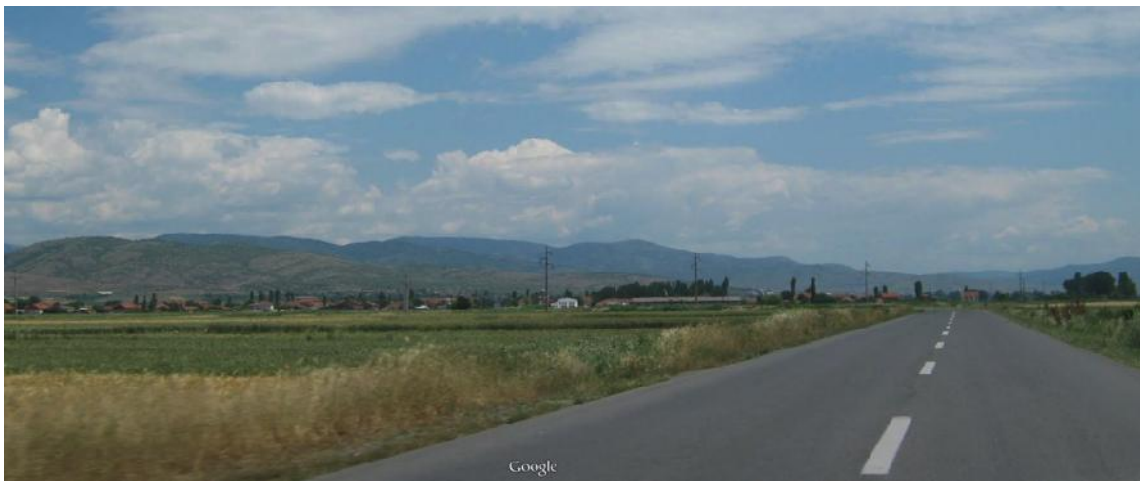


**PROJECT:  
RECONSTRUCTION AND REHABILITATION OF STATE  
ROAD SECTION; A3 SHTIP-KOCHANI,  
REPUBLIC OF MACEDONIA**



**INITIAL PROJECT SUMMARY**

**AUGUST, 2014**

# Contents

<b>LIST OF ABBREVIATIONS</b> .....	<b>3</b>
<b>1 INTRODUCTION</b> .....	<b>4</b>
<b>2 INFORMATION ON THE PROJECT</b> .....	<b>5</b>
2.1 BACKGROUND AND RATIONALE FOR THE PROJECT.....	5
2.2 ROUTE SELECTION, PROJECT DETAILS & CONSIDERATION OF ALTERNATIVES.....	6
2.3 CONSTRUCTION OF THE EXPRESSWAY .....	8
<b>3 SUMMARY OF ENVIRONMENTAL &amp; SOCIAL LEGAL AND POLICY FRAMEWORK</b> .....	<b>8</b>
3.1 NATIONAL LEGAL FRAMEWORK FOR ENVIRONMENTAL AND SOCIAL PROTECTION.....	8
3.2 SUMMARY OF EIA & PERMITTING PROCESS .....	9
3.3 LEGAL FRAMEWORK FOR LAND ACQUISITION.....	9
<b>4 PROJECT ESIA, STAKEHOLDER ENGAGEMENT &amp; LAND ACQUISITION PROCESS</b> .....	<b>9</b>
4.1 STRATEGIC ENVIRONMENTAL ASSESSMENT (SEA) PROCESS.....	9
4.2 ENVIRONMENTAL IMPACT ASSESSMENT (EIA) PROCESS.....	10
4.3 STAKEHOLDER ENGAGEMENT .....	10
4.4 LAND ACQUISITION & RESETTLEMENT PLANNING PROCESS .....	11
<b>5 SUMMARY OF BASELINE ENVIRONMENTAL &amp; SOCIAL CONDITIONS</b> .....	<b>11</b>
5.1 ENVIRONMENTAL BASELINE .....	11
5.2 SOCIAL CONTEXT.....	12
<b>6 ENVIRONMENTAL &amp; SOCIAL BENEFITS, IMPACTS AND MITIGATION MEASURES</b> .....	<b>12</b>
6.1 ASSESSMENT OF IMPACTS.....	12
<b>7 ENVIRONMENTAL &amp; SOCIAL MANAGEMENT &amp; MONITORING</b> .....	<b>13</b>
7.1 ENVIRONMENTAL AND SOCIAL MANAGEMENT .....	13
7.2 ENVIRONMENTAL AND SOCIAL MONITORING .....	13
<b>8 FURTHER INFORMATION &amp; CONTACT DETAILS</b> .....	<b>14</b>
8.1 PROJECT TIMETABLE .....	14
8.2 CONTACT DETAILS.....	14

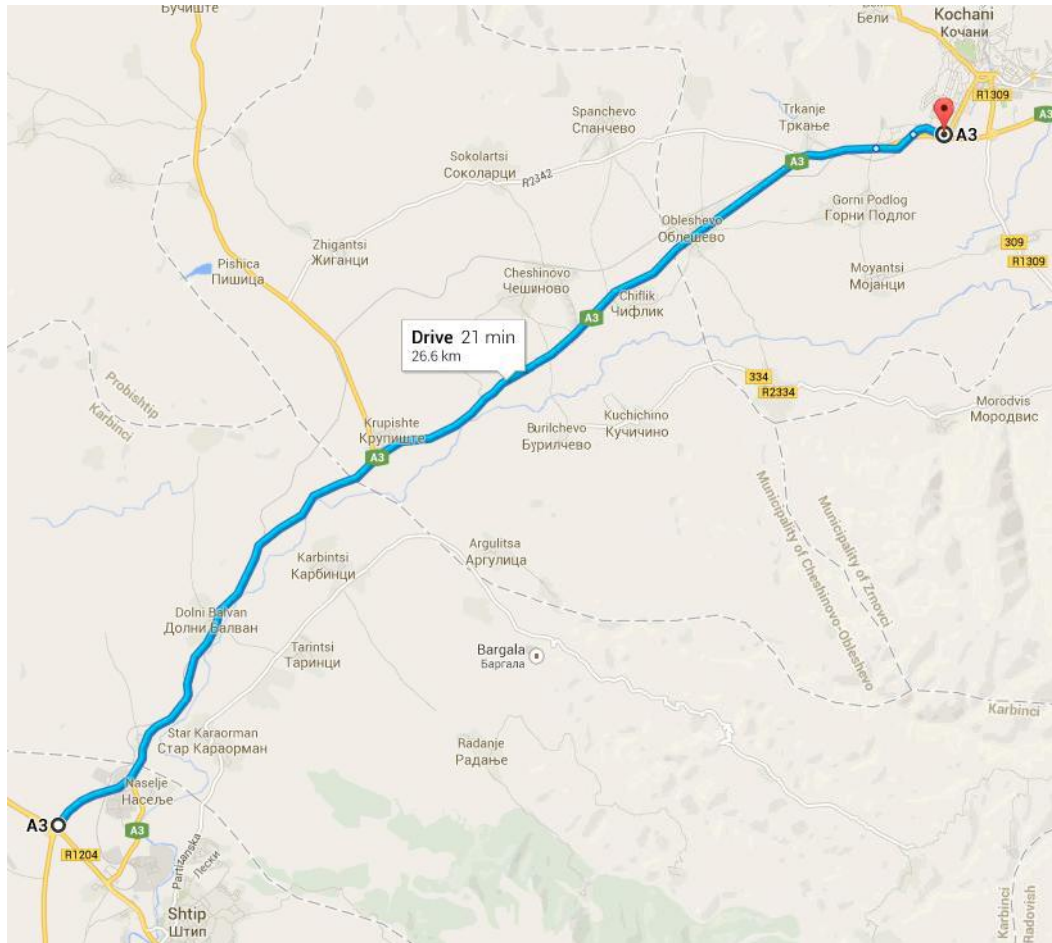
## APPENDIX A: ENVIRONMENTAL AND SOCIAL ACTION PLAN

## LIST OF ABBREVIATIONS

EBRD	European Bank for Reconstruction and Development
EIA	Environmental Impact Assessment
ESAP	Environmental and Social Action Plan
ESIA	Environmental and Social Impact Assessment
ESP	Environmental and Social Policy
LARF	Land Acquisition and Resettlement Framework
MOEPP	Ministry of Environment & Physical Planning
NTS	Non-Technical Summary
O.G.	Official Gazette
PESR	Public Enterprise for State Roads
PR	Performance Requirement
RAP	Resettlement Action Plan
SEA	Strategic Environmental Assessment
SEP	Stakeholder Engagement Plan
TEN-T	Trans-European Network-Transport

# 1 INTRODUCTION

As part of the overall plan for the improvement of the national road network, outlined in the Republic of Macedonia's National Transport Strategy (2007-2017),<sup>1</sup> the Public Enterprise for State Roads (PESR) is planning to upgrade part of the national road A3: Trebenista – Ohrid – Bitola – Prilep – Veles – Shtip – Kochani – Delchevo – Ramna/Niva Border Crossing. The section under consideration is the 25.3 km section which connects the two cities of Shtip and Kochani. This is currently a two lane carriageway road, and will be upgraded to a four lane expressway through a combination of road widening, rehabilitation and upgrading works to achieve road safety improvements. The alignment of the present road is shown in Figure 1 below. The works planned to upgrade this section are henceforth known as 'the Project'.



