



Luxembourg, 26.10.2022

Environmental and Social Data Sheet

Overview

Project Name:	CORRIDOR X SECTION STALAC-DJUNIS (FL 2021-0445)
Project Number:	2021-0502
Country:	Serbia
Project Description:	The project consists of upgrading to 160 km/h and track duplication of the section Stalac - Djunis of the line Belgrade - Niš railway line.
EIA required:	Yes
Project included in Carbon Footprint Exercise ¹ :	No

Environmental and Social Assessment

Project Description

The project concerns upgrading of the section Stalac - Djunis of the Belgrade - Niš electrified railway line. It is a sub-operation of the Framework Loan SERBIA CORRIDOR X RAILWAYS FL - GLOBAL GATEWAY (2021-0445).

The alignment of the railway line on this section will be significantly changed and a new double track section of the line will be built between the stations Stalac and Djunis, including 5 tunnels with a cumulated length of approx. 6.9 km. The existing line infrastructure running through the Stalac gorge will be taken out of service and dismantled.

The Promoter of the project is Infrastruktura železnice Srbije a.d. (Serbian Railways Infrastructure).

Environmental Assessment

Compliance with applicable Environmental Legislation

If situated in the EU, the project would fall within the scope of Annex I of the Environmental Impact Assessment (EIA) Directive (Directive 2011/92/EU as amended by Directive 2014/52/EU). That is, a full EIA would be mandatory.

The project is located in Serbia, an EU candidate country, currently in the process of alignment with the EU acquis. In particular, the EIA Directive has been partially transposed into the national legislation. The EIA procedure is regulated by the Law on Environmental Impact Assessment ("Official Gazette of the RS" Nos 135/04 and 36/09).

A Spatial Plan for Special Purpose Area for the project was approved in 2017. This Spatial Plan was subject of a Strategic Environmental Assessment (SEA). The EIA for the project was carried out in 2017 – 2018, the Ministry of Environmental Protection issued an environmental consent in August 2018, and in May 2022 prolonged its validity by further indicating that as there were no significant changes to the project design and it is in line with the renewed Location Conditions (2021), no update of the EIA is necessary.

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.



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Further Supplementary Assessment for identifying potential gaps with the Environmental and Social Standards of the lender IFIs was carried out in 2022. As a result, some additional mitigation measures have been defined.

Project location, protected sites and biodiversity

The project is located in the Šumadija and Western Serbia region. It crosses (mostly in a tunnel) an ecologically important area “Mojsinje Mountains and Stalać Gorge of the Južna Morava River” of the ecological network of the Republic of Serbia. Despite the fact that ‘Mojsinje Mountains and Stalać Gorge of the Južna Morava River’ is an ecological network area and shall become a candidate Natura 2000 site, they are not classified as proposed Special Protection Areas as a part of the “EU for Natura 2000 in Serbia” project. However, they will be considered and referred to as potential Natura 2000 site. Regarding the proposed Sites of Community Importance (pSCIs) (areas designated based on the Habitats Directive), the railway route passes through the pSCI Južna Velika Morava. The pSCI encompasses two large waterflows – Južna Morava River and Velika Morava River. The project also crosses on a viaduct the Ecological Corridor Južna Morava River.

Potential impacts on the sites were analysed in the EIA and the Supplementary Study, and the mitigation measures have been defined. SRI must prepare and implement Construction and Operational Biodiversity Management Plan to ensure support to biodiversity of the area through mitigation that will result in no net loss and net gain (where needed). The Bank will further require a confirmation of the sufficiency of these measures and absence of significant negative impacts on the sites by the Competent Authority.

Impacts during construction

The main impacts during the construction are expected to be surplus of excavation material from tunnels, noise and vibration created by construction machinery, dust and mud on the access roads, conversion of mostly agricultural or forest land, vegetation clearing, generation of waste (including hazardous waste), risk of contamination of soil and water. The Contractor will undertake a detailed geotechnical investigation, as part of Main Design development and before the start of construction works, to understand terrain geological and hydrogeological conditions. The Hydrogeological Excavation Code procedure shall be used which foresees development of preliminary studies and considering various excavation modes and procedures.

