

ENVIRONMENTAL AND SOCIAL SAFEGUARD DOCUMENTATION FOR

**ADDITIONAL FINANCING FOR  
COVID-19 RESPONSE UNDER  
THE ACCESS TO LONG TERM FINANCE PROJECT**

**ENVIRONMENTAL AND SOCIAL MANAGEMENT  
FRAMEWORK  
(ESMF)\***

**Borrower: Joint Stock Company “The State Export-Import Bank of Ukraine”**

**Guarantor: Ukraine**

Kyiv, March 2021

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\* This document is an update of the Environmental and Social Management Framework of the parent ALTF Project.

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## **Abbreviations and Acronyms**

AF	Additional Financing
ALTF	Access to Long Term Finance Project
BE	Beneficiary enterprise
BP	Bank Procedures
COVID-19	Severe Acute Respiratory Syndrome Coronavirus 2 (Sars-Cov-2)
CMU	Cabinet of Ministers of Ukraine
DBN	State Construction Norms
EA	Environmental Assessment
EIA	Environmental Impact Assessment
EIAR	Environmental Impact Assessment Report
ESA	Environmental and Social Assessment
ESIA	Environmental and Social Impact Assessment
ESIS	Environmental and Social Information Sheet
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
IBRD	International Bank for Reconstruction and Development
NGO	Non-governmental organization
OHS	Occupational Health and Safety
OP	Operation Policy
PFI	Participating Financial Institution
PIU	Project Implementation Unit
PMP	Pest Management Plan
PP	Plant Protector
PPE	Personal Protective Equipment
SEE	State Ecological Expertise
SME	Small and Medium Enterprises
SSES	State Sanitary Epidemiological Service
UEB	Ukreximbank, JSC "The State Export-Import Bank of Ukraine"
WB	World Bank
WHO	World Health Organization

## 1. INTRODUCTION

This Environmental and Social Management Framework (ESMF), prepared for Additional Financing for COVID-19 Response under the Access to Long Term Finance Project (AF for ALTF) is an updated version of the Environmental and Social Management Framework for parent Access to Long Term Finance Project (ALTF) project that was prepared and approved in 2016.

Ukraine's SME sector has felt direct impact of Covid-19 crisis. The objective of the proposed AF is to enhance access to longer term finance and increase private firm resilience, by providing funding for working capital and investments for private SMEs affected by Covid-19 crisis.

Environmental and social systems are continually under pressure worldwide as society endeavors to expand its development activities. Despite efforts of many nations and international organizations to adopt a more sustainable approach to development, we witness daily affronts to our environment.

These are reflected in the continuing permanent losses of valuable natural resources that include agricultural soils, primeval forests, aquatic and other critical ecosystems, ocean fisheries, and species of animals and plants. These losses along with deteriorating air and water quality have serious economic costs, particularly the latter which often can be directly related to illnesses that have to be addressed by national health programs. Often the losses are small in any one instance but cumulatively they represent significant impacts to the environment and the economy.

The environment is the concern of everyone, not only governments but also to international watchdogs. Society as a whole has a responsibility to ensure that global resources are developed and managed on a sustainable basis and are protected for future generations. The various lending institutions that provide the necessary capital for development therefore have the responsibility to ensure that investments and working capital financed through them do not have an adverse impact on the environment. To this end, lending institutions must be aware of the effects that their financing actions can have on the environment and establish lending regulations and guidelines based on the concepts of sustainable development.

Investing in sound sustainable development makes good business sense. The world is increasingly becoming concerned with the state of the environment and many leading edge businesses already actively promote their own efforts towards sustainable and responsible environmental management.

They recognize that such an approach provides a foundation for a strong and growing business. Loan officers, as part of their normal assessment and monitoring, should verify that loans meet a set of acceptable environmental parameters and that these investments will not cause or do harm to the environment.

The Loan would be utilized by Ukreximbank (UEB) for improving access to longer term finance for export oriented small and medium enterprises (SME).

The proposed AF for ALTF project includes two components: (1) wholesale lending through participating financial institutions (PFIs) and (2) direct lending by UEB. The credit line, guaranteed by the Ukrainian government, will be intermediated by UEB, which will be the Borrower and implementing agency.

Under Component (1), UEB will on-lend funds through PFIs. UEB will select PFIs pursuant to criteria agreed with the World Bank, and subject to no objection by the World Bank. The selected PFIs will, in turn, provide sub-loans to export oriented SMEs, the final beneficiaries of the credit line. Under Component (2), UEB will act as a PFI, lending directly to export oriented SMEs. Sub-loans under both Components will be for longer term investments and working capital financing.

All sub-projects to be financed under the AF for ALTF Project will be subject to an environmental and social review process utilizing the procedures described in this Environmental and Social Management Framework (ESMF). This ESMF is intended to provide those responsible for assessing the viability of sub-projects simple step by step guidelines/procedures to ensure that the sub-projects receive the required attention from an environmental and social point of view. UEB

and PFIs will be required to follow these procedures as part of the overall appraisal of sub-borrowers/sub-projects. These procedures are consistent with both the environmental policies and regulations of the Government of Ukraine and the Bank Operational Policy 4.01 on Environmental Assessment.

## **2. BACKGROUND**

The purpose of this ESMF document is to provide guidance to UEB, PFIs and sub-borrowers for environmental and social assessment process to be followed in evaluating individual sub-projects to be considered for financial support from the AF for ALTF Project. This framework document defines the contents, procedures and institutional responsibilities for Environmental and Social Assessment (ESA) of the sub-projects, whose purpose is to ensure that sub-projects are in compliance with both Ukrainian environmental regulations and in accordance with World Bank EA safeguards policies.

The procedures will include the following aspects of sub-project preparation and implementation where applicable:

### **Preparation Phase**

- Sub-project Screening
- Preparing ESA Documentation
- Public Consultation
- Review and Approval
- Disclosure
- Related Conditionalities and Responsibilities
- Prior and Post Review

### **Implementation Phase**

- Arrangements for Environmental and Social Management
- Monitoring
- Capacity Development
- Reporting

In addition to the above, each beneficiary enterprise (BE) purchasing pesticides in its activities has to be consistent with both relevant policies and regulations of Ukraine and the World Bank (OP 4.09 Pest Management). Therefore, the responsibility of each BE that envisions financing of pesticides under AF for ALTF Project will be to arrange, jointly with respective PFI, for a Pest Management Plan (PMP), format of which is attached in the Attachment VI hereto. The PIU is keeping relevant Ukrainian legislation and regulations, and WB policy documents, on file and will provide them to PFIs/BEs upon request.

## **3. ENVIRONMENTAL AND SOCIAL SCREENING**

### **3.1. Sub-project Screening**

The Sub-borrowers of Ukreximbank (UEB) and Participating Financial Institution (PFIs) are responsible for ESA document preparation, public consultation, and disclosure. Sub-borrowers, UEB and the PFIs undertake environmental and social screening of each proposed sub-project to determine the appropriate extent and type of EA. Sub-project screening will take into account the type of finance being considered, the nature and scale of anticipated sub-projects. Depending on the sub-project, environmental and social screening could be performed in two stages, including review of the sub-project based on Ukraine Environmental and social requirements and then screened and classified by loan officers of UEB and PFIs into one of the two Categories (B or C) based on World Bank OP/BP 4.01 Environmental Assessment procedure.

The first stage involves the normal review by Ukrainian environmental authorities if required by Ukrainian law, to determine if full Environmental impact assessment (EIA) study is required.

- The sub-borrower will discuss the proposed sub-project with appropriate local/regional or State Ukrainian environmental authorities and provide them the necessary information they would require to estimate the environmental risks. Ukrainian environmental authorities will then screen the sub-project and determine if EIA is required or not.
- The outcome of this first stage will be statement of said authorities whether EIA is required or not required and if a full environmental impact assessment provided for by the State Building Regulations is needed or not.

The second stage of screening will be performed by the UEB and PFIs and confirmed by the UEB PIU based on World Bank OP/BP 4.01 Environmental Assessment procedure. The procedure will be as follows:

- The sub-borrower submits official government documentation to the UEB or PFIs indicating whether EIA required or not.
- UEB or PFIs will then make an independent evaluation of sub-project eligibility and environmental assessment Category assignment based upon criteria of the existing facilities environmental performance (Items 1-4 of Attachment I) and World Bank EA screening procedures for the proposed sub-project. If the existing facility is considered eligible, the proposed sub-project is assigned to one of two Categories: Category B or C using the World Bank environmental screening criteria presented as items 5 and 6 in Attachment I in this Environmental and Social Management Framework, - Category A sub-projects are not supported under the AF for ALTF project. When Category is identified recommendations are given to the sub-borrower on further actions needed based on sub-project categorization.

Second stage of screening is provided to assess under which category (B or C) sub-project is falling.

The selection of the sub-project category should be based on professional judgment and information available at the time of sub-project identification. If the sub-project is modified or new information becomes available, Bank EA policy permits to reclassify a sub-project. For example, a Category C sub-project might become Category B if new information reveals that it may have significant environmental impacts when they were originally thought to be limited to one aspect of the environment. Conversely, a Category B sub-project might be reclassified as C if a component with environmental and social impacts are dropped or altered. The option to reclassify sub-projects relieves some of the pressure to make the initial decision the correct and final one.

The selection of a screening category often depends also substantially on the sub-project setting, while the “significance” of potential impacts is partly a function of the natural and socio-cultural surroundings.

The World Bank’s experience has shown that precise identification of the sub-project’s geographical setting at the screening stage greatly enhances the quality of the screening decision and helps focus the EIA on the important environmental and social issues.

### **3.2. Category A sub-projects**

These sub-projects are likely to have significant adverse environmental impacts that are sensitive, diverse, or unprecedented. These impacts may be sensitive, irreversible, and diverse, with attributes such direct pollutant discharges large enough to cause degradation of air, water, or soil; large-scale physical disturbances of the site and/or surroundings; extraction, consumption, or conversion of substantial amounts of forest and other natural resources; measurable modifications of hydrological cycles; hazardous materials in more than incidental quantities; and involuntary displacement of people and other significant social disturbances. The impacts are likely to be comprehensive, broad, sector-wide, or precedent-setting. Impacts generally result from a major component of the sub-project and affect the area as a whole or an entire sector. They may affect an area broader than the sites or facilities subject to physical works. The EA for a Category A sub-project examines the sub-

project's potential negative and positive environmental impacts, compares them with those of feasible alternatives (including the "without project" scenario), and recommends any measures needed to prevent, minimize, mitigate, or compensate for adverse impacts and improve environmental performance. For a Category A sub-project, the sub-borrower is responsible for preparing a report, normally a full EIA (or a suitably comprehensive regional or sectoral EIA).

Box 1 provides an indicative list of types of sub-projects typically classified as Category A. As specified above such sub-projects will be not supported under the AF for ALTF project.

**Box 1: An Indicative List of Category A sub-projects**

- Large-scale infrastructure: ports and harbor development, transport (rail, road and waterways), large-scale water resources management (river basin development, water transfer); dams and large reservoirs, hydropower and thermal power, extractive industries and oil and gas transport;
- Large-scale irrigation, drainage and flood control, aquaculture, agro industries and production forestry;
- Major urban projects involving housing development, water treatment, wastewater treatment plants, solid waste collection and disposal;
- Industrial pollution abatement, hazardous waste management, large-scale industrial estates, manufacture and large-scale use of pesticides; and
- Sub-projects that, regardless of scale or type, would have severe adverse impacts on critical or otherwise valuable natural or cultural resources.
- Land clearance and leveling;
- Mineral development;
- Reclamation, new land development;
- Resettlement and all sub-projects with potentially major impacts on people;
- Thermal and hydropower development;
- Manufacture, transportation, and use of pesticides or other hazardous and/or toxic materials.

### 3.3 Category B sub-projects

Sub-projects with less significant impacts and entailing mostly rehabilitation, upgrading as well as new small and medium scale construction will usually be in Category B.

A proposed sub-project is classified as **Category B** after considering, in an integrated manner, the risks and impacts of the sub-project, and determining the following:

- the sub-project may be not complex project as in the case of Category A sub-projects (which are not eligible for financing), its ES scale and impact may be smaller (small to medium) and the location may not be in environmentally sensitive area. This would take into account whether the potential risks and impacts have the majority or all of the following characteristics:
  - they are mostly temporary, predictable and/or reversible, and the nature of the sub-project does not preclude the possibility of avoiding or reversing them (although substantial investment and time may be required);
  - there are concerns that the adverse social impacts of the sub-project, and the associated mitigation measures, may give rise to a limited degree of social conflict, harm or risks to human security;
  - they are medium in magnitude and/or in spatial extent (the geographical area and size of the population likely to be affected are medium to large);

- the potential for cumulative and/or transboundary impacts may exist, but they are not severe and more readily avoided or mitigated than for Category A sub-projects;
- there is medium to low probability of serious adverse effects to human health and/or the environment (e.g., due to accidents, toxic waste disposal, etc.), and there are known and reliable mechanisms available to prevent or minimize such incidents;
- the effects of the sub-project on areas of high value or sensitivity will be lower than Category A sub-projects (which are not eligible for financing);
- mitigatory and/or compensatory measures may be designed readily and be more reliable than those of Category A sub-projects;
- the sub-project is being developed in a legal or regulatory environment where there is uncertainty or conflict as to jurisdiction of competing agencies, or where the legislation or regulations do not adequately address the risks and impacts of complex sub-projects, or changes to applicable legislation are being made, or enforcement is weak;
- there are some concerns over capacity and experience in managing stakeholder engagement but these could be readily addressed through implementation support.

Box 2 provides an indicative list of Category B types of sub-projects.

**Box 2: An Indicative List of Category B sub-projects**

- Small-scale infrastructure projects: power transmission and distribution networks, rural electrification, mini (run of the river with no major water impoundments) or microhydropower projects, small-scale clean fuel fired thermal power plants, renewable energy (other than hydropower), energy efficiency and energy conservation, rural water supply and sanitation, road rehabilitation, and maintenance; telecommunications, etc.;
- Health care service delivery, HIV-AIDS, education (with limited expansion of existing schools/buildings), repair/rehabilitation of buildings when hazardous materials might be encountered (e.g., asbestos, stored pesticides); construction of new buildings greater than one or two rooms; and
- Small-scale irrigation, drainage, agricultural and rural development sub-projects, rural water supply and sanitation, watershed management and rehabilitation, and small-scale agroindustries, tourism (small-scale developments);
- Facilities designed for production of chemicals, production of lubricants from oil or processing of intermediary products, and recovery of waste oil;
- Facilities where pesticides and pharmaceutical products, paints and waxes, elastomer based products and peroxides are produced or where elastomer based products are processed;
- Soap or detergent production facilities;
- Production or repairing of metal materials for railways or aircrafts;
- Iron & steel or nonferrous metal facilities;
- Textile;
- Engines and motor vehicles production or assembly facilities;
- Glass or fiberglass production facilities;
- Hide processing facilities (excluding facilities obtaining final products from processed hide);
- All kinds of paper, cardboard or pasteboard production facilities;
- Tire coating facilities;
- Tire production facilities (inner tubes and tire covers for motor vehicles and airplanes, columns, tire cord, etc.);
- Projects related to animal and plant products;



- Mining projects:
  - facilities with a capacity of 5,000 m<sup>3</sup>/year and above for the extraction and processing of marble blocks or pieces, decorative stones, and facilities with an annual capacity of 100,000 m<sup>2</sup> and above for cutting, processing and polishing marble;
  - extraction of a raw material, or any kind of processing thereof, in accordance with the Regulation for Quarries (25.000 m<sup>3</sup>/year and above);
  - extraction of 50,000 tons/year and above of salt, and/or all sorts of salt processing facilities;
- Clinker grinding facilities or facilities producing ready-mixed concrete or pre-stressed concrete components;
- Facilities producing brick or roof tiles (workshop-type of facilities excluded);
- Facilities producing ceramic or porcelain (workshop-type of facilities excluded);
- Lime factories.

