EXECUTIVE SUMMARY OF ENVIRONMENTAL REPORT

Environmental Impacts Assessment

In years 1998-2001, an environmental impacts assessment pursuant to SR National Council Act No. 127/1994 Coll. On Environmental Impacts Assessment as amended was prepared for the given project. The EIA resulted in EIA decision of the SR Ministry of Environment (the “SR MoEnv”) in cooperation with the Ministry of Transport, Posts and Telecommunication of 20/9/2001 recommending construction of Section Žarnovica – Šášovské Podhradie of the R1 Expresway according to the red alternative. Later, Supreme Court of the SR cancelled the territorial permit stating it will be necessary to repeat the assessment process in the future proceedings and emphasize the selection of the most efficient means for informing the public on this process.

It is necessary to state, that the builder (Slovak Road Administration at that time, National Motorway Company as of 01/02/2005) complied with all procedures specified in the then valid legislation on environmental impacts assessment. Further, requirements of the citizens with respect to the project route relocation were respected, which resulted in the construction of 2 additional bridges. The project was confirmed in the approved local plan, to which the citizens had the opportunity to voice their opinions. Further, the issue referred to the court did not deal with the project location and its change, but insufficient information of public sides the Municipal Office Žiar nad Hronom.

Therefore, a new assessment process took place with respect to the R1 Expresway Žarnovica – Šášovské Podhradie pursuant to Section 20 Par. 4 of SR National Council Act No. 127/94 Coll. And Act No. 24/2006 Coll. On Environmental Impacts Assessment and change and amendment of certain acts (the “Act”). The new EIA process ordered by the Supreme Court was divided into 2 parts – Stage I km 0.000 – 9.675; Stage II km 9.675 – 18.400 67. The following text describes the EIA process:

EIA Process for Stage I

1) Preliminary Environmental Study (PES)

Pursuant to Section 7 and Annex No. 2 of SR National Council Act No. 127/1994 Coll. On Environmental Impacts Assessment as amended, the study was prepared by Enviconsult, spol. s r.o. in January 2006 in one alternative (see Annex V), since, pursuant to Section 7 Par. 8 of the Act, the MoEnv. dropped the given activity alternative solutions in letter No. 35/06-7.3 of 05/1/2006 (see Annex V).

2) Screening

10/01/2006, the Developer submitted to the SR MoEnv the PES. Following the formal examination of study, the SR MoEnv delivered it to the affected authorities, departments, permitting authority and affected municipalities and published it on www.enviroportal.sk. The affected municipalities informed the public using the locally common way (placement of a notice on an official board and using municipal radio).

3) Environmental Impact Statement (EIS)

With respect to the character, scope and assumed impacts of the proposed activity, as well as opinions on the study, SR MoEnv in cooperation with the affected and permitting authority and following discussion with the developer refrained from preparation of an EIS pursuant to Section 13 of the act - 06/03/2006 (see Annex V). The study was considered as the report for the purpose of further activity assessment pursuant to the Act.
4) Comments Procedure on the EIS

Within the legal deadline, written opinions of the relevant authorities, municipalities and other entities (19 in total) were delivered to the SR MoEnv on the EIS. These do not require any further assessment, all comments are to be dealt with in the next project documentation stage. In general, comments dealt with noise barriers, noise monitoring, vegetation and surface and groundwater protection. Detailed overview of all opinions is presented in Chapter 1, Subchapter 2) of Annex III.

The public (which filed the complaint) did not deliver a written opinion on the new EIA process for the given R1 Section Žarnovica – Šášovské podhradie, since Stage I is not within the Žiar nad Hronom municipal area. Microregion Hlinické Pohronie signed a petition on the local planning proceedings of the project 14/01/2003 (mayors of 10 municipalities in the microregion). In it, they request the immediate issue of a construction permit for the construction of the expressway.

5) Public Hearing

A public hearing took place in each of the municipalities involved. The time and place of such public hearing was communicated to the public in the locally common way. The hearing took place 15/03/2006 at Municipal Offices in Revíští Podzámčie, Bzenec and Dolná Ždaň and 16/03/2006 at Municipal Offices in Hliník na Hronom and Lehôtka pod Brehmi.

Citizens of all affected municipalities, who participated in the public hearing, voiced their opinions in favour of immediate project implementation and operation of the given section as fast as possible. Participants of the territorial management did not voice any objections against the location of the project. The objections on noise were respected in the project documentation and the length of noise barriers was extended compared to the original documentation. See details in Chapter 1, Subchapter 2) Annexes III.

6) Expert Report

The expert report and proposed conclusion was prepared by prof. Ing. Vladimír Vodzinský, CSc., registered in the list of persons qualified for environmental impacts assessment. The Expert recommends the given activity assessed in the study with the relevant measures. The report forms part of Annex V - EIA.