The EIA and the Supplementary Assessment prescribe the appropriate mitigation measures, in particular, taking into account the cumulative effects. These measures have been included in the Environmental and Social Management Plan (ESMP) and Environmental and Social Action Plan (ESAP).

Impacts during operation

The main impacts during the operation phase are expected to be noise and vibration created by trains, permanent land take and visual impacts, risk of collision with animals. As in the case of impacts during construction, the EIA and the Supplementary Assessment prescribe the appropriate mitigation measures, which have been included in the ESMP and ESAP.

The corresponding GHG emissions and savings are included in the estimates for the parent Framework Loan of this operation, SERBIA CORRIDOR X RAILWAYS FL - GLOBAL GATEWAY (2021-0445), and will be reported accordingly. In order to avoid double counting, no Carbon Footprint values will be reported individually for this project.

Vulnerability to the climate change

The project is sensitive to the climate change, in particular, to the risk of increase of precipitations and floods. The vulnerability to the climate change has been analysed in the Supplementary Study and has been assessed as low to moderate. Additional mitigation measure have been included in the ESMP.



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Paris alignment

The project has been assessed by the Bank's services for Paris alignment in accordance with the policies set out in the Climate Bank Roadmap. The project consists of construction of infrastructure for zero direct emission transport, therefore, it is considered to be aligned with the low carbon goal. The climate risk of the project is assessed as low to medium and, therefore, it is considered to be aligned with the resilience goal.

Social Assessment, where applicable

Resettlement

The project will include track duplication and changes to the alignment of the existing railway, thus it will require some land take. During the Resettlement Action Plan (RAP) phase, the Promoter fine-tuned the Right of Way in some urban sections (i.e. inside Stalać town) to reduce expropriation impacts on assets and buildings belonging to the local communities. Finally, the project is expected to require the acquisition and clearing of approx. 79 ha of land, of which approx. 34 ha (43%) are privately owned and the rest is public land. The total number of land plots which will be affected is 877, of which 750 (86%) are privately owned. 178 plots will be fully acquired and the rest partially acquired for the project.

The project will require the demolition of some existing buildings (a total of 44 structures, including residential, commercial and others – e.g. barns, storages) and the physical resettlement of 13 households (6 of whom live in private buildings and 7 residing in properties belonging to the Promoter).

The RAP prepared by the Promoter includes an analysis of the gap between the legal requirements in the Republic of Serbia and Social Standards for the lender IFIs, and sets out specific measures for addressing this gap. The RAP includes a census of all the project-affected persons, an entitlements matrix and defines special livelihood restoration and/or assistance measures for vulnerable households or individuals, with the objective that all project affected people improve or, at least, restore their pre-project level livelihood.

Social Vulnerability and Gender

No Roma communities were found in the direct area of influence. Vulnerable people were categorized based on a number of socio-economic factors and severity of impacts. The RAP identified vulnerable people and defined additional support measures in the entitlement matrix in line with the Bank's standards and the Serbian legislation.

The RAP is reporting gender-disaggregated data for men and women. 34% of the PAPs are reported to be women. Public consultations and engagement activities have included women to ensure their views are incorporated in the definition of the mitigation and compensation measures for the land acquisition process.

Labour standards

In accordance with national law on labour standards and obligations deriving from International Labour Organisation (ILO) conventions ratified by Serbia (Serbia ratified all ILO fundamental conventions), the works contracts will comply with ILO core labour standards. Contractors shall ensure occupational and community health & safety as part of their works contracts.

Accessibility of rail services

The alignment of the line will be modified for increasing its design speed and reducing the travel time. These changes will lead to closure of the Braljina station and Cerovo and Trubarevo halts, and these settlements, as well as Mojsinje settlement will lose direct access to railway. Braljina, Cerovo and Mojsinje settlements currently have no other organised means of public transportation such as bus or minibus lines. The Promoter shall agree the provision of such



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alternative means of transport through discussions with the local authorities/communities and consultations with the Ministry of Construction, Transport and Infrastructure.