**Figure 1. Road Section Shtip - Kochani**

The European Bank for Reconstruction and Development (EBRD), in accordance with its *Strategy for the Former Yugoslav Republic of Macedonia*, is promoting regional transport integration and is supporting the development of strategic connections with neighbouring countries. The EBRD is therefore considering providing a loan for the upgrade of the Shtip – Kochani section. The EBRD has determined that the Project is a *Category B Project* according to its Environmental and Social Policy (ESP 2008), and is working with the PESR to ensure that the Project's environmental and social risks are appraised and managed in accordance with the Policy.

The design of the road, including identification of options to bypass some of the built up areas along the route, was commissioned in March 2014. The final alignment has now been determined, and a preliminary design has been completed. The detailed design has begun, and the first phase of output is expected in September 2014. A Strategic Environmental Assessment, an Environmental and Social Impact Assessment (ESIA) and a Road Safety Audit have been commissioned. The SEA and EIA will be conducted according to Macedonian legislation. The SEA is underway, and is expected to be submitted to the MOEPP in August, 2014, with a public hearing held in September 2014. The EIA procedure has

<sup>1</sup>[http://www.seetoint.org/wp-content/uploads/downloads/2014/01/FYRM\\_Transport-Strategy-2007-2017.pdf](http://www.seetoint.org/wp-content/uploads/downloads/2014/01/FYRM_Transport-Strategy-2007-2017.pdf)

also commenced, with a notification having been submitted to the MOEPP, and approved. The EIA assessment work has yet to begin, but the EIA study is expected to be submitted to MOEPP in September 2014.

This Initial Project Summary describes the Project, using the information available, and sets out what steps are ongoing to identify and address the environmental and social risks and impacts. As well as the SEA and ESIA currently being conducted, a Stakeholder Engagement Plan (SEP) will be developed for the Project, which will describe the planned stakeholder consultation activities and engagement process. A Land Acquisition Resettlement Framework (LARF) and a Resettlement Action Plan (RAP) will also be developed to set out PESR's commitments to national and EBRD requirements in relation to land acquisition.

An Environmental and Social Action Plan (ESAP) has also been prepared in relation to the proposed Project. The purpose of the ESAP is to structure the future Project to be in line with EBRD's Environmental and Social Policy (ESP 2008) with a particular focus on preparation activities. When available, full Project preparation documents including the Environmental and Social Impact Assessment (ESIA), NTS, ESAP, SEP, LARF and RAP will be made available on the PESR website (<http://www.roads.org.mk/en/index.php>) and linked to the EBRD website.

## 2 INFORMATION ON THE PROJECT

### 2.1 BACKGROUND AND RATIONALE FOR THE PROJECT

The Republic of Macedonia is aspiring for EU membership, and is engaged in the development of Macedonia's national road network in conjunction with plans adopted by the EU, such as the Trans-European Network Transport (TEN-T) network development plans up to 2020. EU transport development plans call for the development and improvement of multi modal corridors to accept anticipated increases in transport (such as an anticipated increase in freight transport of more than 2/3 by 2020), and to reduce the density of traffic flows.

The Republic of Macedonia Spatial Plan (2004) envisages construction of around 9,700 km of new roads by 2020. A high priority was assigned to the improvement of the western (secondary) transportation axis which extends from the border crossing with Bulgaria, through Drenovo, Kochani, Shtip, Veles, Prilep and Bitola to the border crossing with Greece. The National Transport Strategy of the Republic of Macedonia (2007-2017) calls for completion of the Pan-European corridors passing through the country, and one of the short-term priorities is the improvement of the road connectivity.

The road section addressed by this Project forms part of the state road A3 (previously numbered M5), which connects the Bulgarian Border (CrnaSkala) with Otovica via Tri Chesmi and Kadrifakovo. It also connects the two major cities of Shtip and Kochani. A feasibility study was carried out on this section<sup>2</sup>, which examined current traffic frequencies, projected traffic flows and potential social and economic improvements arising from better communication. Traffic forecasts based on three scenarios for GDP growth, are given below for the period 2006-2025, assuming no investment in the roads network.

#### Forecasted Traffic Flows, 2010-2034, Shtip- KrupisteSection

Year	Cars	Trucks without Trailers	Buses	Trucks with Trailers	Tractors	Total Flow (2.50% GDP growth)	Total Flow (4.25% GDP growth)	Total Flow (6.0% GDP growth)
2015	3731	541	198	1045	0	4909	5516	6184
2020	4540	658	241	1272	0	5420	6710	8275
2030	6720	975	356	1883	0	6607	9933	14820

#### Forecasted Traffic Flows, 2010-2034, Krupiste – KochaniSection

Year	Cars	Trucks without Trailers	Buses	Trucks with Trailers	Tractors	Total Flow (2.50% GDP growth)	Total Flow (4.25% GDP growth)	Total Flow (6.0% GDP growth)
2015	3731	541	198	1045	0	4909	5516	6184
2020	4540	658	241	1272	0	5420	6710	8275
2030	6720	975	356	1883	0	6607	9933	14820

<sup>2</sup>Feasibility Study with Traffic Analysis and Projected Traffic for Motorway Solution on National Road M-5: Bulgarian Border (CrnaSkala) – Tri Cesmi-Kadrfakovo-Otovica', December 2011.

						GDP growth)		
2015	4924	697	196	1134	0	6186	6951	7792
2020	5990	848	238	1380	0	6830	8456	10428
2030	8867	1255	352	2043	0	8326	12517	18674

Source: *Regional Balkans Infrastructure Study – Transport (REBIS7) Final Report*

One issue identified in the feasibility study was the frequency of traffic accidents on this section, and the need for better traffic safety. Currently, the road experiences a high level of traffic accidents, and the junction with the road to Podlog village is considered an accident black spot. The table below summarises the recent road accident statistics for the Shtip-Kochani road section.

Year	2009	2010	2011	2012	2013	Total
<b>Fatality</b>	0	1	3	1	1	6
<b>Major Injury</b>	35	18	19	20	21	113
<b>Minor Injury</b>	3	15	4	1	8	31

Source: *Ministry of Internal Affairs*

The new road is expected to decrease travel time, transport connections with the eastern part of the country, and reduce traffic accidents.

In summary, the key reasons for the Project are:

- Addressing requirements of the European transport policy, and harmonization and integration of national traffic-transport infrastructure with the European network;
- Improving connections between Macedonia and neighboring countries;
- Improving internal connections between the eastern part of Macedonia with other regions (including improving the connection between the cities of Shtip and Kochani);
- Enabling faster and safer transportation;
- Strengthening the local economy, including by improving living conditions of the local population, and facilitating opportunities for tourism development.

## 2.2 ROUTE SELECTION, PROJECT DETAILS & CONSIDERATION OF ALTERNATIVES

This is a road widening, rehabilitation, reconstruction and upgrading Project. The redeveloped highway will generally follow the route of the existing Shtip – Kochani highway. This section of the road begins at the Shtip Interchange northwest of the city of Shtip, and continues in a broadly northeast direction close to the villages of Chardaklija, Dolni Balvan, Krupishte and Obleshevo, before meeting the Kochani Interchange. The length of this stretch is 25.3 km. The existing road is a two-lane carriageway with a total width of around 7.0 m.

