

Public

Environmental and Social Data Sheet

Overview

Project Name:	BELGRADE PALILULA SEWERAGE SYSTEM
Project Number:	2017-0192
Country:	Serbia
Project Description:	Development of the sewerage system in Palilula Municipality (Belgrade) located at the border of the Sava and Danube rivers with approximately 173,000 inhabitants. The project will be implemented in the area where there are no systematic sewer network nor wastewater treatment (Banat, a part of Palilula). Therefore not meeting environmental and social standards.
EIA required:	yes The project comprises several components; some of them may require an EIA.
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

Environmental Assessment

Compliance with applicable Environmental Legislation

The project components are designed to improve sanitation service and to reduce the negative environmental and health impacts of discharging untreated wastewater in the Municipality of Palilula, Banat section. The project will contribute to achievement of the objectives of the Danube River Basin Management Plan as well as the key Serbian strategic water sector policies documents. The components will be implemented in line with the applicable national legislation, as well as the relevant EU legislation, and in accordance with the EIB's social and environmental standards.

The key national legislation of relevance includes: Water Law (Official Gazette RS no. 30/10, 93/12 and 101/16), Law on Environmental Protection (Official Gazette RS no. 135/04, 36/09, 72/09, 43/11 and 14/16), Law on Environmental Impact Assessment (Official Gazette no. 135/04), Law on Integrated Environmental Pollution Prevention and Control (Official Gazette no. 135/04). The key EU legislation of relevance includes the Urban Waste Water Treatment Directive (91/271/EEC) and Water Framework Directive (2000/60/EC).

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 100,000 tons CO₂e/year absolute (gross) or 20,000 tons CO₂e/year relative (net) – both increases and savings.

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The project components concern rehabilitation and extension of existing infrastructure, including construction of a new WWTP with a capacity of 85,300 PE designed for secondary treatment of wastewater. The project components will fall either under Annex II (i.e. subject to screening by the Competent Authority) or outside the scope of the Directive 2014/52/EU amending the EIA Directive 2011/92/EU. For components screened in and thus requiring an EIA, relevant information and compliance with the applicable legislation and EU EIA directive will be checked before approving finance allocation. In particular, screening decisions from local Competent Authorities will be made available to the Bank. The Bank will also require the promoter to provide the Non-Technical Summary (NTS) of the EIAs and the EIAs to be published on the Bank's website. The wastewater treatment component is expected to result in a reduction of GHG emissions².

Environmental Impacts

The project components are expected to have minor environmental impacts during construction and no negative residual impacts in the operational phase. Most components will be located in a consolidated urban environment and on the existing main routes of sewers and in the premises of existing facilities or their vicinity. Therefore, the components are not likely to have negative impacts on nature conservation areas. Nevertheless, compliance with the Biodiversity and Habitats National Legislation and its alignment with the EU Habitats and Birds Directives (92/43/EEC, 2009/147/EC) and EIB E&S Standards will be further checked before allocating finance to components and during the implementation of the project. Environmental and social impacts of the operation will be positive.

Promoter's E&S capacity

The promoter of this loan is the Belgrade Land Development Public Agency (Beoland), which is an entity designated under the City of Belgrade. The promoter has experience in management of environmental and social plans and is familiar with the application of other international financing institutions' standards, based on the experience during implementation of their existing operations. However, technical assistance will be made available to support the promoter in the preparation and implementation of the project components. The technical assistance will also support the promoter in setting up an environmental and social monitoring and reporting system.

The Promoter will need to submit all designs, tender dossiers, Project Implementation Plans, Land Acquisition Plans, and the ESMP for the Bank's comments / approvals / non-objections, as appropriate according to the EIB Guide to Procurement and Finance Contract.

Social Assessment

Based on the information provided to the Bank, the sanitation components are not likely to trigger any large land acquisition. The new WWTP will be located outside the urban area next to other existing sewerage facilities in line with the municipal spatial plan; hence, no land acquisition and/or resettlement issues are expected. The project components are not expected to trigger any physical or economic displacement. In implementing sanitation infrastructure project components aim at improving efficiency, public health, and protection of the environment, the works will be kept as much as possible to the existing rights of way (for

² CO_{2e} emissions below the thresholds

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buried assets) and along areas owned by the municipality (roads), which reduces potential negative social impacts to a minimum.

All project components are expected to have a positive impact on the living conditions of the inhabitants. In addition, the investment will provide job opportunities during the works phases and during operation.

Compliance with EIB's social standards, such as those on occupational and public health, safety and security, labour standards, involuntary resettlement and stakeholder engagement will be further checked before allocating finance and during the implementation of the project. The technical assistance will support the promoter in screening the project components against EIB social standards.

Public Consultation and Stakeholder Engagement

The promoter will have to ensure compliance with national and European environmental regulations, carry out public consultation during the environmental decision process, and facilitate the access by the public to environmentally relevant information in accordance with the Bank's Transparency Policy.

Other Environmental and Social Aspects

Possible disruption of services, noise and temporary occupation of public or private space, traffic disruptions, and safety hazards will require strict management in the planning permission to minimize the negative disturbances, inconveniences and impacts common for this type of project.

Conclusions and Recommendations

The investments will improve access to sanitation. The components will have a positive socio-economic impact, and will improve the quality of life for the citizens as well as protection of the environment, notably surface and ground waters. Environmental and social aspects will be checked before financing allocations. The Bank will require the promoter to follow the EIB environmental and social (E&S) standards.

The following undertakings shall be included in the finance contract:

- The Promoter shall not commit any EIB funds against components that require an EIA or biodiversity assessment according to national law without, prior to allocation, receiving the consent from the competent authority, and the Non-Technical Summary of the EIA having been made available to the public. Non-Technical Summary and EIAs shall be sent to the Bank for publication on the website.
- The Promoter shall store and maintain updated the relevant documents (including environmental studies related to the ESIA, screening decisions, the Non-Technical Summaries of the ESIAs, and Nature/Biodiversity Assessments, Environmental, Social Management Plans, Resettlement Action Plans and Stakeholder Engagement Plans) to be provided to the Bank upon request. In case the EIB requires such documentation, the Promoter shall provide all documents requested promptly.
- 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 the inclusion of provision (for contractors) for the respect of: principles of equal treatment and non-discrimination in employment and at the workplace, and equal access for men and women to employment opportunities.

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- The Promoter shall verify the compliance of the components with the relevant and applicable rules of national legislation, in particular in the field of environment, and shall follow the EIB environmental and social (E&S) standards.

The overall anticipated environmental and social impacts of the operation are deemed positive. Minor negative (temporary) impacts during the construction will be compensated by considerable social, public health and environmental benefits.

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

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