The modernisation of the Stalać and Djunis stations will be carried out in conformity with the requirements concerning accessibility for persons with disabilities and persons with reduced mobility. Thus the accessibility of the rail services in these municipalities will be improved.

Transport safety

Concerning the increase of road traffic during construction, the related risks have been analysed in the EIA and the Supplementary Study and the corresponding mitigation measures have been defined in the ESMP.

In the operation phase, the project is expected to result in modal shift of both passenger and freight traffic from road to rail. In addition, the level crossings will be replaced by separate grade crossings. Thus, the project will improve the overall transport safety.

Cultural Heritage

The area is abundant in cultural heritage and tourism could flourish if people had better access from cities and other parts of the country. The land acquisition process is not expected to carry any significant impact on cultural heritage sites. However, five known assets have been identified that could be potentially affected by construction activities and movement of machinery, and therefore require mitigation measures as set out in ESAP and ESMP.

Public Consultation and Stakeholder Engagement

The consultation of the relevant stakeholders and of the public took place as part of the EIA procedure. The Promoter has also prepared a corridor-wide Stakeholder Engagement Plan (SEP) for the project.

In addition, the project affected persons, as well as the local stakeholders, have been consulted during the preparation of the RAP between August and December 2021. The details of these consultations are available in the relevant RAP sections. As part of the stakeholder engagement process of the project, the Promoter is committed to put in place a grievance mechanism for receiving any complaints related to environmental, social or resettlement aspects of the project, as well as for dealing with them in an efficient and appropriate way in line with the Bank's standards.

The SEP and the RAP provide the details of the local grievance redress mechanism for the project as well as the contact details of the people responsible for addressing community issues. The Promoter will ensure the presence of field liaison officers to facilitate communication with the local communities.

Other Environmental and Social Aspects

A dedicated Project Implementation Unit (PIU) will be established in the Promoter's organisation. The PIU will receive assistance by consultants with international experience, including, among other, support in relation with the environmental and social aspects of the project implementation.

Conclusions and Recommendations

The project has been subject of national EIA procedure and a Supplementary Study for ensuring full compliance with the Environmental and Social Standards of the Bank has been carried out.

The measures for mitigating negative impacts have been defined in the ESMP and ESAP.



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A RAP in conformity with the Social Standards of the Bank has been established.

In addition to the conditions set out for the Framework Loan SERBIA CORRIDOR X RAILWAYS FL - GLOBAL GATEWAY (2021-0445), the following conditions shall apply to this project:

- Prior to the first disbursement of the loan for financing works on the Stalać – Djunis section, the Promoter shall submit to the Bank a statement issued by the Competent Authority attesting that the project will not entail any significant negative impact on the sites “Mojsinje Mountains and Stalać Gorge of the Južna Morava River” and “Južna Velika Morava”, nor on the Ecological Corridor “Južna Morava River”.
- The Promoter shall implement the Project in accordance with the provisions of the EIA, ESMP and ESAP.
- The Promoter shall implement the Project in accordance with the provisions of the RAP and its implementation schedule. In line with the principles of the RAP, the land acquisition process of a parcel/section of the corridor must precede its transfer to the contractor for the beginning of civil works. Any change of the project or RAP schedules affecting this principle will have to be validated by the Bank.

Overall, the project will contribute to improvement of the quality and reliability of railway services for both passengers and goods, and thus to modal shift from road to rail with the consequent reduction of energy consumption, noise, and emissions of pollutants and CO₂. All this should result in an improvement to the environmental situation in comparison to the “without project case”.

The main residual negative impacts consist of some additional land take and resettlement of affected households.

Other lesser impacts include some localised noise/vibration, occasionally dust and mud on the access roads during the construction, as well as some noise and vibration during operation; all these for a limited number of receptors. These lesser residual negative impacts are partly offset by the expected modal shift facilitated by the investment.

With these conditions in place, the project is acceptable for EIB financing in environmental and social terms.