MOLDOVA WATER SECURITY AND SANITATION PROJECT

ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK (ESMF)

Chisinau, Moldova

March, 2021

Environmental and Social Management Framework

In order, to examine the potential environmental and social risks and potential impacts of the Moldova Water Security and Sanitation Project, an Environmental and Social Management Framework (ESMF) has been developed, which contains the national and the World Bank's requirements on Environmental and Social Impact Assessment for the activities and sub-projects to be financed.

Environmental and social Framework sets out the principals, rules, guidelines and procedures to assess environmental and social risks and impacts.

The document describes the proposed project in a non-technical manner and presents major findings of the Environmental and Social risk analysis of the Moldova Water Security and Sanitation Project.

The document provides a summary of environmental and socioeconomic conditions and explains how the proposed sub-projects could affect the environment and people.

This ESMF will ensure that the implementation of individual sub-projects will be carried out in an environmentally and socially sustainable manner.

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Abbreviations and Acronyms

AA	Association Agreement (AA) between the European Union and the European Atomic Energy Community and their Member States and the Republic of Moldova
AMAC	Association "Moldova Apa-Canal"
ATU	Autonomous Territorial Unit
CEDAW	Committee on the Elimination of Discrimination against Women
CERC	Contingent Emergency Response Component
CWSC	Citizen Water and Sanitation Committees
DWTP	Drinking Water Treatment Plant
ECAPDEV	Europe and Central Asia region Capacity Development Trust Fund
EE	Ecological Expertise
EIA	Environmental Impact Assessment
ESIA	Environmental and Social Impact Assessment
ESIRT	Environmental and Social Incident Response Toolkit
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
ESS	Environmental and Social Standards
EU	European Union
ES	Environmental Specialist
ESF	Environmental and Social Framework
E&S	Environmental and Social
FAO	Food and Agriculture Organization
GBV	Gender Based Violence
GD	Governmental Decision
GDP	Gross Domestic Product
GRM	Grievance Redress Mechanism
HCF	Health Care Facilities
IDA	International Development Association
KPI	Key Performance Indicator
ILO	International Labor Organization
LMP	Labor Management Procedures
IT/SCADA	Information Technology / Supervisory Control and Data Acquisition

LCA	Life cycle assessments
LPAs	Local Public Authorities
MAC	Maximum Allowable Concentration
MAFP	Mobility Access Facilitation Plan
MARDE	Ministry of Agriculture, Regional Development and Environment
MDL	Moldovan Leu
MECR	Ministry of Education, Culture and Research
MHLSP	Ministry of Health, Labour and Social Protection
MIS	Management Information System
MWSS Project	Moldova Water Security and Sanitation Project
NGO	Non-Governmental Organization
NRW	Non-Revenue Water
NAER	National Agency of Energetic Regulation (ANRE)
NAPH	National Agency of Public Health
NBS	National Bureau of Statistics
OHS	Occupational Health and Safety
OHSP	Occupational Health and Safety Plan
O&M	Operation and Maintenance
OP	Operational Policy
PDO	Project Development Objectives
PIE	Project Implementing Entity
PIP	Project Implementing Plan
PIU	Project Implementation Unit
POM	Project Operational Manual
RDAs	Regional Development Agencies
RAPs	Resettlement Action Plans
RPF	Resettlement Policy Framework
SCAP	Standards Corrective Action Plan
SEE	State Ecological Expertise
SEP	Stakeholder Engagement Plan
SHMS	State Hydro Meteorological Service
SNPA	State Natural Protected Areas

SOE	Statement of Expenditures
TA	Technical assistance
TMP	Traffic Management Plan
TVET	Technical and Vocational Education and Training
UNDP	United Nations Development Project
UNESCO	UN Educational, Scientific and Cultural Organiszation
WB	World Bank
WMP	Waste Management Plan
WSS	Water Supply and Sanitation
WSSS	Water Supply and Sanitation Strategy
WTP	Water Treatment Plant
WWTP	Wastewater Treatment Plants

1 EXECUTIVE SUMMARY

Project background

The Project Development Objective (PDO) of the Moldova Water Security and Sanitation Project (MWSS Project) is to increase access to safely managed water supply and sanitation services in selected rural areas and small towns, and to strengthen local and national institutional capacities for water supply and sanitation service delivery**.** The Project's objectives are aligned with the recovery from the COVID-19 pandemic and will increase future resilience.