7) Final Opinion (EIA decision)

20/04/2006, EIA decision of the SR Ministry of Environment pursuant to SR National Council Act No. 127/1994 Coll. was issued for Stage I under number: 62/06-7.3/ml. It confirmed the original routing (red alternative recommended as the most suitable alternative in the original EIA process). The Decision was published in the locally common way and delivered to the affected authorities and municipalities. The Decision forms part of Annex V - EIA.

EIA Process for Stage II

1) Preliminary Environmental Study (PES)

Study for Stage II was prepared pursuant to the new SR National Council Act No. 24/2006 Coll. on Environmental Impacts Assessment for two alternatives, in the basic red alternative and in alternative differing from the basic alternative in that in Section km 11.480 – 14.970, it involved sub-alternative solutions called the „blue sub-alternative – M1“ and „red sub-alternative – Č2“ and in section km 15.450 – 18.047 as "blue sub-alternative - M2" and "red sub-alternative - Č2".

2) Screening

27/02/2006, the SR MoEnv sent the sent the study in form of letter No. 727/06-7.3/ml for commenting pursuant to Section 23 of the Act to the departmental authority, permitting authority, the affected authorities and municipalities defining a deadline for opinions submission. Further, the study was published on www.enviroportal.sk. The affected municipalities informed
the public using the locally common way (placement of a notice on an official board and using municipal radio).

3) Assessment Scope
Following the screening conclusion, SR MoEnv in cooperation with the departmental and permitting authority and following discussion with the developer defined the scope of assessment and time schedule according to Section 30 of Act and selected for further assessment the red alternative - called alternative Č1 x Č2 for working purposes, and alternative created as a combination of red and blue alternatives - called M1 x Č2 alternative for working purposes. The alternative including sub-alternative M2 presented in the study (PES) was not selected for further assessment with respect to its unsuitable localisation. See letter of the MoEnv dated 18/04/2006 No. 727/06-7,3/ml (Annex V).

4) Environmental Impact Statement (EIS)
07/07/2006, the developer submitted for the SR MoEnv assessment “R1 Žarnovica – Šášovské Podhradie Stage II” the EIS. 14/07/2006, following its examination, SR MoEnv delivered the EIS pursuant to Section 33 Par. 1 of the Act in writing to the department, permitting and affected authorities and municipalities. Further, the study was published on www.enviroportal.sk. The relevant municipalities informed the public in the locally common way (by posting a notice on the official board and using municipal radio; in Žiar nad Hronom, municipal newspaper and ATV were used, as well as www.ziarnadhronom.sk). See Annex II Chapter 1, Subchapter 3).

5) Comments Procedure on the EIS
Within the legal deadline, written opinions of the affected authorities, municipalities and other entities (22 in total) were delivered to the SR MoEnv on the EIS.

In general, comments dealt with noise prevention measures, noise and water monitoring, vegetation and surface and groundwater protection. Authorities agree with the proposed alternative and request immediate construction of R1 road. Civil association “Svätokrižsky občiansky spolok – SOS Žiar nad Hronom” submitted a negative opinion on the routing of the red alternative. Detailed overview of all opinions is presented in Chapter 1, Subchapter 3) of Annex III.

6) Public Hearing
A public hearing took place in each of the affected municipalities. The time and place of such public hearing was communicated to the public in the locally common way. The hearing took place 15/08/2006 at Municipal Office Žiar nad Hronom (joint for Šášovské Podhradie and Horné Opatovce) and in culture house Lehôtka pod Brehmi and 16/08/2006 in culture house in Lovča and at Municipal Office in Ladomerská Vieska. Citizens of all affected municipalities and representatives of authorities, who participated in the public hearing, voiced their opinions in favour of immediate project implementation and operation of the given section as fast as possible. Minutes were written from the public hearing. Along with the SOS Žiar nad Hronom opinion, they were delivered to the SR MoEnv as a document for the issuing of a final opinion. See details in Chapter 1, Subchapter 3) Annexes III.

7) Expert Report
The expert report and proposed conclusion was prepared by prof. Ing. Ivan Šembera, CSc., registered in the list of persons qualified for environmental impacts assessment. The Expert recommends the given activity assessed in the report with the relevant measures. The report forms part of Annex V - EIA.

8) Final Opinion (EIA decision)
28/02/2007, Ministry of Environment of the SR issued EIA decision on Stage II pursuant to SR National Council Act No. 24/2006 Coll. under number: 1727/06-3,5/ml and recommended the implementation of red alternative (called Č1xČ2 for working purposes). The Decision was
published in the locally common way and delivered to the affected authorities and municipalities. The Decision forms part of Annex V - EIA.

