZI) will act as implementing agencies while the Ministry of Maritime Affairs, Transport and Infrastructure (MMATI) acts as project coordinator.</p> <p>Environmental due diligence will be applied through set of procedures and conditions defined in the Environmental Management Framework. The Borrowers (HZP, HZC and HZI) prepared single EMF which guides on environmental screening of sub-projects, environmental due diligence and documents preparation for contractors. It presents EMP templates for site specific EMPs and EMP Checklists for smaller scale works. The EMF will become the integral part of project's Operations Manual.</p> <p>It is not expected that the project will have significant adverse impacts on the environment and human health. Project is classified as B Category project thus no activities considered Category A will be financed. Project activities to be carried out range from complex reconstruction interventions with moderate, but short term, limited impact to simple recovery and periodic maintenance activities that are short term, limited and low-impact. Hence, site specific EMPs and EMP Checklists will be prepared for these activities, respectively, prior to commencement of works.</p> <p>The project did not trigger Physical Cultural Resources OP/BP 4.11. Most of the project</p> |
|---|

rehabilitation works are not expected to impact physical or cultural resources; however, some earthworks will be performed therefore environmental due diligence documents include possibility of chance finds.

Projects on International Waterways OP/BP 7.50 is not triggered; however, during rehabilitation works and washing of rolling stock only existing water supply and wastewater networks can be used. These requirements are included to due diligence documents (EMPs and EMP Checklists in particular).

Involuntary Resettlement OP/BP 4.12 policy is triggered. Reconstruction and rehabilitation works are not expected to involve either land permanent acquisition or negatively affect third parties as the works will remain within the railway corridor and adjacent state owned land that is not occupied or used by third parties. thus not requiring land acquisition. However, rehabilitation and reconstruction works on slopes and cuts at the Rijeka-Skrlevo railway section may require temporary use of private lands for access and works on the sites which may lead to temporary loss of lands. At this time it is expected that land acquisition will only be temporary, but as a precaution a Resettlement Policy Framework (RPF) has been developed and designed to cover the possibility that some unanticipated permanent land acquisition will turn out to be necessary.

**2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:**

The project will support a wide range of activities including overhauls and periodic maintenance of locomotives, electro-motor trains and passenger carriages, construction works such as rehabilitation of crossings, reconstruction of cuts and slopes. These activities will not have long-term, significant adverse impact to the environment and human health. Procedures, guidelines and measures included to EMF are set to eliminate such projects, but also to minimize environmental impacts of all eligible activities.

Activities of the project related to overhauling and periodic maintenance of rolling stock will result in generation of large amounts of wastes ranging from municipal waste, recyclables and inert waste to potentially toxic and hazardous liquid and solid wastes such as oil residues, oil filters, caustic fluids, acidic fluids, batteries, paint ships, dyes and varnishes residues and empty containers, and more. Although the responsibility for such wastes is assumed by contractor of works, the EMF addresses these impacts by prescribing procedures and mitigation measures that will become a part of tender documentation and work contracts. Works carried out under the Component 4 relating to emergency rehabilitation are expected to produce adverse environmental impacts the main being generation of large amount of hazardous waste (mainly electronic waste, impregnated sleepers and contaminated stone aggregate) and mineral waste (from earth works). The responsibility for such wastes is assumed by contractor of works; however, the Borrower is obliged to ensure that all adverse environmental impacts are mitigated in accordance with EMF (EMP and EMP Checklists) and all wastes adequately and safely disposed or recovered.

Most of the project rehabilitation works is not expected to produce any impact to physical or cultural resources; however, there is a slight possibility of chance finds. Procedures in such cases are defined in due diligence documents and will become a part of tender documentation and work contracts.

All rehabilitation works already identified will remain within the railway corridor and will not require any land acquisition. The same is true for rehabilitation works to be carried out on tunnels,



bridges, drainage and replacement of sleepers, railway tracks, etc. No physical or economic displacement of affected population is expected under the proposed investments. However, the World Bank Operational Policy 4.12 on Involuntary Resettlement is triggered as rehabilitation works for cuts and slopes may require temporary use of private lands for access and works on the sites which may cause temporary loss of lands. Though permanent land acquisition is not expected under the project at this time, but as a precaution the RPF has been developed and designed to cover the possibility that some unanticipated permanent land acquisition will turn out to be necessary. The RPF sets out the guiding principles for development of Resettlement Action Plan (RAP) or Abbreviated Resettlement Action Plan (ARAP) that may be required during project implementation.