This project is based **on four components** and subcomponents with high relevance to the PDO objectives. The first component will develop new and rehabilitate existing Water Supply and Sanitation (WSS) infrastructure and facilities in rural areas and small towns, herewith expanding access and quality of services for households, businesses and in public social institutions. The second includes the rehabilitation/construction of water supply connections to centralized networks or existing point sources, connection to sewer systems or construction of on-site sanitation facilities, and the rehabilitation or new construction of indoor toilet facilities with adequate handwashing and hygiene facilities and will also finance activities to strengthen institutional capacities at national level for resilient, inclusive, sustainable and efficient sector development and modernization. The third one relates to project management and coordination. The fourth one allows the Government to request the Bank to re-categorize and reallocate financing from other project components to cover emergency response and recovery costs. The CERC will be established and managed in accordance with the provisions of the Bank Policy and Bank Directive on Investment Project Financing.

The project consists of **four components** and accompanying activities as described below:

Component	Sub-component/ Activities
Component 1 – Increasing access to safely managed water and sanitation services in selected rural areas and small towns.	Subcomponent 1.1: Expanding access and quality of WSS services
	Financing of the following investment activities: i) expansion and improvement water supply infrastructure in Cahul, Vulcanesti[1] and Riscani district, ii) expansion and improvements of wastewater infrastructures in Soroca and Comrat towns, iii) pilot for improving on-site sanitation facilities in rural villages
	Subcomponent 1.2: Improving WASH facilities in public social institutions
	Financing of the following activities to improve WASH facilities in health care facilities (HCFs) and schools: i) rehabilitation/construction of water supply connections to centralized networks or existing point sources, connection to sewer systems or construction of on-site sanitation facilities, and the rehabilitation or new construction of indoor toilet facilities with adequate handwashing and hygiene facilities ii) capacity development to ensure adequate O&M of the facilities, as well as education and iii) behavior change campaigns for school staff, students and health workers on hygiene and handwashing.
Component 2 – Strengthening institutional capacity at national and local	Subcomponent 2.1: Building national institutional capacity for WSS
	Financing of the following activities: i. the preparation of a National WSS Development Plan, investment program and financing strategy and capacity development of its lead entity ii. the aggregation process of WSS operators into regional licensed service providers under this Plan,

[1] Vulcanesti district is part of the Autonomous Territorial Administration of Gagauzia. Its autonomy is ethnically motivated by the predominance of the Gagauz people. On 23 December 1994, the Parliament of the Republic of Moldova accepted the "Law on the Special Legal Status of Gagauzia".

Component	Sub-component/ Activities
levels for improved WSS service delivery	the development and roll-out of a national WSS information system for performance benchmarking, iv) the preparation of revisions and/or new legislation, policies and normative documents, and new design & construction norms for sanitation, v) the capacity development of National Agency of Energetic Regulation (ANRE), the WSS regulator, Operators and Local Administrations to comply with tariff procedures, and vi) the implementation of a professional development program, in collaboration with Association "Moldova Apa-Canal" (AMAC)2 and Moldovan education institutions3 to upskill existing and attract new human resources, specifically women, to the sector.
	Subcomponent 2.2: Improving performance of WSS service providers
	Financing of the following activities: investments (goods, works) and technical assistance (consulting services, training) to support a prioritized multi-annual Performance Improvement Plan (PIP) to lift the performance of five WSS operators[4] involved under component 1.1, specifically for related to financial sustainability, efficiency, inclusion and resilience.
Component 3 - Project Management and Coordination.	Financing of operational costs, consulting services, non-consulting services, goods, and training to finance the overall project management cost, including the core project team for the Project Implementation Unit (PIU), implementation support needs at regional level within Regional Development Agencies (RDAs) and at central level for MARDE, as Project Implementing Entity (PIE).
Component 4 – Contingent Emergency Response Component (CERC).	A provisional zero-amount component is included, which will allow for rapid reallocation of credit/loan proceeds from other components during an emergency under streamlined procurement and disbursement procedures.