The Project will expand the existing road into a four lane expressway with a total width of around 13.9 m and a design speed of 100 km/h. For some of the length of the road, the existing road will be widened and rehabilitated along its existing alignment. For other parts of the alignment, new sections of road will be developed, adjacent to the existing road. This is partly to remove some of the horizontal curves, raise the design speed, and improve road safety.

A design study to examine the needs of the alignment, to consider road widening options and possible alignments to bypass the villages, was let in March 2014 to the consulting company Chakar and Partners. The preliminary design is complete, and the amounts of rehabilitation and widening of existing road and the road upgrade works can be classified as follows;

Type of Work	Total Length (m)	% age of Total Road Scheme
Required rehabilitation of existing road	3.500	13.8
Reconstruction of existing road (widening from 2 lanes to 4 lanes)	17.913	70.8
New road sections (including village bypass sections)	3.887	15.4
<b>Total</b>	<b>25.300</b>	<b>100.0</b>

Key elements of the new road are;

- Some sections of the existing road will be abandoned, while others will be retained as local access roads;
- Two new interchanges with existing roads will be constructed, one close to Chardaklija, and one near Krupishte;
- Part of the road between Shtip and the village of Chardaklija will be rehabilitated without widening;
- A circumvention of the village Dolni Balvano to the south east side, is proposed, taking some land used for sporting facilities;
- A circumvention of the settlement of Krupiste is proposed, taking into account the location of photovoltaic electrical plant;
- In order to address road safety risks, several intersections will be designed with inclination, as follows:
  - A crossroads with regional road R1205 at Krupiste (Krupiste-Probistip), at km 11+500;
  - A crossroads with road 2342 (Trkanje - Sokolarci - Pishica) at Trkanje km 23+354;
  - A crossroads with local road Chesinovo – Obleshevo - Burichilovo at km 16+012;
  - A crossroads with local road Gorni Podlog – Kochani at km 24+794, including inclination and road crossing with overpass, but no connection to the expressway;
- Intersections which include a new crossroads, with speed restrictions to 50 km/h and with appropriate traffic signs, will be created at several other local roads, including:
  - Intersection with the existing road at Shtip (Luk Oil) Gas Station, (circular intersection), at km 2+114;
  - Intersection with local road at Dolni Balvan – Tarinci, at km 6+090;
  - Intersection with local road village Ularci at km 14+210; and
  - Intersection with local road at village Chiflik at km 18+495.
- The remaining local roads will not be connected to the expressway, and will continue to serve only as local roads, connecting with neighboring settlements. This will apply to:
  - Local road to Chesinovo and Sokolarci at km 16+897;
  - Local road toward village Chiflik at km 17+926;
  - The connection with Krupishte village will be redirected toward regional road P1205.

During the preliminary design stage, options were examined for bypassing the village of Obleshevo. Bypasses to both the north and south of this village were considered, but were ruled out due to land use

constraints related to plans for future development to the south, and a railway line to the north, as well as cost. It was therefore decided to retain the current 2 lane carriageway as it passes through the village. The speed limit on this section will be reduced to 50 km/h in accordance with the Law on Road Safety, and sidewalks, traffic signals and other safety measures will be implemented, in order to reduce the accident risk.

The road scheme, including considerations of various alignments and bypasses to some or all of the built up areas, were presented to the local communities at a public hearing held at the Municipality of Chesinovo-Obleshevo in December 2013. Road safety was one of the issues raised, with attendees concerned over the current high levels of accidents, and also concerned over safety risks from the upgraded road passing through or close to villages and built up areas, as well as at crossings with existing roads. Creating bypasses to some of the villages was suggested, as was creating some local roads to separate through traffic from slower moving agricultural vehicles. PESR has considered the community comments and concerns, as well as impacts on land take, village development plans, and agricultural livelihoods.

As a next step, and before taking a final decision, PESR will conduct a Road Safety Audit on the scheme, to determine the road safety risk and identify any additional safety measures that need to be incorporated into the design, particularly related to the section passing through the village of Obleshevo. PESR will also prepare an environmental and social assessment of the alternatives which were considered in the design phase. A final decision will then be taken on the alignment to be selected for detailed design and implementation. During the public hearings on the EIA (due to be held in September – October 2014), the alternative alignments considered will be presented, and local community concerns will be taken into account.

The detailed design of the alignment is expected to be delivered to PESR for consideration in December 2014.

### **2.3 CONSTRUCTION OF THE EXPRESSWAY**

Once the alignment and detailed design are developed, it will be possible to identify the construction needs in more detail. However, the construction works will likely include:

- (i) Site Establishment Works: clearance of vegetation; stripping and stockpiling of topsoil; traffic management measures and diversions to allow contractor access to parts of the existing road; establishment of construction camps and storage compounds; stockpiling aggregate and allocating routes for heavy truck movements, erection of fences, etc;
- (ii) Construction of New Highway Elements: including new lanes, new road sections, culverts, underpasses, embankments, slopes, upgrades to the interchanges; laying of base courses and upper wearing course;
- (iii) Site Remediation: removal of redundant erosion and sedimentation controls and landscaping (including hydro-mulching and seeding of cuts/fills; establishing fast growing cover crops on leftover spoil areas).

Temporary construction camps may be needed to house the construction workforce. The workforce will be managed in accordance with the Macedonian labour laws and health and safety regulations. The contractor will be encouraged to seek labourers from the local villages and area. The construction period and schedule for this project indicatively is planned 24 months, starting from second half of the year 2015.

## **3 SUMMARY OF ENVIRONMENTAL & SOCIAL LEGAL AND POLICY FRAMEWORK**

### **3.1 NATIONAL LEGAL FRAMEWORK FOR ENVIRONMENTAL AND SOCIAL PROTECTION**

The Project will comply with the environmental legal framework within Macedonia, which contains overarching laws covering such areas as environmental protection, water, waste, nature protection, noise and air quality. Generally speaking, these laws transpose the main obligations of the environmental EU Directives.

With regards to social aspects, national laws exist which cover Health Protection, Occupational Health & Safety, Labour Relations, Working Conditions, Employment, Wages, Social Protection, Land Acquisition, Child Protection and Equal Opportunities. The Republic of Macedonia has ratified many International Labour Organisation (ILO) Conventions.

A fuller listing and description of the relevant legislation will be included in the ESIA.



### **3.2 LEGAL FRAMEWORK FOR EIA & PERMITTING PROCESS**

The overall EIA process in the Republic of Macedonia is regulated by the Law on Environment and several secondary regulations that define the screening and scoping process, the EIA content, the procedure for its evaluation and disclosure. The legislation and process will be described in the ESIA.

Under the Law on Environment and the 'Decree Determining the Projects and the Criteria under which the Requirement for Environmental Impact Assessment Procedure Performance is Established' (OG 74/05 and amendments in 2009 and 2012), an EIA is mandatory for a road project such as the Shtip– Kochani Project.

The Project is a Category I Construction Project according to the Law on Construction (OG 130/2009, 70/13 and 42/14). The Project falls within the scope of 'state roads' covered by Article 57, and the national responsible body for issuing the construction permit for this category of projects is the Ministry of Transport and Communication (MOTC).

According to the EBRD Environmental and Social Policy (2008), the Project is a Category B project, which means that the environmental and social risks should be identified and addressed through mitigation measures applied to the Project implementation.

### **3.3 LEGAL FRAMEWORK FOR LAND ACQUISITION**

Land tenure and property rights are regulated by the Law on Property Cadastre (O.G. Nos. 40/08, 158/10, 51/11); the Law on Survey and Land Cadastre (O.G. Nos. 34/72, 13/78); and the Law on Ownership and Other Material Rights (O.G. Nos. 18/01).

The Law on Expropriation (O.G. Nos. 33/95, 20/98, 40/99, 31/03, 46/05, 10/08, 106/08 & 76/10 and 95/12) regulates the acquisition of property and real estate (immovable properties) required for the implementation of Projects of public interest. *Public interest* is defined in various levels of spatial and urban planning documents. The implementation of the planned expressway is considered to be in the public interest.