The works carried out before project approval and subject to retroactive financing have not triggered any land acquisition or resettlement.

**3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.**

The project will exclude from funding all sub-projects classified as the A Category project and non-eligible sub-projects listed in the EMF (IBRD list of non-eligible projects).

Category B projects might vary in the potential impacts hence are divided in two sub-categories;

Category B+ projects are considered those that carry potential impacts lesser than Category A, and are short term, but impacts that are still potentially adverse and significant. The magnitude and scope of these impacts are difficult to determine in the sub-project identification stage. Example of this might be a new train station on existing corridor. Category B+ projects would in this case require preparation of EMP. EMP implementation is responsibility of the Borrower. Projects that are categorized as B+ will undergo a prior review of WB environmental specialist.

Projects classified under category B- are those including, simple reconstruction, maintenance and activities causing intermediate predictable or accidental emissions. These include railways rehabilitations and rehabilitations of rolling stock. EMP checklist would be used for such activities.

Environmental compliance of B+ and B- project implementation with Bank's and national policies will be regularly reported by the Borrower to PIU and the Bank as a part of general progress reporting.

Projects classified as category C projects do not require further safeguards (mitigation or monitoring) actions.

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

The Borrowers – HZI, HZC and HZP have prepared an Environmental Management Framework (EMF) and defines the environmental screening, mitigating, monitoring and auditing procedures for the project activities.

According to the procedures set in EMF, the project activities will undergo screening and categorization depending on which, environmental due diligence document will be applied. Depending on the activity, mitigation measures would be address in one of the following: a) EMP, b) simplified (checklist) EMP for railway rehabilitations; or c) simplified (checklist) EMP for

periodic maintenance of rolling stock.

The relevant EMP Checklists will be made part of the bidding documentation for the rolling stock rehabilitation (for Components 2 and 3) and the emergency rehabilitation works (for Component 4). The responsibility for implementation of EMP checklist will lie on the Contractors. The monitoring of the Contractor's safeguards due diligence will be the responsibility of State Inspectors and the Supervising Site Engineer (or assigned employee of the borrowers). An acceptable monitoring report from the Supervising Site Engineer (or assigned employee of the borrowers) would be a condition for full payment of the contractually agreed remuneration, the same as technical quality criteria or quality surveys. To ensure leverage on the Contractor's environmental performance an appropriate clause will be introduced in the contracts, specifying penalties in the case of noncompliance with the contractual environmental provisions. Borrowers will regularly report it to PIU and the Bank as a part of general progress reporting.

Project activities that include retroactive financing will go through the environmental auditing procedure as described in EMF. Audit Report template and retroactive financing application form have been prepared within the EMF. For these activities, site visits and environmental audits will be conducted by respective environmental personnel in each company and a WB environmental specialist. The audits have the purpose of establishing the level of compliance with the relevant national legislation, WB policies and commonly accepted good practices. A subproject might be refused for financing if the audit shows noncompliance. The audits will be the subject of WB No Objection. The environmental audit reports will be prepared and disclosed prior to negotiations.

The Borrowers have various levels of capacity to carry out safeguards measures. HZI has two departments, Department for Environmental and Fire Protection and Department for Development, responsible for the implementation of EMF/RPF and delivery of due diligence documents under the Component 4, the latter being experienced in conducting basic environmental studies and land acquisition issues jointly with HZI legal division. HZP does not have separate environmental department or office and the responsible persons for due diligence are sourced from technical sectors. HZC has Department for Fire Protection, Health and Safety, and Environmental Protection; however, it lacks technical knowledge for due diligence implementation thus responsible persons are sourced from technical sectors.

The WB environmental specialist will provide support to the various borrowers' teams in site visits, review of due diligence documents and other support on a needs basis. In addition, the WB environmental specialist will organize training on WB safeguards for environmental personnel, or identify possibilities for such in the region.

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

The key stakeholders in the project are MMATI, HZI, HZP, HZC, the Ministry of Finance and overall community.