The existing Implementation Unit for the Environmental Projects (Project Implementation Unit -PIU) within Ministry of Agriculture, Regional Development and Environment (Project Implementing Entity (PIE)) will be responsible for implementation of the activities. The Water Agency "Apele Moldovei" will provide technical support for implementing the subprojects. The PIU will be responsible for the implementation of the assigned project activities, carry out procurement and supervision/monitoring of contracts, maintain effective internal control procedures, account for expenditures in their existing budgetary accounting systems, receive funds, make payments and provide the documentation and information related to use of the loan/grant proceeds, statement of expenditures (SOE) documentation of the eligible expenditures, project reporting and monitoring according annexes 6 and 8 to this document. The PIE will be responsible to ensure that the Project is implemented in an efficient manner, consistent with the Project objectives and agreements signed.

Procurement and fiduciary functions (fund flows) would remain centralized within the PIU, while assigning critical technical and procurement contributions and roles to RDAs, given the extensive experience in WSS Project implementation. As role could be: i) facilitation and coordination the involvement of LPAs in sub-projects; (ii) contribution to technical specifications of bidding documents, (iii) participation in evaluation committees; (iv) being responsible for contract administration and supervision as "employer" of civil works contracts; and (v) supporting the implementation of ESS in close coordination with the PIU.

A licensed company will be hired by MARDE to carry out independent technical supervision for all sub-projects in

[2] AMAC is the National Associations for Water and Sanitation utilities.

[3] Including but not limited to the Technical University of Moldova and its departments and technical colleges.

[4] These include Cahul Apacanal, Vulcanesti Apacanal, Riscani/Costesti Apacanal, Soroca Apacanal, Comrat Apacanal.

close coordination with the RDAs[5].

Environment and social (E&S) risk of the Project is rated **substantial** due to the potential nature of the sub-projects and the significant impact on the policy and institutional environment.

Objectives of the Environmental and Social Management Framework (ESMF)

Within the *MWSS Project*, the implementation of specific subprojects will be proposed. In order to facilitate the adequate preparation of such sub-projects, the ESMF is used to define and guide the environmental and social (E&S) due diligence mechanisms for specific activities.

All subprojects to be financed under the Program would be subject to assessment of E&S risks following the procedures described in this ESMF. The ESMF establishes principles, rules, guidelines and procedures for assessment of E&S risks and impacts. The E&S assessment will be based on current information, environmental and social data at the appropriate level with an accurate description and assessment of the project and any associated aspects. As a result, relevant environmental and social instruments will be prepared and used during implementation of each sub-project. Following is the list of the WB E&S standards considered applicable to the MWSS Project at the time of the appraisal.

The relevant ESSs and OPs are:

ESS/OP	
ESS1	Assessment and Management of Environmental and Social Risks and Impacts
ESS2	Labor and Working Conditions
ESS3	Resource Efficiency and Pollution Prevention and Management
ESS4	Community Health and Safety
ESS5	Land Acquisition, Restrictions on Land Use and Involuntary Resettlement
ESS6	Biodiversity Conservation and Sustainable Management of Living Natural Resources
ESS10	Stakeholder Engagement and Information Disclosure

Environmental and social assessment of subprojects

Step 1. Carry out the rapid risk analysis and E&S assessment pursuant to the WB requirements

Rapid risk assessment of each sub-project will be done based on the rapid assessment of project impacts and sensitivity of receiving environment. The steps to follow are described below.

1. Assessment of project impact based on:

- **Magnitude of the project** : depending on the project technical characteristics such as length of the pipeline, capacity of treatment plant, etc.
- **Scope of works**:

New construction - when the proposed project constitutes a new investment, usually in new areas where, in most cases, land and/or households will be affected. The extension of pipeline/plant is also considered as a new project.

Rehabilitation - When the existing structure requires specific work in order to recover its original characteristics,

[5] The Terms of Reference may require international expertise to ensure that more complicated works (WWTPS) are adequately supervised and will specify the reporting relationships with the RDAs and the Client MARDE. In addition, so-called "author supervision" is required as per Moldovan legislation.

however, an increase in original design is not expected. No affectation of land or households.

Maintenance - periodic works that the WSS requires in order maintaining the project in optimal conditions.

Rapid assessment of impacts of water supply sub-project will be done using the matrix indicated in the table 20 of this document.

Additional matrix from the Table 21 of this document should be used for rapid assessment of impacts of wastewater sub-project.