No appeals were filed against the EIA decisions for Stages I and II and territorial permits were issues as seen Annex IV.

**Development of Measures Proposed for the Minimisation of Project Negative Impacts**

The EIS include a number of technical and organisational measures minimising negative impacts of the project in the course of construction and operation. Most of the proposed measures have the character of routine procedures implemented in the technical solution processing and are included in RI project documentation. Some measures are general, others are specific for certain impacted events, or territories.

The most important measures include noise prevention measures. The reports suggest the construction of a noise barrier in Hliník nad Hronom in the length of 385.2 m, in Lovča in the length of 1,565 m and in Žiar nad Hronom in the length of 2,295 m and 2-8 m high and the exchange of windows for acoustic ones in the effected structures in Bzenec and Hliník nad Hronom. To minimise dustiness, vegetation strips of high greenery have been proposed under Centrum II residential area and along municipal cemetery in Žiar nad Hronom. Further, biologic revitalisation of areas impacted by the road construction is proposed through substitute plantation of ground wood and adjustment of bridge structures for fauna migration. Further, it is recommended to prepare an independent monitoring project for the following documentation stage. Measures are detailed in Chapter 1.4 of Annex III.

**Comments on Negative Impacts Minimisation Under the EIA Processes**

EIA decisions and standpoints of the affected central and local governments and the public usually repeat the minimisation measures presented by the reports, See above. Further, the following measures were proposed: monitor noise in all relevant municipalities in the course of construction; monitor the project and operation impact on water sources, rivers and groundwater; minimise handling areas; avoid the spread of invasive and aggressive species; secure maintenance of the planted greenery; manage waste generated in the course of construction in line with the waste management legislation; install emissions monitoring at the crossroads in Šášovské Podhradie. Comments are detailed in Chapter 1.2 of Annex III.

**Requirements of EIA decisions**

EIA decisions considered the opinions and standpoints delivered by central and local governments and the public. Consonant EIA decisions are issued with a set of requirements, see EIA decisions in Annex V. Except for the above presented measures, the decisions also present the following requirements: respect technological discipline; remove and use arable soil from the road route.

**Territorial Permits and building permissions Requirements**

Documentation for territorial permits and building permissions further extends noise barriers and proposes solutions for noise barriers around municipalities. Noise barriers are designed in km 0.400-1.075 left, km 3.025 – 3.375 left, km 2,500-4,075 right, km 5.655-7.525 right, km 5,100-6,060 left, km 7,975-9,100 right, km 11.000-12.625, km 14.205-16.500.

Territorial permits requirements copy the conditions of EIA decisions in the field of environment, see Annex IV. Further, they detail measures in the protection of storm water quality and flood protection, specify the material of noise barriers and the type of exchanged windows.

**Cost of Mitigation Measures**

Cost of mitigation measures is divided into eight cost items. It represents 14,5 % of the total development and construction costs of Stage I, including VAT. It represents 21,7 % of the total development and construction costs of Stage II, including VAT. Mitigation measures represent 16,5 % of total costs. Most of the cost represents anti noise walls. Detailed description of the respective cost items is presented in Chapter 1.5 of Annex III.
Monitoring

Project monitoring forms part of Chapter 5 of Annex III. Surface and groundwater, biota and noise will be monitored throughout the entire section prior to, in the course of a following construction. The monitoring project will be updated continuously with respect to the identified facts.

Strategic environmental assessment

Strategic assessment is stipulated in Act No. 24/2006 Coll. Entering force 01/02/2006, which follows European Parliament and Council Directive No. 2001/42/EC. At that time, zoning plans of the relevant municipalities and geographical units entered force. Therefore, only their future changes and amendments will be subjected to strategic assessment.

However, Operating Program Transport for years 2007-2013 of the Ministry of Transport, Posts and Telecommunications of the SR was subjected to strategic assessment. Final opinion (SEA decision) was issued by the SR Ministry of Environment 28/02/2007 under No. 7721/2006-3.5/ml, which recommends the approval of the strategic document with requirements presented in Part VI. „Conclusions“ in Item No. 3 of the decision see http://eia.enviroportal.sk/detail/operacny-program-doprava.

OP Transport also includes strategic assessment of the R1 Expressway project Žarnovica – Šášovské Podhradie. Brief SEA process summary for OP Transport is presented below.

Natura 2000

Management of Protected Reserve Štiavnické vrchy confirms in its letter dated 28/10/2008 that the project will not have any significant impact on proposed locations within the complex European network Natura 2000, see Chapter I. Information on the closest territories of European significance SKUEV 0264-Klokoč and SKUEV 0265-Suť are presented in Chapter 2 of Annex III.