

Public

Environmental and Social Data Sheet

Overview

Project Name: WWTP MITROVICA
 Project Number: 2018 0777
 Country: Kosovo
 Project Description: Construction of wastewater treatment facility and construction/rehabilitation of sewerage network in the district of Mitrovica in Kosovo

EIA required: yes

According to Kosovo legislation, a national EIA might be required

Project included in Carbon Footprint Exercise¹: no

Environmental and Social Assessment

Environmental Assessment

Mitrovica Regional Water Company (MRWC) is in charge of management, operation and maintenance of the water and wastewater services in Mitrovica District (having approx. 213,000 inhabitants both in urban and rural areas in 2018) in accordance with the Water Law of Kosovo. At present, the most serious environmental problem in the District of Mitrovica concerns surface and groundwater contamination because the wastewater of the existing population is poorly treated in septic tanks, black pits or is simply discharged straight to the streams and tributaries of the Ibar River which flows across the border into Serbia.

The project consists of the extension and upgrade of the existing wastewater collection system in the Municipalities of Mitrovica and Vushtrri and construction of a new wastewater treatment plant (WWTP), located in an industrial area at the confluence of the Ibar and Sitnica Rivers in South Mitrovica. The WWTP is estimated to treat the wastewater collected in South and North Mitrovica urban areas, Vushtrri, Zvecan, and neighbouring villages including Trepca, Broboniq, Vaganica and Koshtove, and to have a capacity of up to 146,000 population equivalent (PE), which is design horizon of 2043. However, implementation of the project may be phased; decision will be confirmed by the MRWC before the start of project implementation. During Phase 1, the WWTP will be built on the selected site in South Mitrovica with civil works designed for full capacity, but only made operational for the sewage from South Mitrovica and Vushtrri with surrounding villages for a capacity of 123,000 PE. It will contribute to increasing service levels in terms of efficacy and reliability of the waste water

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

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treatment and disposal in one of the largest municipalities in Kosovo, contributing also to Kosovo's long-term economic development.

The main legal framework in which RWCs operate includes the following laws: Law on Water, Law on Business Organizations, Law on Publicly Owned Enterprises, Law on Environmental Protection, Law on Public Financial Management and Accountability, Law on Integrated Pollution Prevention & Control, and Law on Environmental Impact Assessment.

Regarding environmental requirements in Kosovo, the relevant limit values for effluents discharged in water bodies are fully transposed into Kosovo legislation from EU Directive 91/271/EEC on Urban Wastewater Treatment. The National law on EIA is essentially harmonised with the EIA Directive.

According to the EIA Directive, 2014/52/EU amending the Directive 2011/92/EU the project with the designed treatment capacity of up to 146,000 PE would fall under Annex II. An environmental consent will be required from the relevant local Competent Authority (Ministry of Environment and Spatial Planning), and according to Kosovo legislation, a national EIA might be required as well.

No major environmental or social issues potentially arising from the project have been identified at project preparation stage. All negative impacts can be easily mitigated to acceptable levels as per the Environmental and Social Action Plan (ESAP), developed by an external consultant in September 2019. Positive long-term impacts for the aquatic life and biodiversity of the recipient river are anticipated. The ESAP refers to the execution of the works with due account of the design solutions adopted and provides the measures and actions to mitigate potential adverse impacts, and to enhance positive or beneficial impacts.

The location of the project is not within, nor in the vicinity of any protected area of high ecological value, hence no sensitive areas will be affected.

Kosovo's Strategy and Action plan for Biodiversity (2011-2020), lists the areas proposed for special protection under the law. No nature protection areas or areas of high ecologic value, included in the list, are situated within location of the WWTP, the networks and pumping stations. The Habitats and Birds EU Directives (92/43/EEC, 2009/147/EC respectively), are not transposed into national legislation, therefore appropriate mitigation measures described in the ESAP reducing potential negative impacts to acceptable levels shall be ensured by the MRWC during implementation of the project.

A Project Implementation Unit (PIU) will be established by the MRWC. The company does not have extensive experience in management of environmental and social plans, though it is familiar with the application of other international financing institutions' standards. Therefore, technical assistance will be made available to support the PIU in the preparation and implementation of the project, setting up an environmental and social monitoring and reporting system.