The law sets out the process for submitting expropriation proposals, and their evaluation, and the calculation of the price for the expropriated land and assets. The Law provides scope for appeal against the decision for expropriation.

In addition to the Macedonian requirements, land acquisition for the Project shall be undertaken in line with EBRD's Environmental and Social Policy (2008), Performance Requirement (PR) 5, which covers Involuntary Resettlement and Economic Displacement.

The legal framework and process applicable to the Project will be described in detail in the ESIA and in the Land Acquisition and Resettlement Framework (LARF) and the Resettlement Action Plan (RAP).

## **4 PROJECT ESIA, STAKEHOLDER ENGAGEMENT & LAND ACQUISITION PROCESS**

The environmental considerations will be considered during the overall Project preparation process through implementing a Strategic Environmental Assessment (SEA), and an Environmental and Social Impact Assessment (ESIA). Both the SEA and ESIA were commissioned in March 2014. All required consultations and public hearings on the SEA and EISA will be held, and public disclosure of the SEA and ESIA will be in accordance with the Law.

### **4.1 STRATEGIC ENVIRONMENTAL ASSESSMENT (SEA) PROCESS**

The Terms of Reference for the SEA refer to the requirements of the Law on Environment and the Decree 153/07 which sets out the requirements and contents of an SEA. As required in the Terms of Reference, MOEPP will be consulted on the scope and contents of the SEA. The SEA report will contain: information on the environmental characteristics of the area likely to be affected; environmental protection objectives for the area; likely environmental and social effects; measures to reduce and offset and monitor adverse effects; and an assessment of alternatives.

When complete, a public hearing will be held on the draft SEA report, and a Public Consultations Report will be prepared. Opinions obtained during the consultation process will be taken into account in the SEA Report. The MOEPP will review and issue a Decision on the SEA Report. The SEA process for this Project has begun, and a draft SEA report is expected to be submitted to MOEPP in September 2014. According to the national regulations, the report will be disclosed publically for 30 days, after which it will be finalized and submitted to MOEPP for a decision. A decision is expected in October 2014.

## 4.2 ENVIRONMENTAL IMPACT ASSESSMENT (EIA) PROCESS

The Terms of Reference for the EIA were determined based on the OG33/06 but they also reference the World Bank requirements. EBRD has also provided to PESR some additional guidance on conducting and reporting on the EIA, in order that EBRD's requirements are also met. As part of the EIA process, a submission was made by PESR to MOEPP of a *Notification of Intent* to develop the Project. This Notification was approved on 9<sup>th</sup> June 2014 and is due to be published on the MOEPP website. The Notification contains a scoping checklist developed from a preliminary assessment of environmental impacts. Once the required statutory consultations are held, MOEPP will issue a Decision to implement a full EIA process, to a specified scope.

The EIA process is being carried out in conjunction with both the conceptual and basic design processes. When complete, the EIA will include an examination of the various alternative alignments considered in the design. Once the final route is selected, the EIA will focus on the assessment of impacts based on the expressway elements defined in the Project design.

Once complete, the EIA Study will be submitted to MOEPP which should publish the EIA on its website, and supply it to the local Municipalities and relevant stakeholders for consultation and comment. A public hearing will then be held on the EIA Study. Based on the Study and the received comments, the MOEPP will then prepare and issue a Report on the Adequacy of the EIA and a Decision on approval (or otherwise) of the Project. The final decision will be publicly disclosed in at least one daily newspaper available throughout the territory of the Republic of Macedonia, and on the web site and the notice board of the MOEPP.

## 4.3 STAKEHOLDER ENGAGEMENT

A Stakeholder Engagement Plan (SEP) has been prepared and is available at [www.roads.org.mk]. This identifies the key project stakeholders and define relevant procedures for information disclosure and stakeholder engagement. Stakeholder engagement will be implemented as an ongoing process involving the public disclosure of appropriate information so as to enable meaningful consultation with stakeholders and potentially affected parties who can raise their comments or complaints in line with the procedures set out in the SEP. In their complaints, the stakeholders may use legal assistance provided by the Macedonian legislation.

The affected stakeholders and interested parties will be identified during the EIA process, particularly vulnerable stakeholders whose lives and wellbeing may be affected by the Project, and their concerns, expectations and preferences will be taken into consideration. Project stakeholders will include: the approximately 3,000 inhabitants of the four villages Chardaklija, Dolni Balvan, Krupishte and Obleshevo; the individuals and companies owning land along the corridor of the expressway; farm workers and others whose livelihoods depend on the agricultural activities in the area; Civil Society Organisations; local entrepreneurs, and the business community in the area. Other interested parties will include the project developer (PESR), the Contractor as well as the environmental authorities in charge of monitoring the implementation of the mitigation and compensation measures defined in the ESIA.

The stakeholder engagement process began with a public consultation on the project, which was held in December 2013, at the Municipality of Chesinovo-Obleshevo, which was attended by representatives of local government, the private sector, NGOs, local media and local communities. The issues which were raised included: road safety and the current high levels of accidents in the area; safety risks from the upgraded road passing through or close to villages, and road junctions; and a proposal to take slower moving agricultural vehicles off the highway onto local roads to reduce accidents. There were suggestions of bypassing some of the villages to reduce safety risks. PESR has recorded the concerns and has taken them on board in the development of the Project alignment and outline design.

The SEP will set a schedule for future stakeholder engagement including:

- Public consultations during the project and ESIA development, including consultation with the local affected communities on the route alternatives and route selection;
- Public disclosure of an updated Non-Technical Summary, the ESIA, SEP – LARF and RAP; and
- Land acquisition process (including consultations and negotiations with land owners and affected parties).

The PESR will implement a grievance mechanism in line with the SEP. The PESR is committed to respond to all comments and complaints, either verbally or in writing. In the SEP, the following contact point for grievances will be given;

Mrs Biljana Todorova, Department for Legal Affairs  
Tel: + 389 (0)2 3118-044 ext.119  
Fax: + 389 (0)2 3220-535  
e-mail: biljanal@roads.org.mk  
Address: Public Enterprise for State Roads  
Dame Gruev 14, 1000 Skopje, Republic of Macedonia Web: [www.roads.org.mk](http://www.roads.org.mk)

A written form for submission of complaints will be developed for the general public and workers. A worker's grievance mechanism will also be established for the employees of construction companies.

PESR will respond to every complaint, and will monitor implementation of the grievance mechanism and draft appropriate reports which will be made publicly available on its website.

#### **4.4 LAND ACQUISITION & RESETTLEMENT PLANNING PROCESS**

Although the actual areas and locations of land acquisition have yet to be identified, there is likely to be some limited economic displacement, livelihood impacts and a slight risk of some physical resettlement to allow road widening. However this is still to be confirmed.

A Land Acquisition and Resettlement Framework (LARF) will be prepared. This will set out the commitments of PESR relating to land acquisition, resettlement and livelihood restoration which will ensure compliance with both applicable Macedonian legislation and the requirements of the EBRD policies defined in the Environmental and Social Policy (2008), especially PR5 Land Acquisition, Involuntary Resettlement and Economic Displacement. The LARF is due to be completed by September 2014.

Once detailed information is available on the parcels of land to be expropriated, and their ownership and use, a Resettlement Action Plan (RAP) will be prepared. The RAP will include a Project description, analysis of expropriation law and policy related to land acquisition, the principles and the course of compensation, an entitlements matrix and information on the consultations process and grievance mechanism. It will set out the specific land take and resettlement (physical or economic) needed for the Project, and the affected landowners and land users. It will detail the impacts of the road Project on land ownership, land use, property and livelihoods. The RAP will set out the resettlement-specific stakeholders and the consultations that are required, and will set out the measures needed to address gaps between national laws and EBRD requirements, including how those will be addressed in practice. The RAP will also have a clear commitment to provide replacement value for lost assets and land, and how to include those without formal land title/ownership. The RAP will be developed using the socio-economic data and information on the land use and livelihoods gathered during the EIA study, and is due to be completed by the end of 2014.