### 3.4. Category C sub-projects

An EIA or environmental analysis is normally not required for such sub-projects because the sub-project is unlikely to have adverse impacts; normally, they have negligible or minimal direct disturbances on the physical setting. Professional judgment finds the sub-project to have negligible, insignificant, or minimal environmental impacts. Beyond screening and an environmental due diligence assessment that would show the BE is complying with the national legal framework and operates based on all necessary permits and licences, no further ESA action is required.

Per national legislation the Category C sub-projects do not need to be passed through the formal procedures of EIA.

Box 3 provides an indicative list of Category C type sub-projects.

#### **Box 3: An Indicative List of Category C sub-projects**

- Education and Health sub-projects not involving construction;
- Rehabilitation of a limited number of small buildings (e.g., schools or health clinics where health care waste is not an issue); and
- Institutional development, training and certain capacity building activities;
- Manufacture of wood products/small scale furniture manufacturing, carving, crafting, etc.;
- Small scale stone crafting;
- Small scale meal fabrication and upgrading;
- Small scale instruments and hardware manufacturing;
- Software development and manufacturing;
- Establishment and equipping of art, design and telecommunications studios;
- Purchase of computer equipment;
- Purchase of transportation equipment.

### 3.5. Rules and Procedures for Environmental and Social sub-projects Screening

#### *Introductory notes*

Screening of each proposed sub-project for funding is to be undertaken in order to determine the appropriate extent and type of Environmental and Social Impact Assessment as well as which one of ten World Bank's Policies will be triggered. The attribution of the sub-project type to WB's EA category and respectively, environmental and social risk that might be generated (i.e., from substantial to moderate risk – by the Category B sub-projects, and from low to no risk - by the Category C sub-projects) is to some extent, an expert judgment.

Generally the significance of impacts and the selection of screening category accordingly, depend as specified above, on the type and scale of the sub-project, the location and sensitivity of environmental issues, and the nature and magnitude of the potential impacts.

***In terms of type and scale of the sub-projects.*** Usually the following sub-projects are considered as having “significant” impacts and respectively should be qualified as Category A sub-projects:

- significantly affect human populations or alter environmentally important areas, including wetlands, native forests, grasslands, and other major natural habitats.
- “significant” potential impacts might be also considered the following: direct pollutant discharges that are large enough to cause degradation of air, water or soil;
- large-scale physical disturbance of the site and/or surroundings;
- extraction, consumption, or conversion of substantial amounts of forest and other natural resources;
- measurable modification of hydrologic cycle;
- hazardous materials in more than incidental quantities; and
- involuntary displacement of people and other significant social disturbances.

***In terms of location.*** There are a number of locations which should be considered while deciding to qualify the sub-project as Category “A”:

- in or near sensitive and valuable ecosystems - wetlands, wild lands, and habitat of endangered species;
- in or near areas with archaeological and/or historical sites or existing cultural and social institutions;
- in densely populated areas, where resettlement may be required or potential pollution impact and other disturbances may significantly affect communities;
- in regions subject to heavy development activities or where there are conflicts in natural resource allocation; along watercourses, in aquifer recharge areas or in reservoir catchments used for potable water supply; and on lands or waters containing valuable resources (such as fisheries, minerals, medicinal plants, prime agricultural soils).

***In terms of sensitivity.*** This is in the case when the sub-project might involve activities or environmental features that are always of particular concern to the Bank as well as to the borrower. These issues may include (but are not limited to): conversion of wetlands, potential adverse effects on protected areas or sites, involuntary resettlement, impacts on international waterways and other trans-boundary issues, and toxic waste disposal.

***In terms of magnitude.*** There are a number of ways in which magnitude can be measured, such as the *absolute amount* of a resource or ecosystem affected, the *amount affected relative to the existing stock* of the resource or ecosystem, the *intensity* of the impact and its *timing* and *duration*. In addition, the *probability of occurrence* for a specific impact and the *cumulative impact* of the proposed action and other planned or ongoing actions may need to be considered.

Examples of sub-projects that fall under Categories B and C are provided in the *Boxes 2 and 3* above.

However, this list is just a starting point and framework for the screening decision. Because of other factors involved such as sub-project sitting, the nature of impacts, and the need for the EIA process to be flexible enough to accommodate them, the lists should not be used as the sole basis for screening.

As there is a general compliance between World Bank and national project categories liable to various types of the environment assessment while during conducting environmental screening it is necessary to take into consideration the following:

- *To the Category A sub-projects* will be attributed all planned activities which require a full environmental impact assessment study provided for by the State Building Regulations (sub-projects placed in or in the vicinity of environmentally sensitive areas and habitat of

endangered species; in or near areas with archaeological and/or historical sites or existing cultural and social institutions).

- *To the Category B sub-projects* may be attributed all planned activities which may have adverse impacts on the environment but not listed in the Category A sub-projects but which may have some environmental and social impacts and for which the EIA is needed. Additionally, Category B might be attributed to those listed in above documents sub-projects/enterprises, which were already built and, respectively passed through the procedure of the EIA, but the purpose of funding is their upgrading/improvements or new small scale construction activities. In these cases ESA is required only for their newly developing parts (construction, reconstruction, rehabilitation, expansion of industrial facilities, etc.).
- *To the Category C sub-projects* will be mainly attributed those which are expected to have minor impacts on environment and therefore are not needed to be passed through the formal procedures of ESA and EIA. Such projects would involve mostly providing financing for recurrent costs and/or purchasing of new equipment (without conducting civil works).

For Category C sub-projects beyond screening and environmental due diligence, no further EIA action is required. If the PFIs and Sub-borrowers meet difficulties with WB categorization of sub-projects it should consult the PIU Environmental Specialist.

***Types of sub-projects that will be not supported by the Project***

The Project does not support the following sub-projects:

- (i) any investments related to wood harvesting and/or those that might have impacts on the forest health (Ref.: OP/BP 4.36 Forestry);
- (ii) production and processing of Genetically Modified Organisms (GMOs);
- (iii) located in protected areas, critical habitats or culturally or socially sensitive areas (Ref.: OP/BP 4.36 Forestry, OP/BP 4.04 Natural Habitats, OP/BP 4.11 Physical Cultural Resources);
- (iv) any sub-projects used to invest in a business which would require the involuntary displacement of existing occupants or economic users of any plot of land, regardless of its current ownership, or loss of or damage to assets including standing crops, kiosks, fences and other (Ref.: OP/BP 4.12 Involuntary Resettlement);
- (v) large scale irrigation systems and sub-projects involving discharging waste waters directly in the international waterways, abstraction or diversion of international waters, sub-projects related to discharging waste materials in a location that could impact on international waters, construction of any dams that might affect international waters hydrological regime, etc. (Ref.: OP/BP 7.50 Projects on International Waterways);
- (vi) sub-project with significant environmental and social impacts that are qualified as Category A.

The AF for ALTF project will also not support other types of sub-projects that are specified in the IFC/WB Exclusion List (*Box 4*).

***Box 4. The IFC/WB Exclusion List***

- |  |
|--|
| <ul style="list-style-type: none"><li>• Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, PCB, wildlife or products regulated under CITES.</li><li>• Production or trade in weapons and munitions.*</li><li>• Production or trade in alcoholic beverages (excluding beer and wine).*</li><li>• Production or trade in tobacco.*</li><li>• Gambling, casinos and equivalent enterprises.*</li></ul> |
|--|

- Production or trade in radioactive materials. This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where IFC considers the radioactive source to be trivial and/or adequately shielded.
- Production or trade in unbounded asbestos fibers. This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%.
- Drift net fishing in the marine environment using nets in excess of 2.5 km. in length.
- Production or activities involving harmful or exploitative forms of forced labor\*\*/harmful child labor.\*\*\*
- Production or trade in wood or other forestry products other than from sustainably managed forests.
- Production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals. Hazardous chemicals include gasoline, kerosene, and other petroleum products.
- Production or activities that impinge on the lands owned, or claimed under adjudication, by Indigenous Peoples, without full documented consent of such peoples.

*Notes:*

*\* This does not apply to sub-project sponsors who are not substantially involved in these activities. "Not substantially involved" means that the activity concerned is ancillary to a sub-project sponsor's primary operations.*

*\*\* Forced labor means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty.*

*\*\*\* Harmful child labor means the employment of children that is economically exploitive, or is likely to be hazardous to, or to interfere with, the child's education, or to be harmful to the child's health, or physical, mental, spiritual, moral, or social development.*

## **4. LEGAL AND REGULATORY FRAMEWORK AND APPLICATION OF THE WB SAFEGUARDS**

### **4.1. Legal and Regulatory Framework of the Project Activity**

The Ukrainian legislative and regulatory base which governs environmental issues is quite comprehensive, sophisticated and sometimes contradictory. It consists of: international conventions, treaties, protocols and agreements ratified by the Parliament; laws; resolutions and decrees of the Cabinet of Ministers of Ukraine (CMU); orders of the Ministries. By Resolutions of the CMU and orders of the Ministries various norms, rules, standards and guidances, often jointly referred to as regulations are approved. To become legal, every piece of legislation has to be registered with the Ministry of Justice of Ukraine.

By-laws of numerous government bodies (Ministries, State Agencies, State Inspectorates, State Services and other central government organs) which define authority of the respective government organ and its branches on regional (oblast and district) level are also of major importance. This section of legislation underwent significant changes after the administrative reform of 2010, when the whole system of central government organs was changed.

The environmental aspects are also regulated by relevant legal provisions contained in other parts of the country's law (civil law, water code, land code, administrative legislation, criminal law, etc.).

More specifically, these provisions specify the grounds and details of punitive actions/penalties of disciplinary, administrative, material and/or criminal nature, imposed on an environmental offender and related to the harm done by the offence, environmental risk, and severity of adverse impact produced.

### ***Water Legislation***

The legal framework for water management in Ukraine is provided in the Water Code 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 sector are a permit to take water from the water source and a permit to discharge treated or non-treated wastewater into the environment ("special water use" permit).

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

- Resolution by CMU "On the Order of Approval and Obtaining Permits for Special Water Use";
- Resolution by CMU "On the Procedure of Development and Approval of Pollution Discharge Limits and the List of Polluting Substances, for which the Discharge Limits are Set";
- State Sanitary Rules and Norms: "Drinking Water. Hygienic Requirements to the Centrally Supplied Drinking Water Quality";
- Regulation "On the Rules of Designing and Operation of the Sanitary-Protection Zones of the Sources of Drinking Water".

### ***Air Protection Legislation***

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

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

- Resolution by the Cabinet of Ministers of Ukraine, approving the Regulation "On the Procedure for Determining the Level of Impacts on Ambient Air, Attributed to Physical and Biological Factors";
- Resolution by the Cabinet of Ministers of Ukraine, approving the Regulation "About the statement of the Order of implementation the state registration in the field of the air protection";
- Guidelines on Preparing the Inventory of Air Emissions and Sources;
- State sanitary rules of the Maximum Admissible Concentrations and "Probable Safe Effect Levels" for Polluting Substances Present in the Ambient Air in the Populated Areas.

### ***Waste Management Legislation***

The legal framework for waste management in Ukraine is provided in the Law of Ukraine "On Waste" (1998) and other legislative acts, designed to regulate activity in order to avoid or minimize generation of waste, their storage and handling, the prevention and mitigation of harmful effects of waste generation, storage and handling on the environment and human health. This Law also covers the sphere of responsibility of ministries and local authorities.

Key existing regulations and standards in the field of waste management include:

- The Law of Ukraine "On Environmental Protection";
- The Law of Ukraine "On Sanitary and Epidemiological Well being of population";
- The Law of Ukraine "On Handling of Radioactive Wastes";
- The Law of Ukraine "On Metal Scrap";

- Resolution by the Cabinet of Ministers of Ukraine, approving the Regulation "On Governmental Accounting and Certification of Waste";
- Resolution by the Cabinet of Ministers of Ukraine, approving the Regulation "On Maintenance of Register of Waste Generation, Handling and Utilization Objects";
- Resolution by the Cabinet of Ministers of Ukraine, approving the Regulation "On Submission of the Declaration of Waste";
- Order by the State Committee on Standardization, Metrology and Certification, approving the "Waste Classifier".

### ***Sanitary well-being***

The Law "On Sanitary and Epidemiological Well-being of the Population" and regulations based on this law are of major importance for this sphere. The State Sanitary Epidemiological Expertise is conducted by the sanitary epidemiological service. The Sanitary Epidemiological Service within the State Service of Ukraine on Food Safety and Consumer Protection operates on the basis of this law and regulation and is responsible for enforcement of sanitary-epidemiological legislation.

### ***Access to information and public participation***

In Ukraine, the access to environmental information was ensured when the Parliament ratified the "Aarhus Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters" in 1999. Several regulatory acts were developed by the Minprirody, which specify provisions of this Convention.

### ***Environmental Impact Assessment***

There was a special law "On Ecological Expertise (Environmental Review)" of 1995, which specified several types of "Ecological Expertise", of which the State ecological expertise was mandatory and most important. Actually, the Law stipulated that design documentation should be reviewed and approved by the panel of environmental experts.

This Law became ineffective on 23.05.2017, when a new Law "On Environmental impact Assessment" № 2059-VIII of 23 May 2017 was enacted. Parts 2 and 3 of Article 3 of this Law specify the list of activities which require EIA. Procedure of preparing environmental impact assessment documentation is prescribed by the State Construction Norms DBN A.2.2-1-2003 "On Conducting Assessment of Environmental Impact".

Engineering survey, design and construction activities are regulated by the Ministry for Communities and Territories Development (MCTD). There exists a whole set of design and construction norms and standards, including DBN A.2.2-3-2012 "Composition and Content of the Design Documentation for Construction", which defines terminology, types of construction activities and objects etc.

The State Construction Norms DBN A.2.2-3-2012 "Composition and Content of the Design Documentation for Construction" (Annexes B.1.2 and D) requires mandatory section on "environmental impacts, measures for their minimization, mitigation and compensation" in all types of design documentation (feasibility study, detailed design etc.) When design documentation is reviewed by the State Civil Engineering Expertise, this section is also analyzed and approved by the experts.

In the State Construction Norms DBN A.2.2-3-2012, mentioned above, there are also requirements to justify decision on the necessity to construct (reconstruct) particular object, as well as provision "to ensure accessibility for handicapped persons".

General guidance on how the ***public consultations*** must be organized in case of full-scale EIA are listed in Section 1 of the State Construction Norms DBN A.2.2-1-2003. However, as none of sub-projects envisaged by AF will require EIA, these national requirements are not applicable for the AF for ALTF project.

## **4.2. World Bank Safeguard Policies**

The World Bank has established its social and environmental safeguard policies in order to prevent and mitigate potential adverse impacts associated with the Bank's lending operations to people and their environment. Taking into account the nature of the proposed sub-projects, eight out of ten Operational Policies (OP/BP 4.04 - Natural Habitats; OP/BP 4.10 - Indigenous People, OP/BP 4.11 - Physical Cultural Resources, OP/BP 7.50 - International Waterways, OP/BP 4.37 - Safety of Dams, OP/BP 4.12 - Involuntary Resettlement; OP/BP 4.36 - Forests and OP/BP 7.60 - Disputed Areas OP/BP) are not triggered for purposes of the AF for ALTF project.

All sub-project proposals will be screened in the context of all above policies, and if discovered that any of them may require inter alia involuntary land acquisition, physical displacement or any other issues involving squatters that will trigger OP/BP 4.12, such sub-projects will not be eligible for financing under the loan proceeds.

OP 4.01: Environmental Assessment - is triggered for all sub-projects and one policy (4.09 – Pest Management) - for sub-projects which envisage purchasing of pesticides and their use.

### ***OP/BP 4.01: Environmental Assessment***

This policy is triggered if a sub-project is likely to have potential environmental risks and impacts in its area of influence, which is the case with sub-projects to be considered under AF for ALTF 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.

### ***OP 4.09: Pest Management***

OP 4.09 Pest Management assists borrowers to manage pests that affect either agriculture or public health. In agricultural sub-projects, the borrower addresses pest management issues in the context of the sub-project's environmental assessment to ensure pest management activities follow an Integrated Pest Management (IPM) approach, minimize environmental and health hazards due to pesticide use and to regulate and monitor the distribution and use of pesticides.

