

Environmental and Social Data Sheet

Overview

Project Name:	EASTERN UKRAINE ROAD CONNECTIVITY
Project Number:	20200171
Country:	Ukraine
Project Description:	Rehabilitation of sections of the R-66 road in Luhansk region
EIA required:	to be assessed allocation stage
Project included in Carbon Footprint Exercise ¹ :	to be assessed allocation stage
(details for projects included are provided in section: "EIB Carbon Footprint Exercise")	

Environmental and Social Assessment

Environmental Assessment

Compliance with applicable Environmental Legislation: The concerned road sections to be financed under this framework loan will be designed to reduce the negative environmental impacts of transportation and will be implemented in accordance to EIB's social and environmental standards.

Rehabilitation of road sections along the existing road alignment may have environmental impacts and if so the projects would fall under part of Annex II of the EIA Directive 2011/92/EU as amended, requiring a screening by a competent authority. The design of the subprojects is however still ongoing and therefore the scope of the works and the environmental impacts will be determined in a later stage. The impacts will be assessed during the appraisal of the sub-projects, prior to allocation.

The Bank's framework loan rules will apply, meaning that the promoter will be required to provide prior to allocation of a subproject all necessary documentation to allow the Bank to ensure compliance with its Environmental and Social Standards. The Bank will request the Promoter to provide the EIA if one is required, or provide to the Bank a confirmation that no EIA is required because environmental impact are shown to be insignificant. The Bank will also request confirmation that subprojects do not significantly impact upon nature conservation areas, or that impacts are sufficiently mitigated.

Impacts: The reconstruction of the concerned road section to be financed by the Bank may have some minor impacts during construction and limited impact in the operation phase. Typical environmental impacts that can be expected from the Component activities/subprojects may include (i) dust and other forms of air pollution from construction

¹ Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO2e/year absolute (gross) or 20,000 tonnes CO2e/year relative (net) – both increases and savings.

Luxembourg, 11 November 2020

site, transportation and auxiliary facilities (including asphalt plant/s); (ii) noise and vibration; (iii) solid waste (domestic waste and construction waste including used oil and lubricant); and (iv) wastewater from workers' working zone and accommodation. These impacts are temporary, site-specific and can be managed through mitigation measures. The works will be done within the current footprint of the existing road alignment, which reduces the potential impact to a minimum. In addition, standard technical and organisational mitigation measures aiming at minimising the impacts will be requested during the allocation phase.

Climate action: Climate change adaptation measures will be reviewed after the design documents become available. Framework loans are not subject to EIB Carbon Footprint Exercise. The details of climate change impacts will be quantified during the due diligence at the sub-project allocation phase. The Promoter shall ensure that in the final design sufficient climate adaptation measures are included to mitigate the impacts of climate change to an acceptable level. The Promoter will inform the Bank of compliance with this undertaking before publication of the relevant works tender. It is expected that the project would contribute to a positive reduction in road transport related GHG emissions due to improved efficiency and reliability of the road network.

Promoter's E&S capacity: Capacity of the Promoter in terms of environmental and social management, as well as its capacity to implement projects according to EIB environmental and social standards, as experienced during the ongoing operations, is satisfactory. The Promoter is familiar with the IFI's requirements and is following the procedures appropriately.

Social Assessment

Overall, the project is expected to have a positive impact on the living conditions of Luhansk region inhabitants. All users of the concerned road sections under this operation, subject to reconstruction, will benefit from safer road infrastructure. It is expected that the number of traffic accidents, including the ones with lethal consequences will be significantly reduced. Traffic safety measures that will be identified in the Road Safety Audit required by the Bank to be implemented will create not only safer driving conditions and operating cost savings, but also better protection of vulnerable road users.

On basis of the information provided to the Bank during the appraisal, the concerned road section in Luhansk regions are not likely to have significant negative social impacts, no land acquisition is expected and no resettlement is foreseen according to the documentation received from the promoter during the appraisal. This will be verified prior to allocation of individual road sections.

In accordance with national law on labour standards and ILO obligations ratified by Ukraine (Ukraine ratified all ILO fundamental conventions), the works contracts on each road section to be financed by EIB will comply with ILO core labour standards. Contractors will be required to ensure occupational and community health & safety as part of their works contracts.

Public Consultation and Stakeholder Engagement

The Promoter carried out the preliminary environmental and social risks assessment based on the preliminary design of the subprojects that are in the pipeline and identified mitigation measures. These documents were disclosed on the official web site of the Promoter. Due to COVID-19 pandemic and limitations on public events introduced by Cabinet of Ministers of Ukraine (Decree No. 211 from 17.03.2020), the public consultations of this document were organized virtually. The hard copy of the document was sent to local authorities and local stakeholders (NGOs, businesses, farmers). The next round of public hearings will be done during public disclosure of the EIA, if one is required. This will be further assessed prior to allocation of subprojects.

Luxembourg, 11 November 2020

Other Environmental and Social Aspects

Targeted Technical assistance upon needs will be made available by the World Bank to support the Promoter in implementation of the project components, including environmental and social reporting.

Conclusions and Recommendations

The reconstruction of the road sections to be financed by the Bank may have some minor impacts during construction and limited impact in the operation phase. As the works will be done within the current footprint of the existing road alignment, impacts are expected to be low. This will however be confirmed prior to allocation of subprojects to the framework loan.

The promoter will undertake to ensure compliance of sub-projects with relevant national and EU legislation as well as EIB Environmental and Social Standards and to provide EIB with required supporting documents identified during the individual sub-projects' allocation request process.

Considering the above, the project is acceptable for EIB financing from an environmental point of view.