## **5 SUMMARY OF BASELINE ENVIRONMENTAL & SOCIAL CONDITIONS**

### **5.1 ENVIRONMENTAL BASELINE**

The current road alignment passes through areas of agricultural land, interspersed by some non-cultivated land. At times, it passes close to the periphery of several villages, and passes through the built up areas of Obleshevo and Chardaklija villages. For most of the section, the road lies to the north of the Kochanska River, which is one of the tributaries of the Bregalnica River. At one point, just to the east of the village of Krupishte, the road crosses over a major tributary to this river, flowing in from the north. There have been past flooding incidents along the existing road.

The underlying geology is a mix of Precambrian metamorphic and magmatic Palaeozoic rocks, with tertiary and quaternary sediments in the river valley. Soils in the area are alluvial and of the diluvium type. Some land is covered with grassland vegetation, with small areas of semi-natural oak forest vegetation interspersed throughout the area. Most of the area is agricultural land, with rice as one of the most common crops, as well as some vineyard and orchards. Fruit, oak and poplar trees are also found in the small woods in the area. These areas of vegetation may act as ecological corridors as the wooded areas tend to be interconnected. The linear corridor of the river valley may also act as an ecological corridor. This will be investigated further in the ESIA.

The main habitat types present in the area are: *Salix alba* and *Populus alba* galleries; Pseudo-steppe with grasses and annuals of the Thero-Brachypodietea; *Salicornia*; water courses containing *Ranuncion fluitantis* and *Callitricho-Batrachion* vegetation, with zones of *Phragmites australis* also found alongside the Kochanska River. There are no protected areas or large forests in the area.

As part of the ESIA study, a more detailed description of the environmental setting will be made, with a focus on the actual land cover along the proposed road corridor and the areas of land which will be affected by the Project. Baseline measurements of air quality (suspended particle levels) and noise levels will be recorded along the route, and presented in the EIA.

## **5.2 SOCIAL CONTEXT**

The alignment of the planned expressway passes through the municipalities of Shtip, Karbinci, Chesinovo-Obleshevo and Kochani close to the following settlements:

- Chardaklija (922 inhabitants);
- Dolni Balvan (358 inhabitants);
- Krupishte (336 inhabitants); and
- Obleshevo (1,131 inhabitants).

The lands in the area are generally fertile and are farmed by local people, typically in small holdings and without modern farming methods. Rice is the most common crop, with grapes and apples grown in vineyards and orchards in the area. Wheat and corn are also grown as well as beans, spinach, legumes, tomatoes, cabbage, peppers, potatoes and carrots. Agriculture is an important industry in the area, and there are local facilities for rice processing. Dairy farming is also practiced, with private dairies including cheese making.

As part of the EIA study, a fuller description of the social setting will be made, with a focus on aspects of local economy and social context which will be affected by the Project. As part of the EIA/RAP studies, detailed information on the communities, companies and parties who will require either physical or economic resettlement or whose livelihoods will otherwise be affected by the Project, will be provided.

In the wider area are settlements from the Neolithic, Neolithic Bronze, Hellenistic, Roman and Medieval periods. A Report available at the Institute for Preserving Cultural Monuments and Museum in Shtip, notes that there are 5 listed archeological sites along the road corridor, two of which lie close to the proposed alignment. The road design will avoid these archeological sites as far as possible. The proximity of these sites to the road corridor and to any required excavation works will be examined in the ESIA, along with any mitigation measures and excavation works required by national legislation.

## **6 ENVIRONMENTAL & SOCIAL BENEFITS, IMPACTS AND MITIGATION MEASURES**

### **6.1 ASSESSMENT OF IMPACTS**

During the EIA process, the environmental and social impacts will be assessed. Assessment topics will include: ambient air, water, noise and vibration, biodiversity & habitats; landscape; local communities; employment and livelihoods; access and severance; cultural heritage; community, health, safety and security (including road safety and emergency response), flood risk and labour issues. For each impact, a significance level will be determined.

The environmental risks of this Project are unlikely to be significant and are likely to be readily mitigated by typical construction controls. Key impacts will likely relate to:

- Risk of pollution of sedimentation of the Kochanska River and Bregalnica River during construction;
- The possible loss of small areas of natural habitat from road widening and land take for new road sections (to be determined) and;
- Air and noise emissions during construction and operation, which can cause impacts to flora and fauna.

Social impacts will likely include:

- The impacts of land acquisition on land ownership, land use and agriculture-related livelihoods, including the possible need for resettlement of some dwellings and houses, depending on the final road alignment;
- Accident risk during construction;
- Road safety of the completed expressway (including safety benefits of the improved road);

- Nuisance from air and noise emissions during construction and operation;
- Benefits from economic development as a result of better transport connections to the area;

Cumulative effects could potentially result from the induced changes to land use over the longer term, arising from the economic development induced by the new road scheme. These effects could include the development of industrial zones and the abandoning of agricultural land as people move to higher waged jobs. As travel time reduces, the surrounding land may become more attractive for the development of new structures adjacent to the expressway (e.g. motels, petrol stations equipped with accommodation capacity, restaurants, etc.). Improved accessibility may trigger wider changes in the region. Such economic benefits are likely to have a positive effect on the local economy and on local livelihoods.

Cumulative effects will be assessed in the EIA. Cumulative effects will be managed through the implementation of mitigation and monitoring measure, and are unlikely to be significant for this Project.

## 7 ENVIRONMENTAL & SOCIAL MANAGEMENT & MONITORING

### 7.1 ENVIRONMENTAL AND SOCIAL MANAGEMENT

The ESIA will contain an outline plan for managing the environmental and social impacts. An **Environmental and Social Management System (ESMS)** will be developed for the construction and operation of the road, which will include a **Construction Environmental and Social Management and Monitoring Plan (CESMMP)**, to draw together all the management requirements to minimise disturbance to environmental and social receptors during construction (including protected areas, flora and fauna, groundwater and surface water, community relations, etc). An **Operational Environmental and Social Management and Monitoring Plan (OESMMP)** will be produced to address mitigation and monitoring actions which will continue during road operation.

The goal of these plans is to ensure that all necessary mitigation measures are carried out to counter the adverse environmental and social impacts, and that enhancement measures are used where feasible and practical.

Several specific management plans may also be recommended in the ESIA, which will be incorporated into the CESMMP and OESMMP as required.

### 7.2 ENVIRONMENTAL AND SOCIAL MONITORING

Monitoring will form an important part of the ESMS. During both construction and operation, certain activities, indicators and environmental and social resources will be monitored. Monitoring may include observation and recording, or may include data gathering and sampling. Monitoring requirements will be built into the above Management Plans where appropriate. Key parameters to be monitored during construction include;

- Air quality;
- Noise levels;
- Water quality in the River;
- Land acquisition; and

During operation of the road, periodic monitoring of air quality and noise will be conducted on an ongoing basis.

In addition, PESR will monitor:

- The implementation of the Stakeholder Engagement Plan,
- The implementation of the Resettlement Action Plan; and
- The implementation of the Grievance Mechanism.

Monitoring reports will be required from the Contractor and Operator during the construction and operational phases. These will be submitted to the relevant inspection authority.

The monitoring results will be useful for assessing the long term cumulative effects, if any, especially in relation to biodiversity impacts. If ongoing problems occur, adaptive mitigation measures can be developed and implemented.

## 8 FURTHER INFORMATION & CONTACT DETAILS

### 8.1 PROJECT TIMETABLE

The schedule for the upcoming key steps in Project development is as follows;

Publication of Stakeholder Engagement Plan (SEP)	July 2014
SEA Disclosure Period	October,2014
Decision/approval of SEA by MoEPP	September 2014
Submission of EIA to MoEPP	September 2014
EIA Disclosure Period	October/November 2014
Publication of Land Acquisition and Resettlement Framework (LARF)	September 2014
Decision/approval of EIA by MoEPP	December 2014
Publication of Resettlement Action Plan (RAP)	December 2014

### 8.2 CONTACT DETAILS

Full Project preparation documents, including the EIA, are available on the PESR website (<http://www.roads.org.mk/en/index.php>).