In case of using pesticides by beneficiary enterprises (BE) in their activity OP 4.09 applies to such agricultural sub-projects, whether or not the Bank loan finances pesticides. Even if procurement of the pesticides is not financed under sub-loan, an agricultural development sub-project may lead to substantially increased pesticide use and subsequent environmental problems.

Pesticides purchasing in a Bank-financed sub-project is contingent on an assessment of the nature and degree of associated risks, taking into account the proposed use and the intended users. This assessment is made in the context of the sub-project's environmental assessment and is recorded in the sub-project documents. The sub-project documents also include a list of pesticide products authorized for procurement under the project, or an indication of when and how this list will be developed and agreed on. Furthermore, in all cases when the sub-projects will provide financing for pesticides purchasing under AF for ALTF Project it is necessary to prepare and implement a PMP.

## **4.3. Comparison of Ukrainian and World Bank Requirements on Environmental Assessment**

The analysis of Ukrainian and the World Bank requirements on the Project Environmental Assessment and Environmental and Social Management Plan indicates that they are largely similar. The World Bank's EA policy and procedure is generally compatible with the 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 sub-project preparation, design and development for any sub-project activity that involves a new construction and/or upgrade of an existing facility.

If environmental and social safeguard policies of the World Bank are more stringent than the requirements of Ukrainian regulations, the World Bank requirements should be applied.

#### 4.4. World Bank Guidelines developed for addressing COVID-19

In addition to specified above OPs under the project AF there will be applied several new guiding documents:

- (a) *World Bank Group Environmental Health and Safety Guidelines* –  
<https://www.ifc.org/wps/wcm/connect/29f5137d-6e17-4660-b1f9-02bf561935e5/Final%2B-%2BGeneral%2BEHS%2BGuidelines.pdf?MOD=AJPERES&CVID=jOWim3p>
- (b) *COVID-19 Considerations in Construction/Civil Works Projects*. Provided in this document recommendations to prevent potential risk of COVID-19 exposure related to rehabilitation/repair or new construction activities will be required for all such types of sub-projects.  
<https://worldbankgroup.sharepoint.com/sites/wbunits/opcs/Knowledge%20Base/ESF%20Safeguards%20Interim%20Note%20Construction%20Civil%20Works%20COVID.pdf>
- (c) COVID-19 relevant Consultation Guidelines (*Technical Note: Public Consultations and Stakeholder Engagement in WB-supported operations when there are constraints on conducting public meetings*) were used to adjust the approach and methodology for continuing stakeholder consultation and engagement –  
<https://worldbankgroup.sharepoint.com/sites/wbunits/opcs/Knowledge%20Base/Public%20Consultations%20in%20WB%20Operations.pdf>
- (d) *Good Practice Note on Addressing Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) in IPF* to prepare a guidance note to be incorporated in the POM for governing the conduct of all workers to ensure acceptable behavioral requirements with other workers and in relation to nearby communities. This note will specify a set of measures to prevent gender-based violence, sexual exploitation and abuse and sexual harassment –  
<http://pubdocs.worldbank.org/en/741681582580194727/ESF-Good-Practice-Note-on-GBV-in-Major-Civil-Works-v2.pdf>
- (e) *WHO Infection Prevention and Control* guidance note and national regulations were used to prepare guidance note providing detailed advice to project workers on what should be done when somebody becomes sick or displays symptoms that could be associated with the COVID-19 virus – [https://apps.who.int/iris/bitstream/handle/10665/331538/WHO-COVID-19-IPC\\_DBMgmt-2020.1-eng.pdf](https://apps.who.int/iris/bitstream/handle/10665/331538/WHO-COVID-19-IPC_DBMgmt-2020.1-eng.pdf)
- (f) *WHO Guidance Getting Your Workplace Ready for COVID-19* –  
<https://www.who.int/docs/default-source/coronaviruse/getting-workplace-ready-for-covid-19.pdf>
- (g) *WHO interim guidance on use of PPE for COVID-19* –  
[https://apps.who.int/iris/bitstream/handle/10665/331215/WHO-2019-nCov-IPCPE\\_use-2020.1-eng.pdf](https://apps.who.int/iris/bitstream/handle/10665/331215/WHO-2019-nCov-IPCPE_use-2020.1-eng.pdf)

## 5. SOCIAL ASPECTS

### 5.1. Occupational Health and Safety Screening

In the framework of environmental and social assessment of prospective sub-projects to be financed under AF for ALTF project, the Occupational Health and Safety issues are to be reviewed and risks to occupational health and safety should be assessed.

Beneficiary enterprises are obliged to implement all reasonable precautions to protect the health and safety of workers. The focus should be placed not only on the operational phase of sub-projects, but also should cover construction and decommissioning activities.



Preventive and protective measures should be introduced according to the following order of priority:

- ***Eliminating the hazard*** by removing the activity from the work process (e.g. substitution with less hazardous chemicals, using different manufacturing processes, etc);
- ***Controlling the hazard*** at its source through use of engineering controls (e.g. local exhaust ventilation, isolation rooms, machine guarding, acoustic insulating, etc);
- ***Minimizing the hazard*** through design of safe work systems and administrative or institutional control measures (e.g. job rotation, training safe work procedures, lock-out and tag-out, workplace monitoring, limiting exposure or work duration, etc);
- ***Providing appropriate personal protective equipment (PPE)*** in conjunction with training, use, and maintenance of the PPE.

The review of prevention and control measures to occupational hazards should be based on comprehensive job safety or job hazard analyses and cover the following issues:

- ***General Facility Design and Operation***, including: *Integrity of Workplace Structures* (permanent and recurrent places of work should be designed and equipped to protect OHS); *Fire Precautions* (the workplace should be designed to prevent the start of fires through the implementation of fire codes applicable to industrial settings); *Potable water and air supply*; *Lighting*; *Safe access*; *First aid*; *Work environment temperature*.
- ***Communication and Training***, including: *OHS Training*; *New Task Employee and Contractor Training*; *Hazardous Area Signage*; *Labeling of Equipment*; *Communicate Hazard Codes*.
- ***Physical Hazards***, including: *Rotating and Moving Equipment* (injury or death can occur from being trapped, entangled, or struck by machinery parts due to unexpected starting of equipment or unobvious movement during operations); *Noise*; *Vibration*; *Electrical* (exposed or faulty electrical devices, such as circuit breakers, panels, cables, cords and hand tools, can pose a serious risk to workers); *Eye Hazards* (solid particles from a wide variety of industrial operations, and / or a liquid chemical spray may strike a worker in the eye causing an eye injury or permanent blindness); *Welding / Hot Work* (welding creates an extremely bright and intense light that may seriously injure a worker's eyesight); *Working at Height*.
- ***Chemical Hazards***, including: *Air Quality*; *Fire and Explosions*; *Corrosive, oxidizing, and reactive chemicals*; *Asbestos Containing Materials*.
- ***Biological Hazards*** (biological agents represent potential for illness or injury due to single acute exposure or chronic repetitive exposure).
- ***Radiological Hazards*** (radiation exposure can lead to potential discomfort, injury or serious illness to workers)
- ***Personal Protective Equipment (PPE)*** (PPE provides additional protection to workers exposed to workplace hazards in conjunction with other facility controls and safety systems).

## 5.2. Occupational health and safety monitoring

Occupational health and safety monitoring should verify the effectiveness of prevention and control strategies. The selected indicators should be representative of the most significant occupational, health, and safety hazards, and the implementation of prevention and control strategies. The occupational health and safety monitoring should include:

- ***Safety inspection, testing and calibration***: This should include regular inspection and testing of all safety features and hazard control measures focusing on engineering and

personal protective features, work procedures, places of work, installations, equipment, and tools used. The inspection should verify that issued PPE continues to provide adequate protection and is being worn as required. All instruments installed or used for monitoring and recording of working environment parameters should be regularly tested and calibrated, and the respective records maintained.

- ***Surveillance of the working environment:*** Employers should document compliance using an appropriate combination of portable and stationary sampling and monitoring instruments. Monitoring and analyses should be conducted according to internationally recognized methods and standards. Monitoring methodology, locations, frequencies, and parameters should be established individually for each sub-project following a review of the hazards. Generally, monitoring should be performed during commissioning of facilities or equipment and at the end of the defect and liability period, and otherwise repeated according to the monitoring plan.
- ***Surveillance of workers health:*** When extraordinary protective measures are required, workers should be provided appropriate and relevant health surveillance prior to first exposure and at regular intervals thereafter. The surveillance should, if deemed necessary, be continued after termination of the employment.
- ***Training:*** Training activities for employees and visitors should be adequately monitored and documented (curriculum, duration, and participants). Emergency exercises, including fire drills, should be documented adequately. Service providers and contractors should be contractually required to submit to the employer adequate training documentation before start of their assignment.

### **5.3. Involuntary Resettlement Impacts and Screening**

Implementation of the Additional Financing for the Access to Long Term Finance Project envisages financing of eligible export-oriented sub-projects by PFI's and UEB's SME clients in different sectors of economy. Taking into account that prospective individual sub-projects could be of different type (investment/working capital) and scope of activity/investments, and therefore with different nature and magnitude of environmental and social impacts, it is obvious that such environmental and social risks and impacts could not be identified and assessed in advance.

However, if implementation of the specific sub-project could have possible social impact (e.g. creation of new jobs, loss of employment, influx of workforce, possible economic displacement, etc.), such direct or indirect effect on society should be assessed and included into Environmental and Social Information Sheet as well as possible mitigation measures should be set out in ESMP.

#### **5.3.1 Social Screening Process to ensure due diligence in safeguards compliance**

The project will not trigger OP/BP 4.12 on Involuntary Resettlement. Sub-project activities proposed under the AF for ALTF Projects not expected to cause any temporary or permanent physical or economic displacement or loss of assets. Furthermore, the Project will not support any sub-projects that would necessitate involuntary land acquisition or any form of involuntary resettlement. UEB will do sub-lending together with other PFIs to existing credit worthy sub-borrowers to develop their export potential.

Nevertheless, in order to ensure full compliance with social safeguards policies and requirements of the Bank, the UEB will carry out social screening of each sub-project using the following checklist. Social staff attached to project implementation unit then will reflect result of this social screening/due diligence in the Project Environmental and Social Information Sheet based on the magnitude of social risks/ impacts.

#### **Social Screening checklist to assess involuntary resettlement impacts and social risks:**

<b>Probable Involuntary Resettlement / Social Impacts</b>	<b>Yes</b>	<b>No</b>	<b>Not Known</b>	<b>Details</b>
1. Will the sub-project includes new physical construction work?				
2. Does the sub-project includes upgrading or rehabilitation of existing physical facilities?				
3. Is the sub-project likely to cause any permanent damage to or loss of housing, other assets, resource use?				
4. Is the site chosen for this work free from encumbrances and is in possession of the Public/government/ community land?				
5. Does this sub-project require private land acquisitions?				
6. If the site is privately owned, can this land be purchased through negotiated settlement? (Willing Buyer – Willing Seller)				
7. If the land parcel has to be acquired, is the actual plot size and ownership status known?				
8. Are these land owners willing to voluntarily donate the required land for this sub-project?				
9. Whether the affected land owners likely to lose more than 10% of their land/structure area because of donation?				
10. Is land for material mobilization or transport for the civil work available within the existing plot/ Right of Way?				
11. Are there any non-titled people who are living/doing business on the proposed site/sub-project locations that use for civil work?				
12. Is any temporary impact likely?				
13. Is there any possibility to move out, close of business/ commercial/ livelihood activities of persons during constructions?				
14. Is there any physical displacement of persons due to constructions?				
15. Does this sub-project involve resettlement of any persons? If yes, give details.				
16. Will there be loss of /damage to agricultural lands, standing crops, trees?				
17. Will there be loss of incomes and livelihoods?				
18. Will people permanently or temporarily lose access to facilities, services, or natural resources?				
19. Will sub-project cause loss of employment/Jobs				
20. Will sub-project generate excessive labor influx as a result of new constructions				
Overall Assessment and proposed mitigations measures if any:				

#### **5.4. Labor and Working Conditions**

In Ukraine the adequate national labor requirements as well as appropriate legislation are in place to ensure protection of all types of workers. The Labor Code of Ukraine, the principal legislative act governing employment/work relations, specifically regulates the working hours, workers' right to rest, remuneration, guarantees and compensations, workplace discipline, working conditions, work safety, female labor, youth labor, vulnerable groups' labor (e.g. persons with disabilities), etc. With the outbreak and spread of COVID-19, the Parliament of Ukraine adopted changes to the Labor Code to address issues related to remote work, flexible schedule and salaries/compensations during the halted operations. The Resolutions adopted by the Government in March-April 2020 introduced support to vulnerable groups (including the elderly, poor, individual entrepreneurs, informal workers and unemployed) and groups at risk of exposure to COVID-19 (including health and social workers).

The World Bank comprehensively reviewed the labor related arrangements under the AF for ALTF project to ensure that adequate work practices are in place to prevent and reduce the risk of the virus transmission. The results of the review revealed that:

- national legislation and requirements are adequate to address COVID-19 issues;
- risks related to occupational health and safety are duly addressed by the UEB and PIU through: (i) adapted or redesigned work processes to enable social distancing; (ii) adjusted work practices (remote work and flexible schedule arrangements), (iii) appropriate preventive and protective measures (availability and usage of handwashing stations, sanitizers, masks and other personal protective equipment) as well as (iv) adequate medical waste control (separate waste bins for masks, gloves and used paper towels and adequate waste management practices which are in place);
- all project workers and their families have access to healthcare facilities;
- all project workers were provided detailed advice on what should be done when somebody becomes sick or displays symptoms that could be associated with the COVID-19 virus, based on the WHO guidance note and national regulations; and
- all workers have access to the project-level and UEB-level GRM through online channels (email, online chart and online form) and traditional channels of communication (phone-lines and mail).

The AF for ALTF project envisages the engagement of the following workers: (i) PIU staff, (ii) UEB staff and staff of UEB branches, (iii) PFI staff and staff of sub-borrowers and (iv) other consultants.

These project workers benefit from access to: (i) enhanced work practices developed and improved under the original project, allowing to effectively assess the needs of beneficiaries, as well as to plan, manage and deliver social assistance and services; (ii) improvements in the benefits delivery systems (creation of the online enrollment for social assistance benefits and digitalization of benefits payments) that are expected to improve services and promote the inclusion of vulnerable groups into society and (iii) extensive capacity-building and training activities.

All project workers are encouraged to use the existing project grievance mechanism to raise workplace concerns, report concerns related to COVID-19, preparations being made by the project to address COVID-19 related issues, how procedures are being implemented, and concerns about the health of their co-workers and other staff.

The project-level GRM has been improved by the PIU to ensure that health and safety concerns are adequately addressed. The GRM Focal Point will be trained to more effectively address grievances relating to COVID-19 specific risks in a timely, effective and efficient manner that satisfies all parties involved.

The AF for ALTF will be carried out in accordance with the applicable labor requirements, in a manner acceptable to the Bank, including, inter alia, strengthening health and safety support (including emergency preparedness and response measures), maintaining grievance arrangements for project workers, and incorporating health and safety requirements into the POM.

## **5.5 Requirements for preventing COVID-19 infection**

As COVID 19 infection might affect of project implementation in the country, while reviewing and approving the proposed activities it is necessary to ensure that the BE (i) has undertaken adequate precautions in place to prevent or minimize an outbreak of COVID-19, and (ii) has in place a plan what to do in the event of an outbreak. The necessary activities in this regard would include the following:

(i) undertaking measures to minimize the chances and contain the spread of the virus as a result of the movement of workers; (ii) ensure their sites are prepared for an outbreak; (iii) develop and

practice contingency plans so that personnel know what to do if an outbreak occurs and how treatment will be provided; (iv) appointing COVID-19 issues focal point; (v) requiring the Contractor to communicate with the focal point or project health and safety specialist and medical staff (and where appropriate the local healthcare providers), and coordinating designing and implementing the contingency plans; and (vi) encouraging to use the existing project grievance mechanism to report concerns relating to COVID-19, preparations being made by the project to address COVID-19 related issues, how procedures are being implemented, and concerns about the health of their co-workers and other staff.

