Ukraine: Urban Infrastructure Project

ENVIRONMENTAL FRAMEWORK POLICY
For Component C, Energy Efficiency
January 2006

I. INTRODUCTION

Background

1.1 Investment subprojects selected for inclusion under the Urban Infrastructure (UI) Project focus on rehabilitation, and, as such, the overall project was assigned Category B according to the World Bank's operational policy on Environmental Assessment (EA, OP/BP/GP 4.01). The specific sub-projects likely to be supported under Component C for Energy Efficiency of the UI Project generally should result in minor impacts. In addition, these impacts would, for the most part, be easily managed through standard approaches to good design and good engineering practice. However, owing to the possibility of differences in subprojects regarding potential environmental issues, it may be possible for some to have significant environmental issues and if evaluated on their own merit might be required by both the Government of Ukraine and the World Bank to prepare an Environmental Impact Assessment. Alternatively, the more probable situation would arise where investment subprojects have very minor and/or insignificant environmental issues, and only summary or even no EA documentation would be required.

1.2 All potential subprojects would be screened and those that are determined to require a Category A EIA would not be supported under this component. For Category B and C subprojects the subproject would follow World Bank requirements on the preparation of EAs and follow the requirements of the Government of Ukraine regarding the permitting process.

1.3 The objective of this Environmental Framework Policy document (EFP) is to provide guidance for the environmental assessment process to be followed in evaluating individual investment subprojects that are being considered for financial support under the overall Project.

Summary of Subproject Environmental Assessment Process

1.3 The EA process describes requirements on documentation, procedures and responsible authorities for preparing and approving any EA in a manner that complies with World Bank EA policies and procedures as specified in OP/BP/GP 4.01. The procedures cover the following seven aspects of preparation/construction phase and two aspects of implementation phase:

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1 EAs for all works initially identified under Component B have been prepared. EAs will be required for any additional works to be funded under this component following the guidelines in the overall Environmental Framework Policy of November, 2005. Any works to be funded under Component C would follow the guidelines in this abbreviated EFP.
II. PREPARATION/CONSTRUCTION

Project Screening

2.1 The conduct of the environmental assessment process for subprojects under Component C is the responsibility of the respective utility proposing the sub-project, hereafter referred to as the sub-project sponsor. As a first step, the sponsor will be required to complete an Environmental Impact Data Sheet (EIDS, see Annex A), which basically describes the proposed subproject design for energy efficiency investment, and any potential environmental impacts associated with both construction or operation aspects of the investment.

2.2 The completed EIDS will be sent to the Project Coordinating Team (PCT) of the Ministry of Construction, Planning and Housing and Communal Services (MCPHCS) who will review it and send it to (i) the World Bank and (ii) the appropriate Ukrainian environmental authorities together with: (a) any additional written documentation they deem appropriate, and (b) suggestions for an EA Category rating (B or C) depending on the nature of any potential environmental impacts. (Any subprojects determined to require a Category A EIA would not be supported under this component)

2.3 The World Bank will confirm the category rating, and Ukrainian environmental authorities would indicate the need for any "ecological expertiza"and any requirements for permits. The PCT will then inform the subproject sponsor of the decisions. The sponsor would follow Ukrainian requirements for permitting and prepare any further documentation as required. Guidance on the documentation and procedural requirements to be followed are presented below.

EA Document Content

2.4 The subproject sponsor is responsible for preparing the EA document

CATEGORY B (EMP)
The EMP Format is presented in Annex B. The subproject sponsor will complete the EMP Form and submit it to the PCT. All contracts let by the sub-project sponsor would be performed in accordance with the terms of the EMP.
CATEGORY C

For Category C subprojects, **there are no further EA requirements placed upon the investment subproject sponsor.** The PCT will inform the investment subproject sponsor of this decision *in writing* and provide a copy of the decision to the World Bank.