2. Assessment of sensitivity of receiving environment:

- *High sensitivity*: Areas with important ecological and sociocultural characteristics in the direct influence area. Commonly inside national parks or protected areas. High degree of biodiversity, endemism, and threat. Great danger of environmental degradation (deforestation, hunt), critical ecosystem (wetlands, forests, etc.), areas with a high index of natural disasters (floods, earthquake, etc.), and places of significant cultural and historical interest.
- *Moderate sensitivity*: Areas with important ecological and sociocultural characteristic in the indirect influence area. Commonly in "buffer" zones. Moderate decree of biodiversity, endemism, and threat, Moderate danger of environmental degradation (deforestation, hunt), critical ecosystem (wetlands, forests, etc.), areas with high index of natural disasters (floods, earthquake, etc.), and places of significant cultural and historical interest.
- *Low sensitivity:* Area previously affected or with no critical ecosystem and social aspects in the direct or indirect influence area. Low degree of biodiversity, endemism and threat; low danger of environmental degradation (deforestation, hunt, etc.); low risk to natural disasters (floods, earthquake); and no presence of cultural/historical sites in the direct or indirect influence area.

Matrix of assessment of sensitivity

Risk Sensitivity	Description
HIGH	[ ] Protected areas in the direct influence area [ ] High danger of environment degradation (deforestation, hunting, others) [ ] Sensitive or critical ecosystem in the direct influence area (wetlands, peatlands, primary or secondary forests, and others) [ ] Vulnerable areas to natural disasters (floods, earthquake, and others) [ ] Presence of places of significant cultural and historical interest in the direct influence area
MODERATE	[ ] Protected Areas in the indirect influence area or in buffer zones [ ] Moderate danger of environment degradation (deforestation, hunting, others) [ ] Sensitive or critical ecosystems in the indirect influence area (wetlands, peatlands, primary or secondary forests, and others) [ ] Wavy topography (15-35% of slope) where the construction of access road, pipelines, etc. is expected [ ] Moderate risk to natural disasters (floods, earthquake, and others) [ ] Presence of places of cultural and historical significance in the indirect influence area
LOW	[ ] Intervened areas out of protected areas (national parks, or buffer areas) [ ] Low danger of environmental degradation (deforestation, hunt, and so forth) [ ] Sensitive or critical ecosystem areas not in the direct influence area (wetlands, peatlands, primary or secondary forests, and others) [ ] Flat topography (<15% of slope), when the project expects the construction of access road, pipelines, etc. [ ] Zones at low risk to natural disasters (floods, earthquake, and others) [ ] Absence of places with cultural and historical significance

If at least one setting triggers the high variables, the evaluator can conclude that the project or component has a **HIGH** site sensitivity; if there is no setting in high, but at least one setting is triggered in the moderate variables, the evaluator can conclude that the project or component has a **MODERATE** site sensitivity; and if there are no triggers in the high or moderate settings, the evaluator can conclude that the project or component has a **LOW** site sensitivity.

Additionally, PIU will be required to:

- in case of any land acquisition issues identified, prepare a site-specific Resettlement Plan in line with the guidance given in the Resettlement Framework developed for the MWSS Project,
- implement the developed Labor Management Procedure, and update it as necessary,
- undertake stakeholder engagement and disclose appropriate information in accordance with the Stakeholder Engagement Plan developed for the MWSS Project,
- conduct monitoring and reporting on the E&S performance of the MWSS Project against the program-specific ESMF, RPF, SEP and LMP.

Step 2: Carry out an environmental assessment in line with entity regulations

For the activities listed in the table below, carry out an environmental assessment depending on the subproject location, as explained in Chapter 5.4.1 Environmental assessment procedure.

If the assessment indicates that a subproject is high risk then this activity is not eligible for financing.

For subprojects for which the Bank requires the development of a site-specific ESMP (Annex 2), the ESMP requirements shall be integrated in the environmental documentation submitted to responsible authorities.