With regards to all necessary COVID 19 related activities, the WB has issued a Guidance Note on COVID 19 considerations in construction/civil works contracts (see *Attachment IX*). The document is intended to advise Bank staff on ways to support Borrowers in addressing key issues associated with construction and civil works and COVID-19 and recommends assessing the current situation of the project, understanding the obligations of contractors under existing contracts (Section 3), requiring contractors to put in place appropriate organizational structures (Section 4) and developing plans and procedures to address different aspects of COVID-19 (Section 5). Among most important actions to be undertaken by Contractors are the following: (a) Training staff on the signs and symptoms of COVID-19, how it is spread, how to protect themselves (including regular handwashing and social distancing) and what to do if they or other people have symptoms; (b) Placing posters and signs around the working site, with images and text in local languages; (c) Promoting good respiratory hygiene in the workplace: displaying posters promoting respiratory hygiene and combining this with other communication measures such as offering guidance from occupational health and safety officers, briefing at meetings and information on the intranet etc.; ensuring that face masks are available at your workplaces, for those who develop a runny nose or cough at work, along with closed bins for hygienically disposing of them; and, (d) Ensuring handwashing facilities supplied with soap, disposable paper towels and closed waste bins exist at office premises. Where handwashing facilities do not exist or are not adequate, arrangements should be made to set them up. Alcohol based sanitizer (if available, 60-95% alcohol) can also be used.

Respectively, the UEB and PFIs need to ensure the Bes and their contractors will follow this Note and prepare a Contingency plan to be reviewed and approved by PFIs. Furthermore, in the case of sub-projects involving civil works, the Contractor must prepare brief reports with regards to COVID situation, using attached template in *Attachment X*. It is important that the Bank team is informed of an outbreak on a site to better coordinating the necessary responses with project management protocols. Such reporting should be done following the guidance in ESIRT for a 'Serious' incident, to ensure that the Bank team is informed and that the event is managed accordingly at the project level. An investigation into an outbreak of COVID-19 does not need to be undertaken by the PFIs or Contractor, but the UEB should keep teams informed of any concerns or problems associated with providing care to infected workers on project sites, particularly if infection rate is approaching 50% of the workforce.

## **6. ENVIRONMENTAL AND SOCIAL ASSESSMENT (ESA)**

### **6.1. Environmental and Social Assessment Documentation**

**Category B sub-projects** (Intermediate Risk, EIA may or may not be required based on Ukrainian Environmental legislation). The scope of ESA for a Category B sub-project may vary from sub-project to sub-project. It examines the sub-project's potential negative and positive environmental impacts and recommends any measures needed to prevent, minimize, mitigate, or compensate for adverse impacts and improve environmental performance.

Depending on the type of sub-project and the nature and magnitude of the impacts for Category B sub-projects there might be required twotypes of ESA documents: a) site specific ESIA – for project with moderate impacts which are typically site-specific, reversible in nature and for which mitigation measures can be designed more readily and an associated ESMP; and b) only an ESMP –

in the case of sub-projects with impacts can be readily identified of low significance in terms of magnitude, extent, or duration which are well known and can be addressed by standard procedures of engineering design and good practice.

***For Category B sub-projects which require site specific ESIA and ESMP***

The sub-borrower will be required to submit the following documentation to UEB/PFIs:

- Project Environmental and Social Information Sheet (as specified in Attachment II of this Environmental and Social Framework Document).
- A copy of the official letter indicating a “Positive Decision” by relevant environmental authorities (limited EIA is satisfactory and is approved according to Ukrainian legislation).
- Any special requirements, conditions, or qualifications which accompany the “Positive Decision”.
- The ESIA (prepared as per requirements presented in the Attachment III). The ESIA should include any E&S risks of selected for financing activities and must be comprehensive and cover the all sub-project activities, including the raw materials and equipment, without which the borrowing SMEs can’t carry out their regular activities.
- Environmental and Social Management Plan (ESMP) (as specified in Attachment IV of this Environmental and Social Management Framework), identifying potential environmental risks and proposed mitigation measures.
- In the case of financing of pesticides under AF for ALTF Project, the ESIA documents should include also a special Pest management Plan.
- If the enterprise has an existing operation, the sub-borrower should provide a list of certifications (for example emissions, discharge and waste disposal limits) and evidence that all environmental licenses, permits, approvals for this activity are valid, and an indication of the expiration dates for these requirements.
- Details of one Public Consultation (as specified in Attachment VII).

***For Category B sub-projects which require only an ESMP***

The sub-borrower will be required to submit the following documentation to UEB/PFIs:

- Project Environmental and Social Information Sheet (as specified in Attachment II)
- Environmental and Social Management Plan (ESMP) (as specified in Attachment IV of this Environmental Framework Document), identifying potential environmental risks and proposed mitigation measures, and submit it to UEB or PFI for review. In the case of small - scale construction of rehabilitation activities it is recommended to prepare an ESMP Checklist as per Attachment V.
- If the enterprise has an existing operation, the sub-borrower should provide certification, including key standards for emissions and discharges and evidence that all environmental licenses, permits, approvals for this activity are valid, and an indication of the expiration dates for these requirements. Such approvals could include matters closely related to Environmental Assessment, such as Cultural Property in those few cases where this could apply to sub-projects.

***Category C sub-projects*** (Low Risk, EIA Not Required). If a sub-project receives this classification, no environmental assessment documentation is needed, and beyond environmental due diligence of the BE, no further environmental review or approvals are necessary.

## **6.2. Public Consultation**

For Category B sub-projects, during the EA process, the sub-borrower consults project-affected groups and local nongovernmental organizations (NGOs) on the ESIA and ESMP documents and takes their views into account. The sub-borrower initiates such consultations as early as possible.

For that purpose, at least one public consultation is required, where draft ESMP (or site specific EIA and ESMP document) are reviewed and consulted (as specified in Attachment VII). Any significant issues, established during the public consultation, should be incorporated into the EIA.

The Sub-borrower responsibilities include: (a) public notification including disclosure of draft documents on which public was consulted, (b) conducting the consultation and (c) recording the significant findings, list of participants who attended the consultations, conclusions, recommendations and next steps. Details of the documentation required for the public consultation are presented in Attachment VII of this Environmental and Social Management Framework.

Ukrainian language version of the ESMP and the record of the public consultation should be placed at a public location near the sub-project site and on the Sub-borrower website (as appropriate).

### **6.3. Review and Approval**

**Category B which require a site specific ESIA and ESMP:** Loan officer together with Environmental specialist at UEB or PFI will review : Project Environmental and Social Information Sheet; a copy of the official letter indicating a “Positive Decision” by relevant environmental authorities; the EIA document; ESMP; list of certifications (for example emissions, discharge and waste disposal limits) and evidence that all environmental licenses, permits, approvals for this activity are valid, and an indication of the expiration dates for these requirements; and Details of one Public Consultation.

**Category B which require only an ESMP document:** Loan officer at UEB or PFI will review: Project Environmental and Social Information Sheet; ESMP; list of certifications (for example emissions, discharge and waste disposal limits) and evidence that all environmental licenses, permits, approvals for this activity are valid, and an indication of the expiration dates for these requirements;

**Category C:** Loan officer at UEB or PFI will conduct and assessment of necessary documents for environmental due diligence (specified above) and in the areas included in the Attachment 1. These are the basis for concluding the BE is operating in compliance with the national legal environmental requirements or not and for preparing, if necessary, actions to ensure such compliance.

### **6.4. Disclosure**

For meaningful consultations between the sub-borrower and sub-project-affected groups and local NGOs on all B sub-projects, the sub-borrower provides relevant material in a timely manner prior to consultation and in a form and language that are understandable and accessible to the groups being consulted.

The Ukrainian EIA implementation regulations contained in the Law "On Environmental impact Assessment" include provisions for public consultation and information disclosure.

### **6.5. Related Conditionalities and Responsibilities**

All sub-loan agreements for Category B sub-projects must include a condition requiring the sub-borrower implementing the mitigation, monitoring, and reporting measures specified in the ESMP and strictly follow the procedures according to related Ukrainian laws and regulations in the event of chance finds of culturally significant artifacts or sites. Environmental Specialist from PIU in UEB will exercise its responsibility to supervise implementation by UEB/PFI's loan officers of those conditions.

It is the responsibility of the Sub-borrower to assure that all tender documents and construction contracts include all relevant requirements put forward in the ESMP. During Sub-project implementation, PIU at UEB or the PFIs will have the right to check tender documents and

construction contracts to verify this condition has been satisfied. Contractor agreement to satisfy these conditions should be one prerequisite for a contractor to win the bid.

## **6.6. World Bank Prior and Post Review**

Environmental evaluations and review procedures will be subject to “ad-hoc” review by the PIU and IBRD supervision missions. The World Bank will perform prior review and clearance of the first two Category B sub-projects and on the “ad-hoc” basis thereafter. The review of evaluations will ensure that:

the work was of satisfactory quality, the appropriate recommendations were made, all documentation was properly filed and recorded, and that the conditions of approval were met. During the Project implementation, IBRD missions will supervise the overall screening process and implementation of environmental recommendations for selected sub-borrowers/sub-projects. The IBRD supervision team will also review, on “ad-hoc” basis environmental documentation. Therefore, all this documentation should be kept on file with the PIU UEB as needed.

## **7. ENVIRONMENTAL AND SOCIAL MANAGEMENT PLANNING**

### **7.1. Arrangements for Environmental and Social Management**

The format for an Environmental and Social Information Sheet (ESIS), Environmental and Social Management Plan (ESMP) which is the basis for conducting environmental and social screening, including institutional organization and arrangements is provided in Attachment II to this Environmental and Social Management Framework.

PIU of UEB should have throughout the sub-project lifetime a staff member or a consultant with an environmental background to undertake environmental due diligence. The individual must be able to recognize an activity for which a loan is being sought that may fall into Category B or C of the Bank and ensure that EA documents developed under the sub-project will meet World Bank requirements and Ukrainian Environmental legislation.

The Sub-borrower is responsible for ensuring that all the requirements of ESMP are properly implemented. Mitigation of any environmental effects will be the responsibility of the sub-borrower.

However, it will also be the responsibility of the PIU of UEB to ensure that mitigation is carried out successfully. This responsibility will be effected through monitoring system.

## **8. MONITORING**

Loan officers at UEB and PFIs will have ultimate responsibility for any environmental effects that may result from their sub-projects as defined in section below. To strengthen their capacities the project will provide at the initial stage an intensive training (see Section “Capacity Development”) so that the Loan Officers will be able to monitor their sub-projects but often they will have to rely on consultations with the Environmental Specialist from PIU at UEB and/or World Bank Safeguard Expert. In the case the sub-projects will have adverse impacts (Category B sub-projects) the sub-borrowers should hire qualified environmental consultants to prepare EA documents and later may also hire same consultants to conduct environmental monitoring. As it is expected to have a large number of Category B sub-projects which will require only an ESMP document that will be assigned to each loan officer, monitoring will likely be conducted on a sample basis. Monitoring of category B which require a site specific ESIA and ESMP will be fully performed and periodical reporting on the ESMP implementation will be provided by the sub-borrower to the UEB and PFIs. From an environmental viewpoint, those groups of sub-projects which have the potential for creating the most serious environmental problems should be given highest priority. For monitoring to be effective, results must be acted upon, and as such, monitoring results will be considered when loan applications are reviewed and conditions are placed on subsequent loans.



Bank supervision missions should consider including an environmental safeguard specialist once a year to audit monitoring procedures and results and as well, provide an assessment of the effects, if any, that the sub-project may be having on cumulative impacts.

The loan officer at UEB/PFIs will be responsible for:

- monitoring all Category 'B' which required site specific ESIA sub-projects to ensure that mitigation is carried out as planned and to ensure that no unanticipated effects have occurred;
- randomly reviewing/monitor Category 'B' sub-projects which require only ESMP to ensure that they are environmentally acceptable;
- where necessary, prescribing corrective actions to be taken, without which the loan will be cancelled/not renewed;

The project Operational Manual will set forth the rules and procedures for environmental and social assessment of sub-projects as described in the ESMF, eligibility criteria for enterprises that can benefit from the project financing, criteria for the eligible investments and working capital loans, terms and conditions of the sub-loans, and other modalities and agreements of the access to finance. The sub-projects' ESMPs will be also integrated into the contracts for approved activities, both into specifications and bills of quantities and the contractors will be required to include the cost in their financial bids and grant proposals.

## **9. CAPACITY DEVELOPMENT**

At the minimum, Loan Officers from UEB and PFIs engaged in Project implementation should attend minimum a three day environmental safeguards training workshop that will demonstrate how financed sub-projects can affect the environment and the steps to be taken to avoid, mitigate impacts and carry out monitoring. And, as noted above, the UEB safeguards specialist will supervise environmental and social due diligence of sub-projects together with loan officers at UEB and PFIs.

Loan officers should have the capacity to recognize, in a general way, potential environmental risk of certain investments, in order that they are able to report potential problems to the head of PIU at UEB (Environmental expert at UEB PIU). Key personnel from the PIU of UEB and PFIs should attend an environmental safeguards training workshop and all loan officers engaged in Project implementation should attend an environmental safeguards training workshop. Furthermore, UEB safeguards specialist will organize periodical training of PFIs loan officers of the ESA and on implementing this revised ESMF document.

## **10. REPORTING**

UEB and PFIs should include a section in their regular supervision reports indicating whether the sub-borrower is complying with all requirements of the ESMF and ESMPs, if any environmental issues emerged during the reporting period, and, if so, how those issues were or are being addressed.

The status of compliance with agreed environmental mitigation measures is to be reported by UEB and PFIs in their regular (semiannually) reports on sub-project implementation. In the case of noncompliance, the loan officers and in case of environmental accidents, non-compliance actions which provoked serious environmental effects also the State Environmental Inspectorate investigate the nature and reason(s) for non-compliance, and a decision has to be made on what is needed to bring a sub-project into compliance, or whether financing should be suspended.

The UEB and PFIs make available information on monitoring of environmental management plans and mitigation measures in its routine reporting on sub-project implementation to the World Bank and during periodic Bank supervision missions.

## 11. GRIEVANCE REDRESS MECHANISM

Project-affected parties may submit complaints regarding the Bank-financed activities to the original project grievance mechanism or the World Bank's corporate Grievance Redress Service:

**(i) Project-level GRM.** Under the ALTF the responsive and effective GRM was established at the project level, including designated GRM focal point and GRM Log. This mechanism is available for all including beneficiaries, project workers and other stakeholders. On PFI level, under the established grievance handling procedure grievances are collected, reviewed (15 business days), addressed (30 business days) and reported to UEB (2 business days of appeal). All appeals are subject to consideration including anonymous appeals. Appeals can be submitted through various channels of communication (by designated grievance submission box and the official site, social networks (Facebook, Twitter, LinkedIn) official page, phone, mail, e-mail or personally). A detailed GRM handling procedure (including instruction on filing appeals/grievances) is provided on UEB website, and on information boards placed next to sub-project activity site clearly visible to the public. The complaints received through various channels are promptly reviewed by the PIU GRM focal point and relevant clarifications are provided to address the project-related concerns. All project workers are encouraged to use the existing project grievance mechanism to raise workplace concerns and concerns relating to COVID-19, including on health of their co-workers and other staff, preparations being made by the project to address COVID-19 related issues and how procedures are being implemented. Project stakeholders can submit questions, complaints and compliments/suggestions through the GRM, without disclosing the identity if so wished (anonymous requests). The GRM implemented under the ALTF would be applicable to the proposed AF. Under the AF for ALTF, the project-level GRM will be reviewed and further improvements be made to ensure that health and safety concerns are adequately addressed. The GRM Focal Point will be trained to more effectively address grievances relating to COVID-19 specific risks in a timely, effective and efficient manner that satisfies all parties involved.

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

## 12. DISCLOSURE AND CONSULTATIONS

ESMF is posted at the UEB website, and public consultations organized by the UEB. After the consultation, the draft ESMF is reviewed to consider inputs from consulted parties, and the final version of the ESMF re-disclosed on the website of the UEB and in the World Bank website.