Contact details for the Project are:

Mr. Joze Jovanovski

Manager of Environment Protection and Social Aspects Unit

Tel: + 389 (0)2 3118-044, ext. 135

Fax: + 389 (0)2 3220-535

e-mail: [j.jovanovski@roads.org.mk](mailto:j.jovanovski@roads.org.mk)

Address:Public Enterprise for State Roads, Dame Gruev 14, 1000 Skopje, Republic of Macedonia

## APPENDIX A. ENVIRONMENTAL AND SOCIAL ACTION PLAN

No	EBRD PR/ legislative requirement/ best practice	Environmental/Social Action	Environmental/ Social Risks/Benefits	Investment Needs/ Resources/ Responsibility	Target Date by year end/ Project Phase	Target/ evaluation criteria for successful implementation
1.	<b>PROJECT PLANNING &amp; PROCUREMENT PHASE</b>					
1.1	PR1: Environmental and Social Appraisal and Management  Law on Environment	<p><b>Preparation (as required) of EIA/ESIA<sup>3</sup>:</b></p> <p>EIA to comply with all EBRD Performance Requirements, in addition to the World Bank requirements which are already required in the EIA Terms of Reference. EIA to cover both environmental and social impacts and mitigation measures, including (but not limited to) air quality, noise, severance impacts, community &amp; road safety, land use and acquisition.</p> <p>Preparation of the EIA to be undertaken in parallel to the development of the design in order to inform the design, avoid impacts (where possible) and incorporate protection/mitigation measures where possible. The need for mitigation measures for noise abatement in villages/communities along route shall be considered and determined in the EIA.</p> <p>Ensure that any concerns and recommendations from the Road Safety Audit are also included in the EIA and resulting Management Plans.</p>	<p>Compliance with legal and EBRD requirements.</p> <p>Improved environmental and social performance by integrating measures into project design.</p>	<p>Responsibility: PESR</p> <p>Resources: External environmental and social consultants</p>	EIA: during Project Planning Stage	<p>EIA Competent Authority: EIA Approval</p> <p>EIA to National &amp; EU Standards</p> <p>Provide update on EIA process to EBRD and confirmation of how the ESAP requirements have been addressed in the ESIA prior to is disclosure</p>
1.2	PR1: Environmental and Social Appraisal and Management	<p><b>Commitments Register:</b></p> <p>Develop a Commitments Register, to document all design, construction and operation related mitigation measures cited in the ESAP, EIA, LARF/RAP and SEP documentation, and identify how the commitment is addressed, and which party (e.g. PESR, contractor, third parties) is responsible. This Register should be maintained throughout the construction and operation phases.</p>	All environmental and social issues and impacts are appropriately addressed.	<p>Responsibility: PESR</p> <p>Resource: In house</p>	Prior to completion of Detailed Design	<p>Commitments Register available.</p> <p>Report in Annual Environmental &amp; Social Report (AESR) to EBRD</p>
1.3	PR1: Environmental and Social Appraisal and Management	<p><b>Assessment of Alternatives:</b></p> <p>Produce a summary document for EBRD, identifying any alternatives considered (especially in relation to changes to road alignment, bypasses to villages, road through Oblesevo village, etc.), and the environmental and social implications of each, as</p>	Alternatives properly examined, consulted on and rationale	<p>Responsibility: PESR</p> <p>Resource: In house</p>	Prior to finalisation of alignment and detailed design.	<p>Alternatives Assessment Summary Document available, disclosed and consulted upon.</p>

<sup>3</sup>In the Macedonian legislation the term Environmental Impact Assessment (EIA) is used, whereas the international community commonly uses the term Environmental and Social Impact Assessment (ESIA).

No	EBRD PR/ legislative requirement/ best practice	Environmental/Social Action	Environmental/ Social Risks/Benefits	Investment Needs/ Resources/ Responsibility	Target Date by year end/ Project Phase	Target/ evaluation criteria for successful implementation
		<p>well as the reasons for section/discounting of each.</p> <p>The contents of this summary document, together with all consultation feedback with local affected communities, shall be included in the ESIA and shall be subject to public hearings as part of the ESIA disclosure process.</p>	selection documented.			Document and consultation feedback to EBRD for review
1.4	PR1: Environmental and Social Appraisal and Management	<p><b>Design Check:</b></p> <p>Confirm that design-related mitigation measures recommended in ESIA and NTS are implemented in detailed design.</p> <p>Confirm that road design addresses flood risk, taking into account predicted changes to future rainfall due to climate change, <i>(especially important given that road has been flooded in past)</i>.</p> <p>Confirm that any design-related recommendations from the Road Safety Audit are addressed in the design.</p>	All environmental and social issues and impacts are addressed where possible by design.	<p>Responsibility: PESR</p> <p>Resource: In house</p>	Prior to completion of Detailed Design	<p>Checklist of design issues from Commitments Register</p> <p>Report in AESR to EBRD</p>
1.5	PR1: Environmental and Social Appraisal and Management	<p><b>Environmental &amp; Social Management System:</b></p> <p>Establish and implement an Environmental &amp; Social Management System for the construction of the road in line with good international practice, which should include (but not be limited to):</p> <p><b>Construction Environmental &amp; Social Management Plan (CESMP)</b> which should include mitigation for specific issues identified in the EIA.</p> <p>The CESMP should incorporate any other Plans identified in the EIA, possibly including;</p> <ul style="list-style-type: none"> <li>Dust Management Plan;</li> <li>Construction Traffic Management Plan;</li> <li>Noise Control Plan (which will set out the safe exposure limits (duration and intensity) for workers in relation to noise, in accordance with national or EU requirements);</li> <li>Erosion Control Plan;</li> <li>Spill Response Plan;</li> <li>River Protection Plan;</li> </ul>	All environmental and social issues and impacts are appropriately addressed.	<p>Responsibility: PESR to oversee. Some plans to be developed by others (e.g. contractor, ecologists, etc)</p> <p>Resource: PESR In house, Contractor may need to designate EHSS resources</p>	CESMP to be developed before construction and implemented during Construction Phase (before construction commences Plan must be approved.)	<p>Management Plans documented</p> <p>Audit /Management Review</p> <p>Provide updates on implementation in AESR to EBRD</p>



No	EBRD PR/ legislative requirement/ best practice	Environmental/Social Action	Environmental/ Social Risks/Benefits	Investment Needs/ Resources/ Responsibility	Target Date by year end/ Project Phase	Target/ evaluation criteria for successful implementation
		<ul style="list-style-type: none"> <li>Waste Management Plan;</li> <li>Chance Finds Procedure (see below);</li> <li>Health &amp; Safety Plan (see below);</li> <li>Emergency Preparedness and Response Plan (see below);</li> <li>Workforce Management Plan.</li> </ul> <p>The Plan should include specific organisational responsibilities for implementation and be subject to at least an annual audit/formal management review.</p>				
1.6	PR1: Environmental and Social Appraisal and Management	<p><b>Monitoring Plans:</b></p> <p>Environmental and social monitoring measures to be developed as part of the project ESMS, according to the requirements outlined in the ESIA and ESAP. Plans should include specific responsibilities.</p> <p>Key issues to be monitored during construction are likely to include: construction land take, air quality and noise in villages along the route, effects of land and access restrictions on agricultural work, habitat clearance, water quality.</p> <p>Monitoring of Contractor health and safety management, and compliance of PR2 concerns over labour management (e.g. wages, overtime, equal opportunities, etc) should be included.</p> <p>Measurements of pre-construction air quality and noise levels should be taken at sensitive receptors along the road alignment.</p> <p>The ESMS should include the public disclosure of a summary of the key monitoring results. The monitoring plans must describe community relations monitoring parameters and processes, particularly in relation to management of issues raised by the local community.</p> <p>PESR to ensure that Monitoring Plans are implemented, and that the responsibility for each area of monitoring is clear, noting that the Contractor and PIU are likely to have roles in implementation.</p>	All environmental and social effects are appropriately monitored.	<p>Responsibility: PESR to oversee and ensure actioned. Contractor may be responsible to organise construction phase monitoring. Some actions may be contracted out to third parties.</p> <p>Resource: PESR to develop monitoring budget.</p>	<p>To be available before construction begins.</p> <p>All baseline monitoring (e.g. air, noise, water, etc) to be available before construction.</p>	<p>Documented Monitoring Plans exist and updated</p> <p>Provide updates on implementation in AESR to EBRD</p>
1.7	PR1: Environmental and Social Appraisal and Management	<p><b>Managing &amp; Monitoring Contractor Performance:</b></p> <p>PESR to set up internal mechanisms to monitor and review the</p>	Monitoring compliance with	Responsibility: PESR	Mechanisms in place before	Internal monitoring mechanism in place.