The upgrade and construction of the sewer network, collectors and WWTP will result in compliance with the requirements of the EU Directive 91/271/EEC on Urban Wastewater Treatment, which is fully transposed into Kosovo legislation. Initial designs do not propose any sludge digesters for energy recovery; therefore, the project only has a minor contribution to climate change mitigation at this stage.

Social Assessment

According to the cadastre, the WWTP site consists of both municipal, industrial and privately owned land. A concrete factory has been established recently on the municipal land without permission from the authorities. The layout of the WWTP has been arranged considering minimisation of the expropriation needs and optimisation the availability of the public land. As a result, expropriation of the concrete factory will be needed. Allocation of land may also be needed for the pumping stations in North Mitrovica and Zvecan. The project is not expected to

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cause any permanent physical displacement as all the land is uninhabited. No land acquisition is foreseen for the collectors from Vushtrri, North Mitrovica and Zvecan. Existing right of ways (for buried assets) will be used for the laying of new networks.

MRWC, together with the Municipality of Mitrovica, has experience in land acquisition according to the legal framework. Technical assistance will be made available to support the MRWC in the preparation and implementation of the procedures in accordance with the EIB's and EBRD's social standards. A Land Acquisition and Livelihood Restoration Framework has been developed by an external consultant in September 2019. A more detailed Livelihood Restoration Plan (LRP) will be developed and implemented by MRWC. Compensation to the affected persons of the cement factory at full resettlement cost for their loss of assets and income will be carried out prior to construction in line with the EIB's and EBRD's E&S Standards. An extensive consultation with all affected persons will be required.

Special attention shall be paid to stakeholder engagement through the implementation of a Stakeholder Engagement Plan (SEP), developed by an external consultant in September 2019, inclusive of a project wide grievance mechanism.

Social impacts include the possible disruption of services, noise and temporary occupation of public or private space, traffic disruptions, and safety hazards during construction. The ESAP proposes mitigation measures for any of the aforementioned impacts.

MRWC is in compliance with most labour and working conditions indicated in the International Labour Organisation (ILO) core labour standards. A written HR policy will be developed and implemented by MRWC and training will be offered based on the job description of the employees and on training needs assessment. Works contracts will include the provision for contractor to follow legislation on labour and working conditions during construction phase. Compliance with this requirement will be supervised by the MRWC with support of the technical assistance.

The Municipal Administration provides information on new infrastructure projects through the local TV station, local newspapers, and website of the Municipal Administration. The project, which will improve the wastewater services, is receiving positive feedback in anticipation of the positive impact on the living conditions of the inhabitants. In addition, the investment will provide job opportunities during the works and operation phases.

Conclusions and Recommendations

The project will support the reduction of wastewater related pollution, the improvement of sanitation levels, thus bringing a positive social impact and, ultimately, contribution to sustainable economic growth. The project is in line with both EU and national objectives and will be implemented in accordance with the EIB's and EBRD's social and environmental standards, including for land acquisition and compensation. The project is expected to have minor environmental impacts during construction and minor negative residual impacts in the operational phase. Overall, the project will generate positive impacts on the environment. The project will also provide long-term socio-economic benefits to the local population in the form of employment opportunities and improved quality of life.

The following conditions and undertakings shall be included in the finance contract:

- The Promoter shall implement the Project in accordance with the Environmental and Social Action Plan and the Stakeholders Engagement Plan (inclusive of a grievance mechanism) and report to the Bank on the status of implementation;
- The Promoter shall implement and operate the Project in compliance with EIB's Environmental and Social Standards, and ILO core labour standards, in particular with inclusion of provision (for contractors) for the respect of principles or equal

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treatment and non-discrimination in employment and at the workplace, and equal access for men and women to employment opportunities.

- Should a national EIA be required, the Promoter shall send the final version of the document and the approval by the relevant local Competent Authority to the Bank for publication on its website.

In view of the above findings and conditions, the project is acceptable for EIB financing from the perspective of environmental and social compliance.

PJ/SQM/ECSO