Disclosure of relevant project information helps stakeholders including those who may be negatively affected by the project to understand the Project environmental and social risks, impacts, opportunities and mitigation measures. Target of the information disclosure and communication will be:

- to provide a schedule and information on activities together with the mechanisms for gathering the feedback;

- to inform key stakeholders of environmental and social risks and impacts associated with project activities;
- to improve the knowledge about the AF for ALTF activities as well as associated risks and risk mitigation measures;
- to ensure the best practices in terms of environmental protection, health and safety for project workers; and
- to make available to the public a grievance procedure, in order to collect the feedback and to undertake corrective actions in cases that may lead to unnecessary risks or a negative opinion about project implementation.

A precautionary approach will be taken in stakeholder engagement activities to minimize the risk of COVID-19 transmission, following the World Bank's *Technical Note: Public Consultations and Stakeholder Engagement in World Bank-supported operations when there are constraints on conducting public meetings*. During the AF for ALTF project preparation the stakeholder consultation and engagement activities, including related to E&S planning process, were adjusted to ensure effective and meaningful consultations to meet project and stakeholder needs using the following mechanisms/methods:

- means of communication were diversified to rely more on online channels and social media. Virtual meetings and workshops would be organized in situations where large meetings and workshops are essential. Webex, Zoom, Skype, and in low IT capacity situations, audio meetings, have proved effective to design virtual workshops and hold virtual meetings;
- where it is possible and appropriate chatgroups using mobile messengers and social media are created, based on the type and category of stakeholders. Low-tech digital tools, such as WhatsApp, Facebook, or SMS, are utilized to support two-way communications with stakeholders; and
- traditional channels of communications (phone-lines) were used when stakeholders did not have access to online channels.

If the COVID-19 public health emergency situation continues, virtual consultations using online channels of communication and social media will continue to be used. All engagement actions would follow appropriate social distancing precautions. In situations where none of the above means of communication is considered adequate for required consultations with stakeholders, the team will discuss with the PIU whether the project activity could be rescheduled to a later time when meaningful stakeholder engagement is possible.

The draft Environmental and Social Management Framework (ESMF) for Additional Financing for COVID-19 Response under the Access to Long Term Finance Project (AF for ALTF or Project) has been disclosed on the Ukreximbank's website since January 15, 2021. Stakeholders were also informed about the date of the public consultations related to the draft of ESMF. Disclosure of the relevant information has helped stakeholders to understand the AF for ALTF project environmental and social risks, impacts, opportunities and mitigation measures.

Due to the COVID-19 restrictions for the public gathering introduced by the Government of Ukraine, the virtual public consultations were organized by Ukreximbank on March 3, 2021 to present the summary information of the ESMF for the Project. The representatives of Ukreximbank described the importance of Project for the improvements of access to longer term finance for export oriented SMEs that were affected by the COVID-19. During the public consultations the participants were briefly presented the components of the Project and ESMF documents with emphasis on the importance of those documents for assessing and managing environmental and social risks.

More information on the disclosure and public consultations is provided in the Attachment VIII of this ESMF.

**Environmental Eligibility Checklist for the Existing Enterprise and Screening Criteria for the Proposed Sub-project**

CRITERIA		N/A	YES	NO	COMMENTS
1	Does the existing enterprise have a valid operating permit, licenses, approvals etc.?				If no, either: All required licenses /permits/ approvals etc. must be obtained prior to sub-project approval, or Sub-project investment must provide key investments needed to obtain them
2	Does the existing enterprise meet all Ukrainian environmental regulations regarding air emissions, water discharges and solid waste management?				If no: Facility must take corrective measures to meet all environmental regulations prior to sub-project approval, or Sub-project investment must provide key investments needed to meet them
3	If the existing enterprise has any significant outstanding environmental fees, fines or penalties or any other environmental liabilities (e.g. pending legal proceedings involving environmental issues etc.) will the investment be used to correct this condition?				If the enterprise has outstanding liabilities the facility must take corrective measures to remove them prior to sub-project approval.
4	If there have been any complaints raised by local affected groups or NGOs regarding conditions at the facility will the investment be used to remedy these complaints?				If yes: UEB or PFIs should examine the nature of the complaints and actions taken to address them. If there are significant unresolved complaints, UEB/PFIs should consult with WB regarding appropriate action
5	Will the sub-project have potential adverse impacts on human populations or environmentally important areas-including wetlands, forests, grasslands, and other natural habitats? Are the impacts site specific, few if any irreversible and mitigating measures are readily developed?				If yes, assign Category B-high if EIA is required under Ukrainian Environmental Legislation is required or assign Category B-low in cases where EIA is not required.
6	Will the sub-project likely have minimal or no adverse impacts?				If yes, assign Category C
7	Will the sub-project involve involuntary land acquisition, physical displacement or any other issues that will trigger OP/BP 4.12.				If yes, such sub-projects will not be eligible for financing.

## Project Environmental and Social Information Sheet

### SECTION I (to be completed by the sub-borrower)

1. Sub-project Description: Describe the nature of the sub-project: equipment purchases, working capital financing, civil works construction, removal/demolition of existing structures etc.
2. Sub-project Location Description: Describe the general land use characteristics at or near the subproject site. Indicate the nearest population centers (villages, cities etc.), any surface waters (lakes, rivers, etc.), any areas of particular human or ecological sensitivity or cultural interest (hospitals, schools, religious houses of worship, historical sites or monuments, natural areas protected by the government or international agreement, etc.), social characteristic (as appropriate). Confirm that neither involuntary land acquisition or physical displacement nor any other squatter issues will arise due to the Sub-project.

#### Environmental and Social Factors and possible impact

3. Air Pollution: Indicate any releases of gases to the atmosphere expected from sub-project implementation-either during construction or sub-project operation. Provide information about if these releases will be controlled, and if so, the nature of the control.
4. Water Pollution: Indicate the nature of any wastewater discharges to either surface waters or to ground waters anticipated from sub-project implementation-either during construction or sub-project operation. Provide information about the nearest drinking water sources. Indicate if these discharges will be treated, and if so, the nature of the treatment that will be used.
5. Solid Wastes: Describe the nature of solid material wastes that will be produced either during sub-project construction or operation phases. Distinguish between non-hazardous and hazardous wastes.

Provide information about how each of these types of solid materials will be managed (e.g. recycled, used as a raw material elsewhere, burial, incineration, etc.).

6. Occupational Health and Safety issues, Social impact (as appropriate): Describe the precautions, implemented by the sub-borrower to protect the health and safety of workers, prevention and control measures to occupational hazards (e.g. general facility design and operation, communication and training, physical, chemical, radiological and biological hazards, personal protective equipment, safety inspection, surveillance of the working environment and workers health). Describe possible social impact (e.g. creation of new jobs, loss of employment, influx of workforce, possible economic displacement, etc.).

For an *Existing Operation*, provide copies or details that all environmental permits, licenses, approvals are valid and the expiration dates for these requirements.

### SECTION II (to be completed by UEB or the PFI)

7. Does the sub-project comply with all environmental regulations concerning atmospheric emissions, effluent discharges and solid waste management? If not, please provide an explanation.
8. Will the sub-project present a social risk or risk of significant impact to any sensitive areas of the natural and human environment? If the response is positive, please describe the nature of the impact and an assessment of the risks involved.
9. Does the sub-borrower have an existing system in place for environmental management, or is such a system currently being developed? If not, please provide description of provisions for effective management proposed for the sub-loan.
10. For an Existing Operation are all environmental permits, licenses, approvals valid and are the expiration dates in a reasonable time in the future?

11. Does the sub-borrower have a record of environmental penalties, legal judgments, etc. related to their environmental performance, or any outstanding liabilities related to their environmental management? If yes, please elaborate.

**RECOMMENDED CATEGORY RATING**

Please describe the basis upon which this Category rating is recommended.

### TORs for conducting ESIA

An environmental and social impact assessment report for Categories B sub-projects focuses on the significant environmental issues raised by a sub-project. Its primary purpose is to identify environmental impacts and those measures that, if incorporated into the design and implementation of a project can assure that the negative environmental effects will be minimized. The scope and level of detail required in the analysis depend on the magnitude and severity of potential impacts.

The Environmental and Social Impact Assessment Report should include the following elements:

- a. *Executive Summary*. This summarizes the significant findings and recommended actions.
- b. *Policy, legal and administrative framework*. This section summarizes the legal and regulatory framework that applies to environmental management in the jurisdiction where the study is done.
- c. *Project Description*. Describes the nature and scope of the project and the geographic, ecological, temporal and socioeconomic context in which the project will be carried out. The description should identify social groups that will be affected, include a map of the project site, and identify any off-site or support facilities that will be required for the project.
- d. *Baseline data*. Describe relevant physical, biological and social condition including any significant changes anticipated before the project begins. Data should be relevant to project design, location, operation or mitigation measures.
- e. *Environmental and social impacts*. Describe the likely or expected positive and negative impacts in quantitative terms to the extent possible. Identify mitigation measures and estimate residual impacts after mitigation. Describe the limits of available data and uncertainties related to the estimation of impacts and the results of proposed mitigation.
- f. *Analysis of Alternatives*. Systematically compare feasible alternatives to the proposed project location, design and operation including the "without project" alternative in terms of their relative impacts, costs and suitability to local conditions. For each of the alternatives quantify and compare the environmental impacts and costs relative to the proposed plan.
- g. *Environmental and Social Management Plan (ESMP)*. If significant impacts requiring mitigation are identified, the EMP defines the mitigation that will be done, identifies key monitoring indicators and any needs for institutional strengthening for effective mitigation and monitoring to be carried out.
- h. *Appendices*.

This section should include:

- (i) The list of EIA preparers;
- (ii) References used in study preparation;
- (iii) A chronological record of interagency meetings and consultations with NGOs and effected constituents;
- (iv) Tables reporting relevant data discussed in the main text, and;
- (v) A list of associated reports such as resettlement plans or social assessments that were prepared for the project.

**Environmental and Social Management Plan (ESMP) Format**

**Sub-project Description:** Present a brief description of the Sub-project. Include the nature of the investment, the location, and any characteristics of the area that are of particular interest, e.g. near a protected area, area of cultural, historical, religious interest etc. Also, very briefly describe the general land use characteristics (farming, small industry etc.), and the location(s) of the nearest population centers. Provide a brief summary of the major Sub-project related environmental issues, how will they be managed, who will manage them and what are the environmental risks, if any.

**MITIGATION PLAN**

Phase	Issue	Mitigating Measure	Cost of Mitigation (if substantial)	Responsibility*	Start Date	End Date
Construction	• • • •				• • • •	• • • •
Operation	• • • •				• • • •	• • • •

\*Items indicated to be the responsibility of the contractor should be specified in the bid documents



## MONITORING PLAN

<b>Phase</b>	<b>What parameter is to be monitored?</b>	<b>Where is the parameter to be monitored?</b>	<b>How is the parameter to be monitored/ type of monitoring equipment?</b>	<b>When is the parameter to be monitored- frequency of measurement or continuous?</b>	<b>Monitoring Cost What is the cost of equipment or contractor charges to perform monitoring</b>	<b>Responsibility</b>	<b>Start Date</b>	<b>End Date</b>
Construction	• • • •						• • •	• • •
Operation	• • • •						• • • •	• • • •

**Institutional Arrangements:** A brief narrative discussion should be prepared to indicate how monitoring data is going to be used to maintain sound environmental performance—who collects the data, who analyzes it, who prepares reports, whom the reports are sent to and how often, what he/she does with the information.

## **Environmental Management Plan Checklist (for small scale construction/rehabilitation sub-projects)**

### General Guidelines for use of ESMP checklist:

For low-risk construction projects, such as minor roads rehabilitation works or the construction of bicycle paths, the ECA (Europe and Central Asia) safeguards team developed an alternative ESMP (environmental and social management plan) format to provide an opportunity for a more streamlined approach to mainstreaming the World Bank's environmental safeguards requirements into projects which (a) are small in scale or by the nature of the planned activities have a low potential environmental impact, (b) are located in countries with well-functioning country systems for environmental assessment and management. The checklist-type format has been developed to ensure that basic good practice measures are recognized and implemented, while designed to be both user friendly and compatible with the World Bank's safeguards requirements.

The ESMP checklist-type format attempts to cover typical key mitigation measures to civil works contracts with small, localized impacts or of a simple, low risk nature. This format provides the key elements of an ESMP to meet the minimum World Bank Environmental Assessment requirements for Category B projects under OP 4.01. The intention of this checklist is that it offers practical, concrete and implementable guidance to Contractors and supervising Engineers for simple civil works contracts. It should be completed during the final design phase and, either freestanding or in combination with any environmental documentation produced under national law (e.g. ESIA reports), constitute an integral part of the bidding documents and eventually the works contracts.

The checklist ESMP has the following sections:

Part 1 includes a descriptive part that characterizes the project, specifies institutional and regulatory aspects, describes technical project content, outlines any potential need for capacity building and briefly characterizes the public consultation process. This section should indicatively be up to two pages long. Attachments for additional information may be supplemented as needed.

Part 2 includes a screening checklist of potential environmental and social impacts, where activities and potential environmental issues can be checked in a simple Yes/No format. If any given activity/issue is triggered by checking "yes", a reference to the appropriate section in the table in the subsequent Part 3 can be followed, which contains clearly formulated environmental and social management and mitigation measures.

Part 3 represents the environmental mitigation plan to follow up proper implementation of the measures triggered under Part 2. It has the same format as required for MPs produced under standard safeguards requirements for Category B projects.

Part 4 contains a simple monitoring plan to enable both the Contractor as well as authorities and the World Bank specialists to monitoring due implementation of environmental management and protection measures and detect deviations and shortcomings in a timely manner.

**Part 1. Project Information**

<b>INSTITUTIONAL &amp; ADMINISTRATIVE ARRANGEMENTS</b>				
Country				
Project title				
Scope of project and activity				
Institutional arrangements (names and contacts)	WB (Project Team Leader)	Project Management	Local Counterpart Recipient	and/or
Implementation arrangements (Name and contacts)	Safeguard Supervision	Local Counterpart Supervision	Local Inspectorate Supervision	Contactor
<b>SITE DESCRIPTION</b>				
Name of site				
Describe site location	Attachment 1: Site Map [ ]Y / [ ]N			
Who owns the land?				
Geographic description				
<b>LEGISLATION</b>				
Identify national & local legislation & permits that apply to project activity				
<b>PUBLIC CONSULTATION</b>				
Identify when / where the public consultation process took place				
<b>INSTITUTIONAL CAPACITY BUILDING</b>				
Will there be any capacity building? (Yes/No)	[ ], if Yes, Attachment 2 includes the capacity building program			

**Beneficiary:**

**Signature:**

**Date**

ENVIRONMENTAL /SOCIAL SCREENING			
Will the site activity include/involve any of the following:	<b>Activity</b>	<b>Status</b>	<b>Additional references</b>
	A. Building rehabilitation	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section <b>B</b> below
	B. New construction	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section <b>B</b> below
	C. Individual wastewater treatment system	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section <b>C</b> below
	D. Historic building(s) and districts	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section <b>D</b> below
	E. Acquisition of land <sup>1</sup>	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section <b>E</b> below
	F. Hazardous or toxic materials <sup>2</sup>	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section <b>F</b> below
	G. Impacts on forests and/or protected areas	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section <b>G</b> below
	H. Handling / management of medical waste	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section <b>H</b> below
	I. Traffic and Pedestrian Safety	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section <b>I</b> below

ACTIVITY	PARAMETER	MITIGATION MEASURES CHECKLIST
A. General Conditions	Notification and Worker Safety	<p>The local construction and environment inspectorates and communities have been notified of upcoming activities</p> <p>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)</p> <p>All legally required permits have been acquired for construction and/or rehabilitation</p> <p>All work will be carried out in a safe and disciplined manner designed to minimize impacts on neighboring residents and environment.</p> <p>Workers will comply with international good practice (always hardhats, as needed masks and safety glasses, harnesses and safety boots)</p> <p>Appropriate signposting of the sites will inform workers of key rules and regulations to follow.</p>
B. General Rehabilitation and /or Construction Activities	Air Quality	<p>During interior demolition use debris-chutes above the first floor</p> <p>Keep demolition debris in controlled area and spray with water mist to reduce debris dust</p> <p>Suppress dust during pneumatic drilling/wall destruction by ongoing water spraying and/or installing dust screen enclosures at site</p>

<sup>1</sup> The project will support construction of new buildings only in the case when land acquisition is not necessary and there are no any resettlement issues; for such cases the investor should have the landownership title as well as has to prove the land at the moment of sub-projects application is not occupied or used even illegally

<sup>2</sup> Toxic / hazardous material includes and is not limited to asbestos, toxic paints, removal of lead paint, etc.