No	EBRD PR/ legislative requirement/ best practice	Environmental/Social Action	Environmental/ Social Risks/Benefits	Investment Needs/ Resources/ Responsibility	Target Date by year end/ Project Phase	Target/ evaluation criteria for successful implementation
		environmental and social performance of the contractor. At a minimum, this should include periodic on-site inspections, and procedures for tracking and addressing non-compliances and concerns.	ESAP and Management Plans to minimise risk and maximise benefits	Resource: Designated PESR in-house resources	construction begins.	Report in AESR to EBRD
1.8	PR1: Environmental and Social Appraisal and Management	<p><b>Obtain &amp; Comply with Permits &amp; Approvals:</b></p> <p>Obtain, comply and maintain all necessary environmental, social and health and safety permits/approvals for the works, including all necessary Construction Permits. Include approvals for quarries, borrow pits, waste rock disposal sites and solid waste disposal.</p>	Compliance with national and EBRD requirements	<p>Responsibility: PESR and Contractor. PESR to ensure that Contractor gains all construction –related approvals in advance of the applicable works.</p> <p>Resource: Designated PESR in-house resources</p>	Obtain and comply as required pre-construction and as required during construction	<p>Permit approvals from Competent Authorities</p> <p>Commitment Register</p> <p>Report in AESR to EBRD</p>
1.9	PR2: Labour and Working Conditions	<p><b>Occupational Health &amp; Safety:</b></p> <p>Contractor to establish a Health &amp; Safety Plan as part of an OHS management system in line with OHSAS 18001 and the IFC General EHS Guidelines (2007). The contractual conditions are to ensure all sub-contractors are also required to follow the Health &amp; Safety Plan and the OHS management system. Particular focus shall be given to;</p> <ul style="list-style-type: none"> <li>• Risk assessments and adequate induction and instruction of staff for each task;</li> <li>• Working at heights and fall prevention;</li> <li>• The movement of plant / vehicles and general traffic management arrangements;</li> <li>• Ground disturbance and supports to prevent unintended ground movement and collapse;</li> <li>• The controls to identify and prevent contact with above ground electrical cables and supporting infrastructure; and</li> <li>• The system used to approve, record and monitor</li> </ul>	Improved health and safety performance and safe working environment for workforce (permanent & contract/ contractor & sub-contractor).	<p>Responsibility: Contractor</p> <p>Resources: Designated EHSS</p>	Implemented during Construction Phase; before construction commences Plan must be approved.	<p>Documented Health &amp; Safety Plan</p> <p>Safety statistics and data</p> <p>Provide updates in AESR on implementation to EBRD.</p>

No	EBRD PR/ legislative requirement/ best practice	Environmental/Social Action	Environmental/ Social Risks/Benefits	Investment Needs/ Resources/ Responsibility	Target Date by year end/ Project Phase	Target/ evaluation criteria for successful implementation
		<p>road/site worthiness of mobile plant and vehicles.</p> <p>As part of Construction Monitoring Plan (action 1.6), periodic checks on Contractor's health and safety management will also be made.</p>				
1.10	PR2: Labour and Working Conditions	<p><b>Procurement:</b></p> <p>Contracting method and tender documents for the construction of the road to meet EBRD's procurement policies (i.e. tender documents based on contracts should include PR 2 provisions). As part of Construction Monitoring Plan (action 1.6), PESR will conduct periodic checks on workforce management.</p>	Compliance with EBRD requirements on standards and conditions for workforce	<p>Responsibility: PESR</p> <p>Resource: PESR in-house procurement resources</p>	Pre-Construction	<p>PR2 compliant tender/contracts established.</p> <p>Provide updates on implementation in AESR to EBRD</p>
1.11	PR4: Community Health, Safety and Security	<p><b>Road Safety Audit :</b></p> <p>Design will be subject to a <b>Road Safety Audit</b> according to the provisions of EU Directive 2008/96/EC, with mandatory inclusion of economically viable safety improvements into the design phase. Road Safety Audit will be conducted by certified auditor. Where the road safety auditors recommendations are not implemented, the reason why each recommendation has been declined needs to be confirmed to the Bank. Road traffic safety issues shall be covered, including information on the accidents along the current route, an assessment of the likely safety impacts of the proposed route, and measures to mitigate these (both design related, community safety and public awareness related)</p> <p>A road safety inspection shall be carried out on roads once operational, and if appropriate action plans developed for low cost remedial road safety measures.</p>	Reduction of accident risk	<p>Responsibility: PESR</p> <p>Resources: Designated internal resources, or consultants</p>	Design Phase	<p>Documented Road Safety Audit</p> <p>Report in AESR to EBRD</p>
1.12	PR4: Community Health, Safety and Security	<p><b>Emergency Preparedness &amp; Response Plan (EPRP)</b></p> <p>Develop an <b>Emergency Preparedness &amp; Response Plan (EPRP)</b> for road operation (post- Construction). Include a compilation of accident statistics for existing road in previous 5-10 years to allow future comparisons to be made.</p>	Ensuring adequate emergency response	<p>Responsibility: PESR</p> <p>Resources: Designated internal resources, or consultants</p>	Design Phase	<p>Documented Emergency Preparedness &amp; Response Plan</p> <p>Report in AESR to EBRD</p>
1.13	PR5: Land Acquisition, Involuntary Resettlement and	<p><b>Land Acquisition and Resettlement Framework (LARF) and Resettlement Action Plan (RAP)</b></p>	Compliance with EBRD	Responsibility: PESR	LARF to be developed by	Documented and

No	EBRD PR/ legislative requirement/ best practice	Environmental/Social Action	Environmental/ Social Risks/Benefits	Investment Needs/ Resources/ Responsibility	Target Date by year end/ Project Phase	Target/ evaluation criteria for successful implementation
	Economic Displacement	<p>Develop a Land Acquisition and Resettlement Framework (LARF) to set out PESR's commitments regarding land acquisition in compliance with PR5.</p> <p>Once information on land acquisition needs and affected land uses and related livelihoods is available, develop a Resettlement Action Plan (RAP) to meet the requirements of PR5. Ensure these cover livelihood restoration measures for affected parties/people.</p>	<p>Requirements</p> <p>Compensation for resettlement and livelihood impacts related to land acquisition and access restrictions</p>	<p>Resources: Designated internal resources, or consultants</p>	<p>September 2014</p> <p>RAP to be developed by December 2014</p>	<p>implemented RAP.</p> <p>Submitted to EBRD for review when prepared.</p> <p>Report in AESR to EBRD.</p>
1.14	PR5: Land Acquisition, Involuntary Resettlement and Economic Displacement	<p><b>Consultations on Land Acquisition:</b></p> <p>Hold consultations with affected parties regarding compensation for land expropriation, loss of access and restoration of livelihoods, in accordance with the SEP and RAP.</p>	<p>Managing of risks and impacts on affected communities</p>	<p>Responsibility: PESR,</p> <p>Resources: Designated internal resources or consultants</p>	<p>Before finalisation of RAP in Dec 2014.</p>	<p>Information disseminated, documented in updated SEP.</p> <p>Report in AESR to EBRD</p>
1.14	PR10: Information Disclosure and Stakeholder Engagement	<p><b>Consultations on Alternatives:</b></p> <p>Consult formally with local communities on road alignment alternatives - village bypasses, etc. This will involve producing information (maps etc) to allow community input. Meeting records to be taken, and responses/concerns documented. Take community concerns into account in final design decisions. Include in SEP (see 1.15 below).</p>	<p>Community concerns on alternatives properly taken into account.</p>	<p>Responsibility: PESR,</p> <p>Resources: Designated internal resources or consultants</p>	<p>Before design is finalised</p>	<p>Report on alternative alignments and alternatives consultation process to EBRD (see 1.2).</p>
1.15	PR10: Information Disclosure and Stakeholder Engagement	<p><b>Stakeholder Engagement and Disclosure of Project Information:</b></p> <p>Develop an SEP in accordance with PR10 requirements, and update as necessary during Project development. Initial version of SEP should cover ESIA engagement requirements. SEP to be updated following the ESIA phase, to include construction – phase engagement. The SEP will include a grievance mechanism.</p> <p>PESR to ensure that Contractor is involved in engagement with stakeholders and implements appropriate parts of SEP. When available, publicise design information on road, including information on which access roads will be severed or blocked, either during construction or permanently at junctions. Include information on construction schedule. Information to be</p>	<p>Management of risks and impacts on affected communities.</p>	<p>Responsibility: PESR, Contractor</p> <p>Resources: Internal resources</p>	<p>Alternatives to be disclosed before design finalised.</p> <p>SEP for ESIA phase to be developed and disclosed in July 2014.</p> <p>Update SEP for construction phase to be disclosed before Construction</p>	<p>Information disseminated, documented in updated SEP.</p> <p>Submitted to EBRD for review when prepared.</p> <p>Report stakeholder engagement activities in AESR to EBRD</p>