The draft Environmental Management Framework document, including EMP checklists, along with an announcement of the public consultation workshop was disclosed on March 5, 2015 in English and Croatian on the web-pages of MMATI, HZI, HZC and HZP, for two weeks. The EMF was disclosed on infoshop on March 12. Joint EMF/RPF public consultation meeting will be held on March 20, 2015. All comments, suggestions and questions will be addressed and included to EMF in summarized form.

The similar procedure will be followed for site specific EMPs and audit reports as defined by the

EMF. All due diligence documents will be disclosed on the HZI, HZC and HZP websites respectively, and hardcopy will be available at their premises for at least two weeks. Public will be asked for comments.

The draft version of Resettlement Policy Framework (RPF) was disclosed on the HZI website on March 13, 2015 and InfoShop on March 13, 2015.

### ***B. Disclosure Requirements***

|   |             |
|---|-------------|
| <b>Environmental Assessment/Audit/Management Plan/Other</b>   |             |
| Date of receipt by the Bank   | 02-Mar-2015 |
| Date of submission to InfoShop  | 12-Mar-2015 |
| For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors  | 00000000    |
| "In country" Disclosure   |             |
| Croatia   | 05-Mar-2015 |
| <i>Comments:</i>  |             |
| <b>Resettlement Action Plan/Framework/Policy Process</b>  |             |
| Date of receipt by the Bank   | 12-Mar-2015 |
| Date of submission to InfoShop  | 13-Mar-2015 |
| "In country" Disclosure   |             |
| Croatia   | 13-Mar-2015 |
| <i>Comments:</i>  |             |
| <b>If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.</b> |             |
| <b>If in-country disclosure of any of the above documents is not expected, please explain why:</b>  |             |
|   |             |

### ***C. Compliance Monitoring Indicators at the Corporate Level***

|   |                                  |                                 |                                 |
|---|----------------------------------|---------------------------------|---------------------------------|
| <b>OP/BP/GP 4.01 - Environment Assessment</b>   |                                  |                                 |                                 |
| Does the project require a stand-alone EA (including EMP) report?   | Yes [ <input type="checkbox"/> ] | No [ <input type="checkbox"/> ] | NA [ <input type="checkbox"/> ] |
| If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?   | Yes [ <input type="checkbox"/> ] | No [ <input type="checkbox"/> ] | NA [ <input type="checkbox"/> ] |
| Are the cost and the accountabilities for the EMP incorporated in the credit/loan?                          | Yes [ <input type="checkbox"/> ] | No [ <input type="checkbox"/> ] | NA [ <input type="checkbox"/> ] |
| <b>OP/BP 4.12 - Involuntary Resettlement</b>  |                                  |                                 |                                 |
| Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared? | Yes [ <input type="checkbox"/> ] | No [ <input type="checkbox"/> ] | NA [ <input type="checkbox"/> ] |
| If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?          | Yes [ <input type="checkbox"/> ] | No [ <input type="checkbox"/> ] | NA [ <input type="checkbox"/> ] |
| <b>The World Bank Policy on Disclosure of Information</b>   |                                  |                                 |                                 |
| Have relevant safeguard policies documents been sent to the World Bank's Infoshop?                          | Yes [ <input type="checkbox"/> ] | No [ <input type="checkbox"/> ] | NA [ <input type="checkbox"/> ] |

|  |   |
|--|---|
| Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs? | Yes [ <input checked="" type="checkbox"/> ]   No [   ]   NA [   ] |
| <b>All Safeguard Policies</b>  |   |
| Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?                  | Yes [ <input checked="" type="checkbox"/> ]   No [   ]   NA [   ] |
| Have costs related to safeguard policy measures been included in the project cost?   | Yes [ <input checked="" type="checkbox"/> ]   No [   ]   NA [   ] |
| Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?                             | Yes [ <input checked="" type="checkbox"/> ]   No [   ]   NA [   ] |
| Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?                           | Yes [ <input checked="" type="checkbox"/> ]   No [   ]   NA [   ] |

### III. APPROVALS

|                               |                             |                   |
|-------------------------------|-----------------------------|-------------------|
| Task Team Leader(s):          | Name: Jean-Francois Marteau |                   |
| <b><i>Approved By</i></b>     |                             |                   |
| Safeguards Advisor:           | Name: Agnes I. Kiss (SA)    | Date: 13-Mar-2015 |
| Practice Manager/<br>Manager: | Name: Juan Gaviria (PMGR)   | Date: 13-Mar-2015 |