

Luxembourg, 29.04.2025

Environmental and Social Data Sheet

Overview

Project Name:	SUSTAINABLE IMPROVEMENT OF ROAD NETWORK
Project Number:	2019-0805
Country:	SERBIA
Project Description:	Multi-scheme and multi-faceted investment programme aimed at improving the economic efficiency, climate resilience, road safety, environmental protection and social wellbeing with interventions focusing on rehabilitation, reconstruction and upgrade of local and national roads in Serbia.
EIA required:	Multi-scheme operation. Requirements for EIA vary by scheme type/size/complexity
Project included in	
Carbon Footprint Exercise ¹ :	No

Environmental and Social Assessment

Environmental Assessment

It is expected that the Project will predominantly entail the following type of works:

- Reconstruction or rehabilitation of pavement structure and civil structures.
- Reconstruction or rehabilitation of drainage system.
- Consolidation of slopes.
- Improvement of road safety measures.

Given the type of works and interventions, the Promoter, Public Enterprise “Roads of Serbia” (“PERS”), during this appraisal stage, has confirmed that none of the already identified Project’s schemes are expected to be subject to an EIA procedure.

It is expected that the individual schemes would generally fall outside the scope of the corresponding EIA Directive 2011/92/EU as amended by Directive 2014/52/EU, all schemes for subsequent investment cycles will need to be subject to EIB due diligence procedures in accordance with the Bank’s usual allocation guidelines applied in other framework loans

As part of the promotor’s internal system for the assessment and management of the project’s environmental and social issues, an environmental and social management system will be prepared detailing a definition of roles and responsibilities, a description of the environmental management system and institutional arrangements to be applied as well as recommendations for capacity building measures of the Promoter during project implementation, the Due Diligence assessment process to be carried out of environmental and social risks of each scheme, the scope and content of the specific management plans to be prepared (Traffic Management Plan and Occupational Health and Safety Plan as well as other necessary plans).

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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The Due Diligence assessment of environmental and social risks of each scheme prepared by the promoter will be submitted to the EIB prior to each allocation. Based on the assumption that no EIA is required considering the type of rehabilitation works planned, this will take the form of an Environmental and Social risk assessment and categorization exercise including a compliance verification with applicable legislation per scheme and an adequate E&S document will be prepared for each scheme (based on the E&S risk level of the scheme, either a full environmental and social management plan or a simplified environmental and social management plan) which will be an integral part of the design package.

Some of the interventions might take place in protected areas, areas with landscape, hydraulic or hydrogeological restrictions. In such cases the Promoter will have to obtain the relevant authorizations from the competent authorities and be in compliance with the requirements of the applicable EU acquis.

The Project is expected to have long-term positive impacts. PERS and the respective municipalities will benefit from improved and more resilient assets, and hence from lower maintenance costs. The road users will benefit from better quality, smoother and safer roads. As the project will be partially implemented in rural areas, it will have potentially above-average social impacts in terms of improved accessibility to the main network, economic centres and social services, as well as increased safety for non-motorized road users. Finally, people living alongside the improved road, will benefit from enhanced quality of life, such as lower pollution and preserved environment.

Climate Assessment

Climate adaptation

The operation will directly and indirectly address some of the climate vulnerabilities that Serbia faces through improvements of existing road infrastructure consistent with national plans. Assets will be capable to better withstand future climate impacts. All project schemes are expected to contribute to climate change adaptation/resilience through measures to be identified at design/construction stage.

Vulnerability assessment of the related section to climate change and other natural hazards will be performed in line with technical screening criteria, as outlined in the EU Taxonomy Delegated Regulation 2021/2139 - Annex 22, and the appropriate mitigation measures will be incorporated.

Project Paris alignment

The Project was assessed by the Bank's services for Paris Alignment in accordance with the policies set out in the Climate Bank Roadmap ("CBR"). The Project is considered being aligned with the low carbon goal as it consists of investments in rehabilitation of existing road infrastructure including measures that will improve road safety.

Further to the assessment under the paragraph 'Climate adaptation' above, the project is considered to be aligned with the resilience goal as well.

Social Assessment

The project is expected to bring a number of positive social impacts. The roads planned to be rehabilitated are currently in poor condition, and therefore, amongst the positive impacts, the road rehabilitation works will allow for a better and safer access to hospitals, schools and markets as well as improved road safety.

² <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021R2139&from=EN>



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While no expropriation of land is expected nor is any economical or physical displacement planned to occur, a general approach in case of resettlement or land acquisition will be detailed in the Promoter's environmental and social management system. Once the project design of each scheme is specified and the necessary information on the project's potential impacts is available, if any resettlement or land acquisition is required, a Resettlement Action Plan (RAP) or Livelihood Restoration Plan (LRP) will be prepared in line with EIB E&S Standard 6.

Occupational Health and Safety

There is an inherent accident risk from construction activities taking place on roads that are open to traffic. The Promoter will implement the project in line with national norms and standards on OH&S, including through the use of Traffic Management Plans.

Road safety

The project will improve the overall safety of Serbia's road network through engineering upgrades, including improved signage, traffic calming and roadside protection. The project will not result in substantial modifications to the road layout itself.

Public Consultation and Stakeholder Engagement

Where applicable, if resettlement or land acquisition is required, the RAP/LRPs will be disclosed to the public.

The Promoter plans to disclose on the concerned municipalities and the Promoter's website the completed Environmental and Social risk assessment and relevant E&S documents per scheme. A process for stakeholders and general public will be established by concerned municipalities and the Promoter to be able to submit comments.

Other Environmental and Social Aspects

Promoter's E&S capacity

The Promoter is the Public Enterprise "Roads of Serbia" (PERS). PERS is responsible for developing and implementing investment schemes under the Sustainable Improvement of Road Network project, including assessing their direct and indirect environmental and social impacts. PERS will establish a project implementation unit (PIU) for this purpose.

The project is expected to benefit from technical assistance for the preparation and implementation of the project including the environmental and social due diligence assessments as well as RAP/LRPs where applicable.

The works will be implemented by contractors procured by the Promoter. The contractors will be required to perform the works in line with project requirements, consistent with national legislation and EIB standards.

Conclusions and Recommendations

The project concerns a multi-scheme and multi-faceted investment programme in the form of a Framework Loan, which will include several types of interventions (rehabilitation, reconstruction and upgrade) designed to improve sustainability on national and municipal roads throughout the Serbian territory. Given the project scope, which does not involve new road construction nor capacity increase, residual environmental and social impacts after the implementation of mitigation measures are expected to be limited.



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E&S&C Contractual Undertakings:

- Where applicable, in the unlikely event that an EIA is required, the Promoter shall prepare an EIA and other relevant study as per the EU acquis. The Promoter shall verify the compliance of the schemes with the relevant and applicable rules of the European Union legislation, in particular in the fields of environment.
- Where applicable, in the unlikely event that land acquisition or displacement is necessary, the Promoter shall prepare a RAP or LRP in alignment with the approved general approach in case of displacement or land acquisition.
- A project implementation unit (PIU) for the project with resources for managing environmental, social and climate change issues will be established to the Bank's satisfaction and maintained throughout the implementation phase.
- The Promoter will report on the compliance and implementation of the E&S measures.

Based on the above elements, the Project is acceptable to the Bank for financing.