No	EBRD PR/ legislative requirement/ best practice	Environmental/Social Action	Environmental/ Social Risks/Benefits	Investment Needs/ Resources/ Responsibility	Target Date by year end/ Project Phase	Target/ evaluation criteria for successful implementation
		published in villages in project area.			Phase, with periodic revisions as needed during construction and operation	
1.16	PR10: Information Disclosure and Stakeholder Engagement	<p><b>Community Road Safety Awareness</b></p> <p>Develop and implement a road safety awareness and education programme for use with local communities. Programme to address construction and operation phases.</p>	Minimising accidents from road traffic and reduce risks to community safety.	<p>Responsibility: PESR</p> <p>Resources: Designated internal resources, or consultants;</p>	Before Construction Phase commences	<p>Awareness materials developed.</p> <p>Implementation plan developed.</p>
<b>2</b>	<b>PROJECT CONSTRUCTION PHASE) (some actions will carry forward into Operation phase)</b>					
2.1	PR2: Labour and Working Conditions	<p><b>HR Policies:</b> HR Policies must be prepared and implemented by the Contractor: these shall include provisions to prohibit use of child labour and forced labour, and will include rights for non-employee workers (in line with ILO conventions and EBRD requirements).</p> <p>The Policies will include a grievance mechanism for workers (&amp; their organisations if applicable e.g. sub-contractors) in-line with PR2 Para.18) to enable individuals/groups to raise reasonable workplace concerns.</p> <p>The Policies will include a Workforce Recruitment &amp; Management Plan which addresses i) advertising all jobs locally, ii) encouraging and attracting local workforce to apply for jobs, and iii) encouraging the hire of local workforce where reasonable and practical.</p> <p>The Policies should also address non-discrimination and equal opportunities, and incentives for the employment of women, including identification of steps needed to identify employment opportunities for women, and actions to encourage women from local communities to apply for these.</p> <p><i>(PESR to discuss with Contractor if they could be encouraged to consider the employment of women from the local communities during the construction.)</i></p> <p>The Policies should address Occupational Health &amp; Safety and require the Contractor to establish a Health &amp; Safety Plan as part of an OHS management system in line with OHSAS 18001 and the IFC General EHS Guidelines (2007). The contractual conditions should ensure all sub-contractors are also required to</p>	<p>Effective HR &amp; workforce management.</p> <p>Improved HR and workforce management</p> <p>Improved employer-worker relationship</p> <p>Improved employment of women</p> <p>Local economic benefits</p>	<p>Responsibility: PESR &amp; Contractor</p> <p>Resource: HR resources</p>	By Construction commencement	<p>Documented and implemented HR Policies and Grievance Mechanism.</p> <p>Compliance/audit reports</p> <p>Report in AESR to EBRD</p>

No	EBRD PR/ legislative requirement/ best practice	Environmental/Social Action	Environmental/ Social Risks/Benefits	Investment Needs/ Resources/ Responsibility	Target Date by year end/ Project Phase	Target/ evaluation criteria for successful implementation
		follow the Health & Safety Plan and the OHS management system.				
2.2	PR2: Labour and Working Conditions  'Workers' accommodation processes and standards: A guidance note by IFC and EBRD: August 2009.'	<b>Workforce Accommodation (if any):</b> Worker accommodation to be provided to comply as a minimum with the guidance: 'Workers' accommodation processes and standards: A guidance note by IFC and EBRD: August 2009.'	Good workforce welfare and employer-worker relationship	Responsibility: Contractor  Resource: EHSS resources. Cost of accommodation included in contract price	Construction Phase	Worker accommodation established to EBRD standards  Audit report  Report in AESR to EBRD
2.3	PR2: Labour and Working Conditions	<b>Workforce Conduct/General Management:</b>  Contractor to document and implement a Code of Conduct for worker behaviour and responsibility  Contractor will implement measures to manage potential impacts of influx of workers into the local area including general measures, health surveillance, code of conduct for workers, etc – this shall be proportional to the numbers of workers required by the Project.	Good relations with local community and reduce risk of community tensions.  Manage reputational risk.	Responsibility: Contractor  Resources: HR & EHSS Resources	Construction Phase	Documented & implemented Code of Conduct.  Update on community complaints regarding code of conduct of workers should be included in AESR to EBRD.
2.5	PR 8: Cultural Heritage	<b>(Archaeological &amp; Cultural Heritage Resources) Chance Finds Procedure:</b>  Establish Chance Finds Procedure for the construction period in compliance with PR8. .	Preservation of and minimising risks to archaeological remains.	Responsibility: Contractor  Resources: ESHS Resources	Construction Phase	Documented Procedure.  Report on progress in AESR to EBRD
<b>3. PROJECT OPERATIONAL PHASE (some actions above will be carried forward into this phase – e.g. OESMP)</b>						
3.1	PR 1: Environmental and Social Appraisal and Management	<b>Obtain &amp; Comply with Permits &amp; Approvals:</b>  Obtain, comply and maintain all necessary Environmental, Social, and Health & Safety permits/approvals for the Operation of the Project Road.	Compliance with legal and EBRD requirements.	Responsibility: PESR  Resources: Designated PESR ESHS Resources	Operational Phase	Approval of the Permit(s) by Competent Ministry/ Authority.
3.2	PR 1: Environmental and Social Appraisal and	<b>Environmental &amp; Social Management System:</b>  Establish and implement an Environmental & Social	All environmental	Responsibility: PESR. Resource: PESR In house.	OESMP to be developed before	Management Plan documented

No	EBRD PR/ legislative requirement/ best practice	Environmental/Social Action	Environmental/ Social Risks/Benefits	Investment Needs/ Resources/ Responsibility	Target Date by year end/ Project Phase	Target/ evaluation criteria for successful implementation
	Management	<p>Management System for the operation of the road (post-construction) which should include (but not be limited to):</p> <p><b>Operational Environmental &amp; Social Management Plan (OESMP)</b> (which should address issues such as controlling pollution and run off control, monitoring of noise and air quality, traffic safety, emergency response);</p> <p><i>Note – given that PESR delegates roads operation and maintenance actions to Makedonija Pat, PESR should take appropriate steps to ensure that the OESMP requirements are adequately understood passed on to Makedonija Pat, and that their implementation is supervised. .</i></p>	and social issues and impacts are appropriately addressed.	R pads maintenance budget	road opens and implemented during operation, implementation will continue through operation phase	Provide updates on implementation in AESR to EBRD
3.3	PR1: Environmental and Social Appraisal and Management	<p><b>Monitoring Plans:</b></p> <p>Environmental and social monitoring measures for the road operation (post-construction) to be developed as part of the project ESMS. Plans should include specific responsibilities.</p> <p>Key issues to be monitored during operation include: noise and air quality, road accidents along road corridor.</p> <p>The ESMS should include the public disclosure of a summary of the key monitoring results. The monitoring plans must describe community relations monitoring parameters and processes, particularly in relation to management of issues raised by the local community.</p>	All environmental and social effects are appropriately monitored.	<p>Responsibility: PESR to oversee development of ESMS. Some actions may be delegated to third parties (e.g. monitoring consultants, etc).</p> <p>Resource: PESR to develop monitoring budget.</p>	Plan to be developed prior to operation commencing, will continue into Operation phase	<p>Documented Monitoring Plans exist and updated</p> <p>Provide updates on implementation in AESR to EBRD</p>