Statement of Action-Action-Results

Type of activities	Action to be taken	Result of the action
Water intakes	*In case that the activity involves abstraction of groundwater in volume equivalent to or exceeding 10 million cubic meters* Environmental Impact Assessment procedure carried out by the Environmental Agency and ultimately ending with issuing Environmental Agreement. Submit the EIA study. *In case that the activity involves abstraction of groundwater in volume of less than 10 million cubic meters* Preliminary impact assessment based on which Environmental Agency decides on the necessity to conduct a full EIA and ultimately issues the Environmental Agreement. *Underground mining operations: drilling for water supply (from 150 to 5000 cubic meters per day);* The ecological expertise (EE) should be conducted by Environmental Agency. The endorsement of the ecological expertise will be issued.	Environmental Agreement (Acord de Mediu) Endorsement of the ecological expertise
Water intakes	*In case that the activity involves abstraction of groundwater in volume equivalent to or exceeding 10 million cubic meters* Environmental Impact Assessment procedure carried out by the Environmental Agency and ultimately ending with issuing Environmental Agreement. Submit the EIA study. *In case that the activity involves abstraction of groundwater in volume of less than 10 million cubic meters*	Environmental Agreement (Acord de Mediu)

Type of activities	Action to be taken	Result of the action
	Preliminary impact assessment based on which Environmental Agency decides on the necessity to conduct a full EIA and ultimately issues the Environmental Agreement. *Underground mining operations: drilling for water supply (from 150 to 5000 cubic meters per day);* The ecological expertise (EE) should be conducted by Environmental Agency. The endorsement of the ecological expertise will be issued.	Endorsement of the ecological expertise
WTP	*Pipelines with pumping and treatment facilities (for an equivalent of less than 50,000 inhabitants);* The ecological expertise (EE) should be conducted by Environmental Agency. The endorsement of the ecological expertise will be issued.	Endorsement of the ecological expertise
WWTPs	*Capacity < 150.000 Population Equivalent (PE)* Environmental Impact Assessment procedure carried out by the the Environmental Agency Submit the EIA study. *Capacity < 50.000 PE* Preliminary impact assessment based on which the Environmental Agency decides on the necessity to conduct a full EIA and ultimately issues the Environmental Agreement. *Sewerage networks and wastewater treatment plants with a capacity greater than that provided for an equivalent of less than 50,000 inhabitants.* The ecological expertise (EE) should be conducted by Environmental Agency. The endorsement of the ecological expertise will be issued.	Environmental Agreement Endorsement of the ecological expertise
Sewers	No action needed	
Pipelines/pump stations/reservoirs	*Pipelines length< 5 km* Preliminary impact assessment based on which the Environmental Agency decides on the necessity to conduct a full EIA and ultimately issues the Environmental Agreement.	Environmental Agreement
Other water components (soft measures)	No action needed	

Step 3: Organize consultations with stakeholders

Stakeholder consultations shall be organized at the location closest to the project implementation site in line with the requirements of the SEP developed for the MWSS Project. If the subprojects require the development of a nationally required and regulated EIA, such process also includes public involvement, public hearings and a publicly disclosed study in the manner prescribed by the entity legislation (comments on public document recorded and responses provided by the institution/organization responsible for preparing the EIA). Ensure such public consultations are also in line with the requirements of WB and the Stakeholder Engagement Plan prepared for the MWSS (Separate document to ESMF). For certain activities, a decision on the necessity to undertake an EIA procedure shall be requested by the relevant entity authority.

In case of prolonged pandemic caused by coronavirus, the stakeholder engagement will be organized in line with *Technical Note: Public Consultations and Stakeholder Engagement in WB-supported operations when there are constraints on conducting public meetings* (March 20, 2020).

Step 4. (If needed and where applicable) Obtain various permits and approvals

The relevant permits (environmental, construction and special use of water and for discharge of water) are indicated in Table 15 of this ESMF.

Labor Management

Pursuant to WB requirements, a Labor Management Procedure (Annex 9 to this document) has been developed as a separate document. The procedure aims to ensure fair treatment of workers and provision of safe and healthy working conditions.

Monitoring and Reporting

The PIU shall monitor the implementation of this Framework, both at overall Project level and individual subproject level. The PIU shall ensure that the requirements of the site-specific ESMPs (Annex 2) and environmental permit are included in employer's requirements for the construction works. Within their usual monitoring activities, PIU will perform monitoring (including on-site monitoring, as needed) (Annex 8 to this document) to ensure that Contractors comply with their contractual obligations.