Therefore, the remainder of this EFP applies only to subprojects assigned “Category B”.

**Public Consultation**

2.5 The purpose of public consultation is to solicit views of groups or individual people who may be affected by the project regarding their environmental concerns with the project. It is to allow affected groups or people identify what environmental issues they believe to be significant. *Any significant issues, established in the conduct of the public consultation, should be incorporated into the Environmental Management Plan.*

2.6 The subproject sponsor will be responsible for conducting a public consultation. The consultation process includes: public notification, meeting organization, conducting the consultation and recording significant findings, conclusions, recommendations and next steps. *Details of the documentation required for the public consultation are presented in Annex B, Section D* (Consultation with Local NGOs and Project-Affected Groups).

2.7 There are two possibilities for when to conduct the public consultation: (a) prior to preparing the draft EMP and so that issues presented can be included into the final draft EMP or (b) after a draft EMP is prepared so that it may be used as a background document to be circulated at the public consultation and then using the consultation to add or delete issues from the EMP based upon the recommendations of the participants of the meeting.

**Review and Approval of EMP**

2.8 The Ukrainian language EMP will be reviewed by the PCT who will then send an English language version copy of the EMP and an English language version of any of their comments to the World Bank. The World Bank will review the English language document and provide any additional comments. The investment subproject sponsor will then modify the EMP in accordance with comments from both PCT and the World Bank. The PCT will determine if all comments have been properly addressed and will then notify the subproject sponsor in writing that the EMP document is approved.

**Disclosure**

2.9 The approved Ukrainian language EMP will be disclosed at a public location (municipal building, library etc.) near the investment subproject site. The PCT will send an English language version of the EMP to the World Bank for disclosure in the INFOShop.
Related conditions and Responsibilities

2.10 During the investment subproject tender, it is the responsibility of the investment subproject sponsor to assure that the requirements put forward in the EMP for Category B investment subprojects have been included in all tender documents. During project implementation, the PCT will check tender documents to verify this condition.

III. IMPLEMENTATION

Institutional Organization for Environmental Management

3.1 Institutional organization and arrangements must be implemented in accordance with the description presented in the EMP (See Annex B- Environmental Management Plan Format, Section C. Institutional Arrangements).

3.2 The PCT will provide an independent check on a routine basis to determine if conditions set forth in the EMP are being properly implemented.

Reporting

3.3 The PCT will report on EMP monitoring results and any corrective measures taken. On a quarterly basis, the PCT will prepare a summary of the monthly reports and send them to the World Bank.
ANNEX A: ENVIRONMENTAL IMPACT DATA SHEET (EIDS)

Section I Project Description and Existing Environment
A brief project description: 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. Indicate which elements of the project represent: (a) new construction, (b) capacity expansion (c) rehabilitation and/or (d) purchase of equipment. Also, very briefly describe the existing general land use characteristics (farming, small industry etc.), and the location(s) of the nearest population centers.

Section II Regulatory Compliance
List any national, provincial, and local environmental laws and regulations, which apply to the project, including all licenses and permits. Provide the current status of compliance. If compliance has not yet been achieved, indicate the schedule for achieving compliance and the anticipated date of approvals, receipt of permits etc.

Section III Identification of Environmental Issues

Construction
Describe any pollution sources, duration of any polluting activity, and area affected for:
- Air
  Include exhaust gases from construction vehicles
  Dust generation from movement of men, machines and materials
  Noise from construction equipment
  *Indicate applicable Ukrainian standards and estimated values*

- Water
  Include wastewater from equipment and site washing
  Sewage from construction worker camps
  *Indicate applicable Ukrainian standards and estimated values*

- Solid Waste
  Include waste construction materials
  Garbage from construction worker camps
  Waste from site clearing and leveling activities
  *Indicate applicable Ukrainian standards and estimated values*