ACTIVITY	PARAMETER	MITIGATION MEASURES CHECKLIST
		Keep surrounding environment (side walks, roads) free of debris to minimize dust There will be no open burning of construction / waste material at the site There will be no excessive idling of construction vehicles at sites
	Noise	Construction noise will be limited to restricted times agreed to in the permit 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	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	Waste collection and disposal pathways and sites will be identified for all major waste types expected from demolition and construction activities. 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. Construction waste will be collected and disposed properly by licensed collectors The records of waste disposal will be maintained as proof for proper management as designed. Whenever feasible the contractor will reuse and recycle appropriate and viable materials (except asbestos)
C. Individual wastewater treatment system	Water Quality	The approach to handling sanitary wastes and wastewater from building sites (installation or reconstruction) must be approved by the local authorities 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 Monitoring of new wastewater systems (before/after) will be carried out
D. Historic building(s)	Cultural Heritage	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 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	Land Acquisition Plan/Framework	If expropriation of land was not expected and is required, or if loss of access to income or damage to assets of legal or illegal users of land was not expected but may occur, that the bank Task Team Leader is consulted. The approved by the Bank Land Acquisition Plan (if required by the project) will be

ACTIVITY	PARAMETER	MITIGATION MEASURES CHECKLIST
		implemented prior to start of project works.
<b>F. Toxic Materials</b>	Asbestos management	<p>If asbestos is located on the project site, mark clearly as hazardous material</p> <p>When possible the asbestos will be appropriately contained and sealed to minimize exposure</p> <p>The asbestos prior to removal (if removal is necessary) will be treated with a wetting agent to minimize asbestos dust</p> <p>Asbestos will be handled and disposed by skilled &amp; experienced professionals</p> <p>If asbestos material is to be stored temporarily, the wastes should be securely enclosed inside closed containments and marked appropriately</p> <p>The removed asbestos will not be reused</p>
	Toxic / hazardous waste management	<p>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>The containers of hazardous substances should be placed in a leak-proof container to prevent spillage and leaching</p> <p>The wastes are transported by specially licensed carriers and disposed in a licensed facility.</p> <p>Paints with toxic ingredients or solvents or lead-based paints will not be used</p>
<b>G. Affects forests and/or protected areas</b>	Protection	<p>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>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>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>There will be no unlicensed borrow pits, quarries or waste dumps in adjacent areas, especially not in protected areas.</p>

### Environmental Monitoring Plan (Example)

<b>Phase</b>	<b>What</b> (Is the parameter to be monitored?)	<b>Where</b> (Is the parameter to be monitored?)	<b>How</b> (Is the parameter to be monitored?)	<b>When</b> (Define the frequency / or continuous?)	<b>Why</b> (Is the parameter being monitored?)	<b>Cost</b> (if not included in project budget)	<b>Who</b> (Is responsible for monitoring?)
During activity preparation	site access	at the site	check if design and project planning foresee	before launch of construction	safety of general public,	marginal, within budget  marginal, within budget; (prepare special account for analyses at PIU)	Contractor, Engineer
	availability of waste disposal facilities	at the site	diligent procedures		timely detection of waste disposal bottlenecks		
	hazardous waste inventory (asbestos)	in site vicinity on site	visual / analytical if in doubt	before start of rehabilitation works			
	construction material quality control (eg. paints / solvents)	Contractor's store / building yard	visual / research in toxic materials databases	before approval to use materials	public and workplace health and safety		
During activity supervision	dust generation	on site and in immediate neighborhood, close to potential impacted residents	visual consultation of locals	daily	avoidance of public nuisance	marginal, within budget	Contractor, Engineer
	noise emissions			daily			
	waste and wastewater types, quality and volumes	at discharge points or in storage facilities	visual, analytical if suspicious count of waste transports off site, check flow rates and runoff routes for wastewater	daily / continuous	avoidance of negative impacts on ground/ surface waters		
	surface drainage soundness			daily / continuous	ensuring proper waste management and disposal		

## Pest Management Plan (PMP) Format

### Section I (to be completed by the sub-borrower)

**Participating bank:**

**Sub-borrower:**

**Sub-project title:**

**Sub-project description:** (description of the nature of the investment: equipment purchases, civil works construction, removal/demolition of existing structures, purchase or use of pesticides, herbicides, etc.).

**Description of sub-project location:** (description of the general land use characteristics at or near the sub-project site; indication of the nearest population centers (villages, cities, etc.), proximity of any surface waters (lakes, rivers, etc.), any areas of particular human or environmental sensitivity or cultural interest (hospitals, schools, religious houses of worship, natural areas protected by the government or international agreements, etc.).

### **List of pesticides used by the sub-borrower**

№	Name of Plant Protectors (PPs)	Main use	Active ingredient and/ or formulated products		Class of hazard (WHO)	Area of applicatio n	Maximum allowable concentration for usage according to existing environmental legislation	Actual usage rate	Produce r	Certificat e of state registrati on, date of registrati on, validity
			Comm on name	Content						
1	2	3	4	5	6	7	8	9	10	11
Pesticides used by the sub-borrower										
1										
2										
Pesticides proposed to finance under AF for ALTF funds										
1										
2										

1. Number in order.

2. To indicate the name of PPs.

3. To indicate the main use of pesticide (herbicide, fumigant, fungicide, etc.). In most cases only a single use is given. This is only for identification purposes and does not exclude other uses.

4. Common name of the active ingredient approved by the International Organization of Standardization (ISO). To indicate formulation for formulated products in which the active ingredient is diluted with other materials (usually less toxic).

5. To indicate the content of active ingredient in unit of measurement (g/kg, g/l, g/ml).

6. To indicate the class of hazard, determined due to the classification recommended by the World Health Organization (WHO). The classification and guidelines to it are resulted in the WHO publication "Recommended Classification of Pesticides by Hazard and Guidelines to Classification". Copies of the classification, which is updated annually, are available in the Sectoral Library of the World Bank or to the electronic address [http://www.who.int/ipcs/publications/pesticides\\_hazard/en/](http://www.who.int/ipcs/publications/pesticides_hazard/en/)

7. To indicate agricultural crop or object the PP is used for (rye, wheat, oat, soya etc.).

8. To indicate maximum allowable concentration for usage according to existing environmental legislation (per area unit: l/ha, kg/ha etc).

9. To indicate actual usage rate.

10. To indicate the producer of PP.

11. To indicate the series, number, date of issue of the certificate of state registration and/or quality certificate and its period of validity

### **Environmental factors**



*The impact on the health of handlers including those who store, sell, transport and apply pesticides:*

To give information regarding minimization of this factor's impact, namely:

- ☐ Do employees who handle pesticides as part of their normal work responsibilities receive any regular medical examination? If so, please describe.
- ☐ Is a logbook or other written record of pesticide application maintained? If so, what records are kept and who is responsible for this?
- ☐ Are pesticides used by Sub-borrower/ planned for procurement under AF for ALTF funds permitted for usage within Ukraine and eligible for financing under AF for ALTF

*The impact on the health of food consumers:*

To give information regarding minimization of this factor's impact, namely:

- ☐ warning the food consumers about possible negative impact on their health caused by pesticides application and regarding their minimization (foods washing, etc.);
- ☐ usage of pesticides which minimize the residue and are the least harmful for food consumers, etc.

*Air and surface waters contamination:*

To give information regarding minimization of this factor impact, namely:

- ☐ application of pesticides which are the least hazardous;
- ☐ observance of rules of effective storage and application of pesticides;
- ☐ planning activities and implementation of optimal volumes and time schedules of application of pesticides, etc.

*Wastes:* To indicate the nature of wastes produced during the use of pesticides. To describe separately non-hazardous and hazardous wastes. To provide information on how each of these types of wastes will be handled (recycling, utilization, etc.).

*For existing operations:* To provide copies of all environmental permits, licenses, registration certificates, approvals, etc. To provide vendor's license to wholesale and retail trade of the pesticides (indicating the series, number, date of issue of the license and its period of validity).

- ☐ *For Sub-borrower information*

*The Bank does not finance formulated products that fall in World Health Organization's (WHO) classes IA and IB, as well as Class II products whose toxicity level is equivalent to the WHO IA / IB categories, e.g. with oral LD50 for liquids = 200 mg/kg body weight or less (see table below).*

Hazard Class	LD 50 for the rat (mg/kg body weight)			
	Oral		Dermal	
	Solids*	Liquids*	Solids*	Liquids*
Ia Extremely hazardous	5 or less	20 or less	10 or less	40 or less
Ib Highly hazardous	5 - 50	20 - 200	10 - 100	40 - 400
II Moderately hazardous	50- 500	200 - 2000	100 - 1000	400 - 4000
III Slightly hazardous	Over 500	Over 2000	Over 1000	Over 4000

*\* The terms "Solids" and "Liquids" refer to the physical state of the active ingredient being classified.*

*The Bank declines to finance pesticides which contain active ingredients from the WHO IA/IB classes regardless of how they are formulated, on the grounds that most of the commercially available formulations of these materials are quite hazardous and there are suitable alternatives for almost any application. However, if there is a clear technical case for doing so, and if the toxicity level of the formulated product is under the WHO IA/IB cut-off point, the Bank could finance such a product.*

*The Bank will finance formulations of products containing active ingredients from Class II, but only if it can be ensured that they will only be handled by appropriately trained and equipped people and with appropriate safeguards for distribution, storage and disposal. So, they can be financed if the country has well-established and effective legal and regulatory systems addressing these points (e.g. through a certification/licensing program). If the country does not have adequate national control systems, the Bank would normally not finance these products. However, in special cases it could be done if clear and concrete measures are built into the project to ensure that the necessary restrictions will be met for access to/use of the particular materials to be procured). Exceptions can be made for specific formulations which are very low hazard because the active ingredient is at very low concentration, but the case should be made that there is no suitable alternative using an active ingredient which falls below Class II.*

*However, there are also a few products that the Bank normally doesn't finance even though they don't fall into WHO Classes Ia or Ib, because they have hazardous features which make them unacceptable despite having a moderate oral toxicity (oral LD-50, which is the main criterion for WHO classification). This could include human health hazards or environmental hazards. For example, the Bank doesn't finance the herbicide Paraquat which falls into WHO Class II (oral LD 50 is 150 mg/kg) but is very easily absorbed through the skin and has high toxicity through that route, and for which there is no known antidote. Another example is granulated slow-release formulations of some pesticides, which are low hazard to people but present a major threat to birds.*

Mentioned documents should be valid and contain expiration dates for these requirements.

Copies of documents that confirm operations aimed at minimization of negative environmental impact and its consequences, and copies of relevant documents (certificate of state registration, quality certificate, etc.) for storage, selling, transportation and applying of pesticides are to be provided.

*To provide information regarding applying of the integrated pest management (IPM) methods or approaches:*

(i) does the sub-borrower apply pesticides based on a predetermined schedule, or does the sub-borrower monitor pest populations in the field in order to determine when pest numbers are high enough to justify pesticide application? If monitoring of populations is practiced, please describe monitoring methods and the thresholds (factors) which trigger pesticide application;

(ii) does the sub-borrower monitor numbers of beneficial species in the field (e.g. predatory insects, spiders). If so, which ones and how?

(iii) does the sub-borrower use any non-chemical methods to reduce pest populations and impacts? If so, please describe;

(iv) when applying pesticides, does the sub-borrower take any specific precautions to reduce contamination of soil or water, or to reduce impacts on beneficial species? If so, please describe.

## **Section II (to be completed by the participating bank)**

*Please provide information:*

(i) does the sub-borrower currently use or propose to purchase any pesticides which are not eligible for sub-project financing?

(ii) does the sub-borrower appear to rely entirely or mainly on chemical control with no elements of IPM approach?

(iii) does the sub-borrower have (or lack) adequate facilities to ensure safe storage of pesticides?

(iv) does the sub-borrower have an adequate plan for disposing of excess pesticides and empty containers?

(v) does the sub-borrower have a record of environmental penalties, legal judgments, etc. related to its environmental performance, or any outstanding liabilities related to relevant activities aimed at minimization of environmental impact and its consequences? If yes, please explain in details.

For each question where the answer indicates an environmental or safety risk, a specific mitigation plan should be proposed.

***Date, signatures of empowered person on behalf of PFI and sub-borrower, seal***

## Public Consultation

Provide documentation of the following:

<b>Documentation</b>
<i>Manner in which notification of the consultation was announced</i> (Should include date(s) on which the draft document was made available to public prior to consultation meeting): - media(s) used, date(s), description or copy of the announcement
<ul style="list-style-type: none"> <li>• <i>Date(s) consultation(s) was (were) held</i></li> </ul>
<ul style="list-style-type: none"> <li>• <i>Location(s) consultation(s) was (were) held</i></li> </ul>
<i>Who was invited</i> - Name, Organization or Occupation, Telephone/Fax/e-mail number/address (home - and/or office)
<i>Who attended</i> - Name, Organization or Occupation, Telephone/Fax/e-mail number/address (home - and/or office)
<i>Meeting Program/Schedule</i> - - What is to be presented and by whom
<ul style="list-style-type: none"> <li>• <i>Summary Meeting Minutes</i> (Comments, Questions and Response by Presenters)</li> </ul>
<i>List of decisions reached, and any actions agreed upon with schedules and deadlines and</i> <ul style="list-style-type: none"> <li>• <i>responsibilities</i></li> </ul>

### **Information on ESMF disclosure and Public consultations**

With reference to the provisions of Section 12 of the Environmental and Social Management Framework (ESMF) for Additional Financing for COVID-19 Response under the Access to Long Term Finance Project (AF for ALTF or Project) the draft of ESMF for AF for ALTF has been disclosed on the Ukreximbank's website since January 15, 2021. Stakeholders also were informed about the date of the public consultations related to the draft of ESMF. Disclosure of the relevant information has helped stakeholders to understand the AF for ALTF project environmental and social risks, impacts, opportunities and mitigation measures.

Due to the COVID-19 restrictions for the public gathering introduced by the Government of Ukraine, the virtual public consultations were organized by Ukreximbank on March 3, 2021 to present the summary information of the ESMF for the Project. The representatives of Ukreximbank described the importance of Project for the improvements of access to longer term finance for export oriented SMEs that were affected by the COVID-19. During the public consultations the participants were briefly presented the components of the Project and ESMF documents with emphasis on the importance of those documents for assessing and managing environmental and social risks. The core parts of the ESMF along with changes and developments were presented to the participants of the consultations including:

- environmental and social risks and impacts associated with AF for ALTF project activities;
- the Environmental and Social Management Plan Checklist (for small scale construction/rehabilitation sub-projects);
- best practices in terms of environmental protection;
- health and safety for project workers;
- WB Guidelines developed for addressing COVID-19;
- requirements for preventing COVID-19 infection;
- set of measures to prevent gender-based violence, sexual exploitation and abuse and sexual harassment;
- Grievance redress mechanism under AF for ALTF.

Project stakeholders and other interested parties have been informed about the responsible persons for the Project implementation and various channels for communication including grievances.

Only a few questions related to general issues of the ESMF for AF for ALTF were received from the participants. The relevant explanations on the issues were provided to the participants and all questions were answered. During the public consultations UEB received no proposals or comments to the ESMF. The participants of the public consultations were encouraged by PIU representatives to reach out with proposals and suggestions on the Project during the implementation. Stakeholders were informed where all the information about the Project could be found along with the available information related to ALTF on the Ukreximbank website. Taking into account the results of the conducted public consultations the final version of the ESMF was re-disclosed on the Ukreximbank website.

## **COVID-19 CONSIDERATIONS IN CONSTRUCTION/CIVIL WORKS**

*This note was issued on April 7, 2020 and includes links to the latest guidance as of this date (e.g. from WHO). Given the COVID-19 situation is rapidly evolving, when using this note it is important to check whether any updates to these external resources have been issued.*

### **1. INTRODUCTION**

The COVID-19 pandemic presents Governments with unprecedented challenges. Addressing COVID-19 related issues in both existing and new operations starts with recognizing that this is not business as usual and that circumstances require a highly adaptive responsive management design to avoid, minimize and manage what may be a rapidly evolving situation. In many cases, we will ask Borrowers to use reasonable efforts in the circumstances, recognizing that what may be possible today may be different next week (both positively, because more supplies and guidance may be available, and negatively, because the spread of the virus may have accelerated).

This interim note is intended to provide guidance to teams on how to support Borrowers in addressing key issues associated with COVID-19 and consolidates the advice that has already been provided over the past month. As such, it should be used in place of other guidance that has been provided to date. This note will be developed as the global situation and the Bank's learning (and that of others) develops. This is not a time when 'one size fits all'. More than ever, teams will need to work with Borrowers and projects to understand the activities being carried out and the risks that these activities may entail. Support will be needed in designing mitigation measures that are implementable in the context of the project. These measures will need to consider capacity of the Government agencies, availability of supplies and the practical challenges of operations on-the-ground, including stakeholder engagement, supervision and monitoring. In many circumstances, communication itself may be challenging, where face-to-face meetings are restricted or prohibited, and where IT solutions are limited or unreliable.

This note emphasizes the importance of careful scenario planning, clear procedures and protocols, management systems, effective communication and coordination, and the need for high levels of responsiveness in a changing environment. It recommends assessing the current situation of the project, putting in place mitigation measures to avoid or minimize the chance of infection, and planning what to do if either project workers become infected or the work force includes workers from proximate communities affected by COVID-19. In many projects, measures to avoid or minimize will need to be implemented at the same time as dealing with sick workers and relations with the community, some of whom may also be ill or concerned about infection. Borrowers should understand the obligations that contractors have under their existing contracts (see Section 3), require contractors to put in place appropriate organizational structures (see Section 4) and develop procedures to address different aspects of COVID-19 (see Section 5).

### **2. CHALLENGES WITH CONSTRUCTION/CIVIL WORKS**

Projects involving construction/civil works frequently involve a large work force, together with suppliers and supporting functions and services. The work force may comprise workers from international, national, regional, and local labor markets. They may need to live in on-site

accommodation, lodge within communities close to work sites or return to their homes after work. There may be different contractors permanently present on site, carrying out different activities, each with their own dedicated workers. Supply chains may involve international, regional and national suppliers facilitating the regular flow of goods and services to the project (including supplies essential to the project such as fuel, food, and water). As such there will also be regular flow of parties entering and exiting the site; support services, such as catering, cleaning services, equipment, material and supply deliveries, and specialist sub-contractors, brought in to deliver specific elements of the works.

Given the complexity and the concentrated number of workers, the potential for the spread of infectious disease in projects involving construction is extremely serious, as are the implications of such a spread. Projects may experience large numbers of the work force becoming ill, which will strain the project's health facilities, have implications for local emergency and health services and may jeopardize the progress of the construction work and the schedule of the project. Such impacts will be exacerbated where a work force is large and/or the project is in remote or under-serviced areas. In such circumstances, relationships with the community can be strained or difficult and conflict can arise, particularly if people feel they are being exposed to disease by the project or are having to compete for scarce resources. The project must also exercise appropriate precautions against introducing the infection to local communities.

### **3. DOES THE CONSTRUCTION CONTRACT COVER THIS SITUATION?**

Given the unprecedented nature of the COVID-19 pandemic, it is unlikely that the existing construction/civil works contracts will cover all the things that a prudent contractor will need to do. Nevertheless, the first place for a Borrower to start is with the contract, determining what a contractor's existing obligations are, and how these relate to the current situation.

The obligations on health and safety will depend on what kind of contract exists (between the Borrower and the main contractor; between the main contractors and the sub-contractors). It will differ if the Borrower used the World Bank's standard procurement documents (SPDs) or used national bidding documents. If a FIDIC document has been used, there will be general provisions relating to health and safety. For example, the standard FIDIC, Conditions of Contract for Construction (Second Edition 2017), which contains no 'ESF enhancements', states (in the General Conditions, clause 6.7) that the Contractor will be required:

- to take all necessary precautions to maintain the health and safety of the Contractor's Personnel
- to appoint a health and safety officer at site, who will have the authority to issue directives for the purpose of maintaining the health and safety of all personnel authorized to enter and or work on the site and to take protective measures to prevent accidents
- to ensure, in collaboration with local health authorities, that medical staff, first aid facilities, sick bay, ambulance services and any other medical services specified are always available at the site and at any accommodation
- to ensure suitable arrangements are made for all necessary welfare and hygiene requirements and for the prevention of epidemics

These requirements have been enhanced through the introduction of the ESF into the SPDs (edition dated July 2019). The general FIDIC clause referred to above has been strengthened to reflect the requirements of the ESF. Beyond FIDIC's general requirements discussed above, the Bank's Particular Conditions include a number of relevant requirements on the Contractor, including:

- to provide health and safety training for Contractor's Personnel (which include project workers and all personnel that the Contractor uses on site, including staff and other employees of the Contractor and Subcontractors and any other personnel assisting the Contractor in carrying out project activities)
- to put in place workplace processes for Contractor's Personnel to report work situations that are not safe or healthy
- gives Contractor's Personnel the right to report work situations which they believe are not safe or healthy, and to remove themselves from a work situation which they have a reasonable justification to believe presents an imminent and serious danger to their life or health (with no reprisal for reporting or removing themselves)
- requires measures to be in place to avoid or minimize the spread of diseases including measures to avoid or minimize the transmission of communicable diseases that may be associated with the influx of temporary or permanent contract-related labor
- to provide an easily accessible grievance mechanism to raise workplace concerns

Where the contract form used is FIDIC, the Borrower (as the Employer) will be represented by the Engineer (also referred to in this note as the Supervising Engineer). The Engineer will be authorized to exercise authority specified in or necessarily implied from the construction contract. In such cases, the Engineer (through its staff on site) will be the interface between the PIU and the Contractor. It is important therefore to understand the scope of the Engineer's responsibilities. It is also important to recognize that in the case of infectious diseases such as COVID-19, project management – through the Contractor/subcontractor hierarchy – is only as effective as the weakest link. A thorough review of management procedures/plans as they will be implemented through the entire contractor hierarchy is important. Existing contracts provide the outline of this structure; they form the basis for the Borrower to understand how proposed mitigation measures will be designed and how adaptive management will be implemented, and to start a conversation with the Contractor on measures to address COVID-19 in the project.

#### **4. WHAT PLANNING SHOULD THE BORROWER BE DOING?**

Task teams should work with Borrowers (PIUs) to confirm that projects (i) are taking adequate precautions to prevent or minimize an outbreak of COVID-19, and (ii) have identified what to do in the event of an outbreak. Suggestions on how to do this are set out below:

- The PIU, either directly or through the Supervising Engineer, should request details in writing from the main Contractor of the measures being taken to address the risks. As stated in Section 3, the construction contract should include health and safety requirements, and these can be used as the basis for identification of, and requirements to implement, COVID-19 specific measures. The measures may be presented as a contingency plan, as an extension of the existing project emergency and preparedness plan or as standalone procedures. The measures may be reflected in revisions to the project's health and safety manual. This request should be made in writing (following any relevant procedure set out in the contract between the Borrower and the contractor).
- In making the request, it may be helpful for the PIU to specify the areas that should be covered. This should include the items set out in Section 5 below and take into account current and relevant guidance provided by national authorities, WHO and other organizations. See the list of references in the Annex to this note.
- The PIU should require the Contractor to convene regular meetings with the project health and safety specialists and medical staff (and where appropriate the local health authorities), and to take their advice in designing and implementing the agreed measures.

- Where possible, a senior person should be identified as a focal point to deal with COVID-19 issues. This can be a work supervisor or a health and safety specialist. This person can be responsible for coordinating preparation of the site and making sure that the measures taken are communicated to the workers, those entering the site and the local community. It is also advisable to designate at least one back-up person, in case the focal point becomes ill; that person should be aware of the arrangements that are in place.
- On sites where there are a number of contractors and therefore (in effect) different work forces, the request should emphasize the importance of coordination and communication between the different parties. Where necessary, the PIU should request the main contractor to put in place a protocol for regular meetings of the different contractors, requiring each to appoint a designated staff member (with back up) to attend such meetings. If meetings cannot be held in person, they should be conducted using whatever IT is available. The effectiveness of mitigation measures will depend on the weakest implementation, and therefore it is important that all contractors and sub-contractors understand the risks and the procedure to be followed.
- The PIU, either directly or through the Supervising Engineer, may provide support to projects in identifying appropriate mitigation measures, particularly where these will involve interface with local services, in particular health and emergency services. In many cases, the PIU can play a valuable role in connecting project representatives with local Government agencies, and helping coordinate a strategic response, which takes into account the availability of resources. To be most effective, projects should consult and coordinate with relevant Government agencies and other projects in the vicinity.
- Workers should be encouraged to use the existing project grievance mechanism to report concerns relating to COVID-19, preparations being made by the project to address COVID-19 related issues, how procedures are being implemented, and concerns about the health of their co-workers and other staff.

## **5. WHAT SHOULD THE CONTRACTOR COVER?**

The Contractor should identify measures to address the COVID-19 situation. What will be possible will depend on the context of the project: the location, existing project resources, availability of supplies, capacity of local emergency/health services, the extent to which the virus already exist in the area. A systematic approach to planning, recognizing the challenges associated with rapidly changing circumstances, will help the project put in place the best measures possible to address the situation. As discussed above, measures to address COVID-19 may be presented in different ways (as a contingency plan, as an extension of the existing project emergency and preparedness plan or as standalone procedures). PIUs and contractors should refer to guidance issued by relevant authorities, both national and international (e.g. WHO), which is regularly updated (see sample References and links provided in the Annex).

Addressing COVID-19 at a project site goes beyond occupational health and safety and is a broader project issue which will require the involvement of different members of a project management team. In many cases, the most effective approach will be to establish procedures to address the issues, and then to ensure that these procedures are implemented systematically. Where appropriate given the project context, a designated team should be established to address COVID-19 issues, including PIU representatives, the Supervising Engineer, management (e.g. the project manager) of the contractor and sub-contractors, security, and medical and OHS professionals. Procedures should be clear and straightforward, improved as necessary, and supervised and monitored by the COVID-19 focal point(s). Procedures should be documented, distributed to all contractors, and discussed at regular meetings to facilitate adaptive management. The issues set out below include a number that represent expected



good workplace management but are especially pertinent in preparing the project response to COVID-19.

#### **(a) ASSESSING WORKFORCE CHARACTERISTICS**

Many construction sites will have a mix of workers e.g. workers from the local communities; workers from a different part of the country; workers from another country. Workers will be employed under different terms and conditions and be accommodated in different ways. Assessing these different aspects of the workforce will help in identifying appropriate mitigation measures:

- The Contractor should prepare a detailed profile of the project work force, key work activities, schedule for carrying out such activities, different durations of contract and rotations (e.g. 4 weeks on, 4 weeks off).
- This should include a breakdown of workers who reside at home (i.e. workers from the community), workers who lodge within the local community and workers in on-site accommodation. Where possible, it should also identify workers that may be more at risk from COVID-19, those with underlying health issues or who may be otherwise at risk.
- Consideration should be given to ways in which to minimize movement in and out of site. This could include lengthening the term of existing contracts, to avoid workers returning home to affected areas, or returning to site from affected areas.
- Workers accommodated on site should be required to minimize contact with people near the site, and in certain cases be prohibited from leaving the site for the duration of their contract, so that contact with local communities is avoided.
- Consideration should be given to requiring workers lodging in the local community to move to site accommodation (subject to availability) where they would be subject to the same restrictions.
- Workers from local communities, who return home daily, weekly or monthly, will be more difficult to manage. They should be subject to health checks at entry to the site (as set out above) and at some point, circumstances may make it necessary to require them to either use accommodation on site or not to come to work.

#### **(b) ENTRY/EXIT TO THE WORK SITE AND CHECKS ON COMMENCEMENT OF WORK**

Entry/exit to the work site should be controlled and documented for both workers and other parties, including support staff and suppliers. Possible measures may include:

- Establishing a system for controlling entry/exit to the site, securing the boundaries of the site, and establishing designating entry/exit points (if they do not already exist). Entry/exit to the site should be documented.
- Training security staff on the (enhanced) system that has been put in place for securing the site and controlling entry and exit, the behaviors required of them in enforcing such system and any COVID -19 specific considerations.
- Training staff who will be monitoring entry to the site, providing them with the resources they need to document entry of workers, conducting temperature checks and recording details of any worker that is denied entry.
- Confirming that workers are fit for work before they enter the site or start work. While procedures should already be in place for this, special attention should be paid to workers with underlying health issues or who may be otherwise at risk. Consideration should be given to demobilization of staff with underlying health issues.
- Checking and recording temperatures of workers and other people entering the site or requiring self-reporting prior to or on entering the site.

- Providing daily briefings to workers prior to commencing work, focusing on COVID-19 specific considerations including cough etiquette, hand hygiene and distancing measures, using demonstrations and participatory methods.
- During the daily briefings, reminding workers to self-monitor for possible symptoms (fever, cough) and to report to their supervisor or the COVID-19 focal point if they have symptoms or are feeling unwell.
- Preventing a worker from an affected area or who has been in contact with an infected person from returning to the site for 14 days or (if that is not possible) isolating such worker for 14 days.
- Preventing a sick worker from entering the site, referring them to local health facilities if necessary or requiring them to isolate at home for 14 days.

### **(c) GENERAL HYGIENE**

Requirements on general hygiene should be communicated and monitored, to include:

- Training workers and staff on site on the signs and symptoms of COVID-19, how it is spread, how to protect themselves (including regular handwashing and social distancing) and what to do if they or other people have symptoms (for further information see WHO COVID-19 advice for the public).
- Placing posters and signs around the site, with images and text in local languages.
- Ensuring handwashing facilities supplied with soap, disposable paper towels and closed waste bins exist at key places throughout site, including at entrances/exits to work areas; where there is a toilet, canteen or food distribution, or provision of drinking water; in worker accommodation; at waste stations; at stores; and in common spaces. Where handwashing facilities do not exist or are not adequate, arrangements should be made to set them up. Alcohol based sanitizer (if available, 60-95% alcohol) can also be used.
- Review worker accommodations and assess them considering the requirements set out in IFC/EBRD guidance on Workers' Accommodation: processes and standards, which provides valuable guidance as to good practice for accommodation.
- Setting aside part of worker accommodation for precautionary self-quarantine as well as more formal isolation of staff who may be infected (see paragraph (f)).

### **(d) CLEANING AND WASTE DISPOSAL**

Conduct regular and thorough cleaning of all site facilities, including offices, accommodation, canteens, common spaces. Review cleaning protocols for key construction equipment (particularly if it is being operated by different workers). This should include:

- Providing cleaning staff with adequate cleaning equipment, materials and disinfectant.
- Review general cleaning systems, training cleaning staff on appropriate cleaning procedures and appropriate frequency in high use or high-risk areas.
- Where it is anticipated that cleaners will be required to clean areas that have been or are suspected to have been contaminated with COVID-19, providing them with appropriate PPE: gowns or aprons, gloves, eye protection (masks, goggles or face screens) and boots or closed work shoes. If appropriate PPE is not available, cleaners should be provided with best available alternatives.
- Training cleaners in proper hygiene (including handwashing) prior to, during and after conducting cleaning activities; how to safely use PPE (where required); in waste control (including for used PPE and cleaning materials).
- Any medical waste produced during the care of ill workers should be collected safely in designated containers or bags and treated and disposed of following relevant requirements (e.g., national, WHO). If open burning and incineration of medical wastes is necessary, this should be for as limited a duration as possible. Waste should be reduced and segregated, so that only the smallest amount of waste is

incinerated (for further information see WHO interim guidance on water, sanitation and waste management for COVID-19).