- Hazardous Material Management
  Include storage and handling of fuels, welding gases, toxic, flammable or explosive materials
  Include management of hazardous wastes (for example: asbestos, spent solvents, rags/paper soaked in flammable liquids
  *Indicate applicable Ukrainian standards and estimated values*
**Operation**

Describe sources of pollution, duration of polluting activity, and area affected for:

- **Air**
  Provide estimates of emissions from fuel combustion pollutants (for example: dust, sulfur dioxide and nitrogen oxides)
  *Indicate applicable Ukrainian standards and estimated values*

- **Noise**
  Indicate sources of noise and estimated noise levels at nearest sensitive receptors.
  *Indicate applicable Ukrainian standards and estimated values*

- **Water**
  Discuss the source of water supply in terms of both quantity available and quantity needed, and quality.

- **Wastewater**
  Indicate estimated sewage flow rates and quality (BOD₅, pH, suspended solids) and provide effluent discharge standards for municipal sewage.
  *Indicate applicable Ukrainian standards and estimated values*

**Section IV Additional Project Risks**

Indicate if any potential environmental issues are likely to increase the project risk. For example:

- Is the project site within or close to any areas protected by the government?
- Are there any rare or endangered animal or plant species in the area (either on land or any nearby waterway, or is it a "critical habitat" for such species)?
- Is the project site near any known structure or area of significant cultural, historical, religious etc. significance?
- What measures will be taken for accidental discovery of historical, cultural, religious etc. artifacts?
ANNEX B: ENVIRONMENTAL MANAGEMENT PLAN FORMAT

**Project Description**

Present a brief description of the subproject. 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. Also, provide a brief summary of the results of the Due Diligence report: a description of the overall Project and what are the major Project-related environmental issues, how will they be managed, who will manage them and what, if any, are the environmental risks.

**A. MITIGATION PLAN**

<table>
<thead>
<tr>
<th>Phase</th>
<th>Issue</th>
<th>Mitigating Measure</th>
<th>Cost of Mitigation (If Substantial)</th>
<th>Responsibility*</th>
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* Items indicated to be the responsibility of the contractor should be specified in the bid documents.
## B. MONITORING PLAN

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<tr>
<th>Phase</th>
<th>What parameter is to be monitored?</th>
<th>Where is the parameter to be monitored?</th>
<th>How is the parameter to be monitored/ type of monitoring equipment?</th>
<th>When is the parameter to be monitored/ frequency of measurement or continuous?</th>
<th>Monitoring Cost What is the cost of equipment or contractor charges to perform monitoring</th>
<th>Responsibility</th>
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<th>End Date</th>
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C. INSTITUTIONAL ARRANGEMENTS

A narrative discussion supported by organizational charts detailing:

- Institutional responsibilities and procedures for mitigation and monitoring and how they are linked for environmental management
- Environmental information flow (reporting—from who and to who and how often)
- Decision making chain of command for environmental management (to take action, to authorize expenditures, to shut down, etc.)

In short, how is all the monitoring data going to be used to maintain sound environmental performance—who collects the data, who analyzes it, who prepares reports, who are the reports sent to and how often, and who does that person send it to, or what does he/she do with the information—who has the authority to spend, shutdown, change operations etc.

D. CONSULTATION WITH LOCAL NGOs AND PROJECT-AFFECTED GROUPS

Provide documentation on the following:

- Manner in which notification of the consultation was announced: media(s) used, date(s), description or copy of the announcement
- Date(s) consultation(s) was (were) held
- Location(s) consultation(s) was (were) held
- Who was invited
  Name, Organization or Occupation, Telephone/Fax/e-mail number/address (home and/or office)
- Who attended
  Name, Organization or Occupation, Telephone/Fax/e-mail number/address (home and/or office)
- Meeting agenda
  What is to be presented and by whom
- Summary Meeting Minutes (Comments, Questions and Response by Presenters)
- List of decisions reached, and any actions agreed upon with schedules and deadlines and responsibilities.