### **(e) ADJUSTING WORK PRACTICES**

Consider changes to work processes and timings to reduce or minimize contact between workers, recognizing that this is likely to impact the project schedule. Such measures could include:

- Decreasing the size of work teams.
- Limiting the number of workers on site at any one time.
- Changing to a 24-hour work rotation.
- Adapting or redesigning work processes for specific work activities and tasks to enable social distancing, and training workers on these processes.
- Continuing with the usual safety trainings, adding COVID-19 specific considerations. Training should include proper use of normal PPE. While as of the date of this note, general advice is that construction workers do not require COVID-19 specific PPE, this should be kept under review (for further information see WHO interim guidance on rational use of personal protective equipment (PPE) for COVID-19).
- Reviewing work methods to reduce use of construction PPE, in case supplies become scarce or the PPE is needed for medical workers or cleaners. This could include, e.g. trying to reduce the need for dust masks by checking that water sprinkling systems are in good working order and are maintained or reducing the speed limit for haul trucks.
- Arranging (where possible) for work breaks to be taken in outdoor areas within the site.
- Consider changing canteen layouts and phasing mealtimes to allow for social distancing and phasing access to and/or temporarily restricting access to leisure facilities that may exist on site, including gyms.
- At some point, it may be necessary to review the overall project schedule, to assess the extent to which it needs to be adjusted (or work stopped completely) to reflect prudent work practices, potential exposure of both workers and the community and availability of supplies, taking into account Government advice and instructions.

### **(f) PROJECT MEDICAL SERVICES**

Consider whether existing project medical services are adequate, considering existing infrastructure (size of clinic/medical post, number of beds, isolation facilities), medical staff, equipment and supplies, procedures and training. Where these are not adequate, consider upgrading services where possible, including:

- Expanding medical infrastructure and preparing areas where patients can be isolated. Guidance on setting up isolation facilities is set out in WHO interim guidance on considerations for quarantine of individuals in the context of containment for COVID-19). Isolation facilities should be located away from worker accommodation and ongoing work activities. Where possible, workers should be provided with a single well-ventilated room (open windows and door). Where this is not possible, isolation facilities should allow at least 1 meter between workers in the same room, separating workers with curtains, if possible. Sick workers should limit their movements, avoiding common areas and facilities and not be allowed visitors until they have been clear of symptoms for 14 days. If they need to use common areas and facilities (e.g. kitchens or canteens), they should only do so when unaffected workers are not present and the area/facilities should be cleaned prior to and after such use.
- Training medical staff, which should include current WHO advice on COVID-19 and recommendations on the specifics of COVID-19. Where COVID-19 infection is suspected, medical

providers on site should follow WHO interim guidance on infection prevention and control during health care when novel coronavirus (nCoV) infection is suspected.

- Training medical staff in testing, if testing is available.
- Assessing the current stock of equipment, supplies and medicines on site, and obtaining additional stock, where required and possible. This could include medical PPE, such as gowns, aprons, medical masks, gloves, and eye protection. Refer to WHO guidance as to what is advised (for further information see WHO interim guidance on rational use of personal protective equipment (PPE) for COVID-19).
- If PPE items are unavailable due to world-wide shortages, medical staff on the project should agree on alternatives and try to procure them. Alternatives that may commonly be found on construction sites include dust masks, construction gloves and eye goggles. While these items are not recommended, they should be used as a last resort if no medical PPE is available.
- Ventilators will not normally be available on work sites, and in any event, intubation should only be conducted by experienced medical staff. If a worker is extremely ill and unable to breathe properly on his or her own, they should be referred immediately to the local hospital (see (g) below).
- Review existing methods for dealing with medical waste, including systems for storage and disposal (for further information see WHO interim guidance on water, sanitation and waste management for COVID-19, and WHO guidance on safe management of wastes from health-care activities).

### **(g) LOCAL MEDICAL AND OTHER SERVICES**

Given the limited scope of project medical services, the project may need to refer sick workers to local medical services. Preparation for this includes:

- Obtaining information as to the resources and capacity of local medical services (e.g. number of beds, availability of trained staff and essential supplies).
- Conducting preliminary discussions with specific medical facilities, to agree what should be done in the event of ill workers needing to be referred.
- Considering ways in which the project may be able to support local medical services in preparing for members of the community becoming ill, recognizing that the elderly or those with pre-existing medical conditions require additional support to access appropriate treatment if they become ill.
- Clarifying the way in which an ill worker will be transported to the medical facility and checking availability of such transportation.
- Establishing an agreed protocol for communications with local emergency/medical services.
- Agreeing with the local medical services/specific medical facilities the scope of services to be provided, the procedure for in-take of patients and (where relevant) any costs or payments that may be involved.
- A procedure should also be prepared so that project management knows what to do in the unfortunate event that a worker ill with COVID-19 dies. While normal project procedures will continue to apply, COVID-19 may raise other issues because of the infectious nature of the disease. The project should liaise with the relevant local authorities to coordinate what should be done, including any reporting or other requirements under national law.

### **(h) INSTANCES OR SPREAD OF THE VIRUS**

WHO provides detailed advice on what should be done to treat a person who becomes sick or displays symptoms that could be associated with the COVID-19 virus (for further information see WHO interim guidance on infection prevention and control during health care when novel coronavirus (nCoV) infection is suspected). The project should set out risk-based procedures to be followed, with differentiated approaches based on case severity (mild, moderate, severe, critical) and risk factors (such

as age, hypertension, diabetes) (for further information see WHO interim guidance on operational considerations for case management of COVID-19 in health facility and community). These may include the following:

- If a worker has symptoms of COVID-19 (e.g. fever, dry cough, fatigue) the worker should be removed immediately from work activities and isolated on site.
- If testing is available on site, the worker should be tested on site. If a test is not available at site, the worker should be transported to the local health facilities to be tested (if testing is available).
- If the test is positive for COVID-19 or no testing is available, the worker should continue to be isolated. This will either be at the work site or at home. If at home, the worker should be transported to their home in transportation provided by the project.
- Extensive cleaning procedures with high-alcohol content disinfectant should be undertaken in the area where the worker was present, prior to any further work being undertaken in that area. Tools used by the worker should be cleaned using disinfectant and PPE disposed of.
- Co-workers (i.e. workers with whom the sick worker was in close contact) should be required to stop work, and be required to quarantine themselves for 14 days, even if they have no symptoms.
- Family and other close contacts of the worker should be required to quarantine themselves for 14 days, even if they have no symptoms.
- If a case of COVID-19 is confirmed in a worker on the site, visitors should be restricted from entering the site and worker groups should be isolated from each other as much as possible.
- If workers live at home and has a family member who has a confirmed or suspected case of COVID-19, the worker should quarantine themselves and not be allowed on the project site for 14 days, even if they have no symptoms.
- Workers should continue to be paid throughout periods of illness, isolation or quarantine, or if they are required to stop work, in accordance with national law.
- Medical care (whether on site or in a local hospital or clinic) required by a worker should be paid for by the employer.

#### **(i) CONTINUITY OF SUPPLIES AND PROJECT ACTIVITIES**

Where COVID-19 occurs, either in the project site or the community, access to the project site may be restricted, and movement of supplies may be affected.

- Identify back-up individuals, in case key people within the project management team (PIU, Supervising Engineer, Contractor, sub-contractors) become ill, and communicate who these are so that people are aware of the arrangements that have been put in place.
- Document procedures, so that people know what they are, and are not reliant on one person's knowledge.
- Understand the supply chain for necessary supplies of energy, water, food, medical supplies and cleaning equipment, consider how it could be impacted, and what alternatives are available. Early proactive review of international, regional and national supply chains, especially for those supplies that are critical for the project, is important (e.g. fuel, food, medical, cleaning and other essential supplies). Planning for a 1-2 month interruption of critical goods may be appropriate for projects in more remote areas.
- Place orders for/procure critical supplies. If not available, consider alternatives (where feasible).
- Consider existing security arrangements, and whether these will be adequate in the event of interruption to normal project operations.
- Consider at what point it may become necessary for the project to significantly reduce activities or to stop work completely, and what should be done to prepare for this, and to re-start work when it becomes possible or feasible.

## **(j) TRAINING AND COMMUNICATION WITH WORKERS**

Workers need to be provided with regular opportunities to understand their situation, and how they can best protect themselves, their families and the community. They should be made aware of the procedures that have been put in place by the project, and their own responsibilities in implementing them.

- It is important to be aware that in communities close to the site and amongst workers without access to project management, social media is likely to be a major source of information. This raises the importance of regular information and engagement with workers (e.g. through training, town halls, tool boxes) that emphasizes what management is doing to deal with the risks of COVID-19. Allaying fear is an important aspect of work force peace of mind and business continuity. Workers should be given an opportunity to ask questions, express their concerns, and make suggestions.
- Training of workers should be conducted regularly, as discussed in the sections above, providing workers with a clear understanding of how they are expected to behave and carry out their work duties.
- Training should address issues of discrimination or prejudice if a worker becomes ill and provide an understanding of the trajectory of the virus, where workers return to work.
- Training should cover all issues that would normally be required on the work site, including use of safety procedures, use of construction PPE, occupational health and safety issues, and code of conduct, taking into account that work practices may have been adjusted.
- Communications should be clear, based on fact and designed to be easily understood by workers, for example by displaying posters on handwashing and social distancing, and what to do if a worker displays symptoms.

## **(k) COMMUNICATION AND CONTACT WITH THE COMMUNITY**

Relations with the community should be carefully managed, with a focus on measures that are being implemented to safeguard both workers and the community. The community may be concerned about the presence of non-local workers, or the risks posed to the community by local workers presence on the project site. The project should set out risk-based procedures to be followed , which may reflect WHO guidance (for further information see WHO Risk Communication and Community Engagement (RCCE) Action Plan Guidance COVID-19 Preparedness and Response). The following good practice should be considered:

- Communications should be clear, regular, based on fact and designed to be easily understood by community members.
- Communications should utilize available means. In most cases, face-to-face meetings with the community or community representatives will not be possible. Other forms of communication should be used; posters, pamphlets, radio, text message, electronic meetings. The means used should take into account the ability of different members of the community to access them, to make sure that communication reaches these groups.
- The community should be made aware of procedures put in place at site to address issues related to COVID-19. This should include all measures being implemented to limit or prohibit contact between workers and the community. These need to be communicated clearly, as some measures will have financial implications for the community (e.g. if workers are paying for lodging or using local facilities). The community should be made aware of the procedure for entry/exit to the site, the training being given to workers and the procedure that will be followed by the project if a worker becomes sick.
- If project representatives, contractors or workers are interacting with the community, they should practice social distancing and follow other COVID-19 guidance issued by relevant authorities, both national and international (e.g. WHO).

## **6. EMERGENCY POWERS AND LEGISLATION**

Many Borrowers are enacting emergency legislation. The scope of such legislation, and the way it interacts with other legal requirements, will vary from country to country. Such legislation can cover a range of issues, for example:

- Declaring a public health emergency
- Authorizing the use of police or military in certain activities (e.g. enforcing curfews or restrictions on movement)
- Ordering certain categories of employees to work longer hours, not to take holiday or not to leave their job (e.g. health workers)
- Ordering non-essential workers to stay at home, for reduced pay or compulsory holiday

Except in exceptional circumstances (after referral to the World Bank's Operations Environmental and Social Review Committee (OESRC)), projects will need to follow emergency legislation to the extent that these are mandatory or advisable. It is important that the Borrower understands how mandatory requirements of the legislation will impact the project. Teams should require Borrowers (and in turn, Borrowers should request Contractors) to consider how the emergency legislation will impact the obligations of the Borrower set out in the legal agreement and the obligations set out in the construction contracts. Where the legislation requires a material departure from existing contractual obligations, this should be documented, setting out the relevant provisions.

## COVID-19 PREPAREDNESS REPORT TEMPLATE

COVID-19 RESPONSE report should follow the template format provided below. Make sure to provide breakdown between different sub-projects, construction sites and/or contractors. Analyze discrepancies and assess their causes, as well as necessary adjustments.

Refer to guidance documents provided previously – COVID-19 Considerations on Construction Civil Works documents (Guidance for Borrower and Guidance for Contractor), Advisory Note on Contingency Planning for existing operations – for examples of mitigation measures/practices for COVID-19 spread prevention/containment etc.

<b>GENERAL INFORMATION</b>
Name of the project/sub-project, Date of the report
Provide identifying information
Requirements/guidance on COVID-19 protection issued by the state authority of all levels
Provide information of legal framework on the issue, the date it became effective, both on national, regional and local (community) level
Brief description of activities/sub-projects which are active, stalled or partially active
Describe level of activity for each project/sub-project (PIU is operational in Client's premises; ongoing civil works on sites, etc.), as well as types of civil works (if ongoing) and number of workers on each site separately and for each sub-project/contractor collectively

<b>(a) ASSESSING WORKFORCE CHARACTERISTICS</b>
Information on workers accommodation
For each sub-project/contractor, provide information on how many workers live in workers camps, how many live in residential accommodations, hotels, etc.; how many live in their own private residences.
Transportation to/from work sites and for other work-related reasons
If workers need to commute to/from work sites from the place of residence, specify the type of transportation (public transport, own vehicle, arranged transportation by the Employer, etc.)

<b>COVID-19 PREPAREDNESS/RESPONSE MEASURES</b>
<b>(b) Entry/exit to the work site and checks on commencement of work</b>
Describe measures taken to secure entrance procedure and medical checks.
<b>(c) General hygiene</b>
Describe what are requirements on general hygiene applied for project-related workforce (both PIU and project workers) and how these requirements are communicated
<b>(d) Cleaning and waste disposal</b>
Provide review of cleaning protocols (including disinfection) for all site facilities, including offices, accommodation, canteens, common spaces, as well as key construction equipment.
<b>(e) Adjusting work practices</b>
Describe what changes to work processes and timings have been done to reduce or minimize contact between workers
<b>(f) Project medical services</b>
Provide assessment whether existing project medical services on site are adequate, taking into account existing infrastructure (size of medical post, number of beds, isolation facilities), medical staff, equipment and supplies, procedures and training. If not, describe what measures have been



taken to upgrade.
(g) Local medical and other services
Provide overview of resources and capacity of local medical services, what procedure is established for the event of ill workers needing to be referred. Availability of health facility nearby to refer the patient and agreement between the Contractor and the facility.
(h) Instances or spread of the virus
Describe what is planned to be done to treat a person who becomes sick or displays symptoms that could be associated with the COVID-19 virus
(i) Continuity of supplies and project activities
Assess if COVID-19 restriction will impact supply chains and what arrangement are in place to secure continuity of operation. Specify critical supplies.

<b>(j) CONTINGENCY PLANNING FOR AN OUTBREAK</b>
Measures to address COVID-19 may be presented in different ways – as a contingency plan, as an extension of the existing project emergency and preparedness plan or as standalone procedures. Describe, how such measures are presented for each individual sub-project/contractor and when such plan/procedures came into force.

<b>AWARENESS AND COMMUNICATION</b>
(k) Training and communication with workers
Workers should be made aware of the procedures that have been put in place by the project, and their own responsibilities in implementing those procedures. Provide description of awareness/preparedness building exercises (issue of specific work instructions, public announcements on medical check-ins procedures, access to health care center, etc.) for workforce.
(l) Communication and contact with the community
The community may be concerned about the presence of non-local workers, or the risks posed to the community by local workers presence on the project site. Describe risk-based procedures to be followed for communication with local community stakeholders.
Grievance Redress Mechanism
Project-related GRM log needs to include additional column monitoring COVID-19 related complains/reports/grievances. Provide an update on number of COVID-related GRM log entries since last regular report.

<b>(m) COVID-19 REPORTING</b>
Number of COVID-19 cases – confirmed and suspected/under investigation
Provide information on project-related employees who are confirmed or suspected of being infected with COVID-19 virus: number, date of isolation, severity of the case. <b>No private information should be provided!</b>
Reporting arrangements
ESIRT requires outbreaks of diseases to be reported. PIU/Contractor should report an outbreak following the guidance in ESIRT for a ‘Serious’ incident. Borrower informed of any concerns or problems associated with providing care to infected workers on project sites, particularly if infection rate is approaching 50% of the workforce.
Confirm, that these reporting requirements are accepted by the relevant/responsible staff within PIU/Contractor’s organizational structure.