It is the responsibility of the Contractor to ensure the proper execution of works, according to prescribed measures and in line with entity and international standards. Therefore, the Contractor should appoint a person responsible for environment protection (for example environmental engineering / specialist or similar) with adequate experience to be responsible for the implementation of all environment protection requirements and ESMP implementation. The appointed person shall ensure compliance with environmental standards and is responsible for environmental protection according to the ESMP, in line with clearly defined tasks and responsibilities, which include, among others: works are executed in line with good construction practices, waste is adequately managed at the construction site, environmental protection issues are communicated with the supervising body and the local community. The works are supervised by the nominated supervising body, which controls that the activities are taken in line with the environmental management plan.

Preparation of site-specific ESMPs for priority investments will be undertaken by qualified staff. They will also be responsible for the initial screening of the Project to determine risk categorization and other environmentally related documentation during the project execution. In each PIU, a dedicated environmental specialist will be in charge of this process, as well as environmental monitoring and reporting. Details of these arrangements will be fully specified in the Project Operational Manual.

Contractors' labor management compliance with national legislation requirements related to labor and safety at work would be monitored based on the basis of Reports on Compliance of Conditions of Work with the ESS 2, which the contractors shall submit to the PIU and Supervision Consultant (external consultant) on a semi-annual basis. The format of the report is provided in LMP's Annex 9.

The PIU shall establish and maintain records on information and engagement of all stakeholders including records of grievances in accordance with the SEP.

The PIU will report on regular basis to WB on subproject screening, approval and monitoring results.

Grievance Redress Mechanism

Project stakeholders can submit questions, complaints and compliments/suggestions through the project-level GRM, without disclosing the identify if so wished (anonymous requests). Under the MARDE/ PIU, GRM will be reviewed and further improvements be made to ensure that health and safety concerns are adequately addressed. The GRM Focal Point will be trained to more effectively address grievances relating to COVID-19 specific risks in a timely, effective and efficient manner that satisfies all parties involved. Communities and individuals who believe that they are adversely affected by a World Bank supported project may submit complaints to the WB's Grievance Redress Service (GRS).

Public consultations and Disclosure

The draft of the Environmental and Social Management Framework (ESMF) will be disclosed prior to appraisal. ESMF will be posted on the project online Platform and on the MARDE and RDAs websites. On-line public consultations will be organized by the PIU. After the consultation, the draft ESMF will be reviewed to consider inputs from consulted parties, and the final version of the ESMF will be re-disclosed on the online Platform. Results of consultations will be included into Annex 11 to this document.

All engagement actions would follow appropriate social distancing precautions. A precautionary approach will be taken in stakeholder engagement activities to minimize the risk of COVID-19 transmission, following the World Bank's *Technical Note: Public Consultations and Stakeholder Engagement in World Bank-supported operations when there are constraints on conducting public meetings.*

2 INTRODUCTION

2.1 Brief Project Description

2.2 Objectives

The Project Development Objective (PDO) of the Moldova Water Security and Sanitation Project (MWSS Project) is to increase access to safely managed water supply and sanitation services in selected rural areas and small towns, and to strengthen local and national institutional capacities for water supply and sanitation service delivery**.** The Project's objectives are aligned with the recovery activities from the COVID-19 pandemic and will increase future resilience.

2.3 Project Components

Component 1 – Increasing access to safely managed water and sanitation services in selected rural areas and small towns. This component will develop new and rehabilitate existing Water Supply and Sanitation (WSS) infrastructure and facilities in rural areas and small towns, expanding access and quality of services for households, businesses and in public social institutions, namely health care centers and schools. It consists of two sub-components:

Subcomponent 1.1: Expanding access and quality of WSS services: Subcomponent 1.1 will finance investments in small towns and rural areas prioritized by the Ministry of Agrivulture, Regional Development and Environment (MARDE) in line with the National Water Supply and Sanitation Strategy 2014-2028. This includes: a) water supply investments for the expansion and rehabilitation of water supply infrastructure in two subprojects preliminary identified (i.e. regional water system expansion for Local Public Administrations (LPAs) in Cahul district and in Gagauzia and regional water supply system with drinking water treatment plant in Riscani district); b) wastewater investments for the expansion and rehabilitation of wastewater systems in two subprojects preliminary identified (i.e. expansion of wastewater collection systems and new wastewater treatment plant for Soroca and Comrat towns); and c) pilot for on-site rural sanitation in rural villages (to be selected) to support household on-site sanitation facilities following a demand-based approach. Activities will include, but are not limited to, the (re)construction and protection measures for water intake facilities, drinking water quality treatment, transmission mains, distribution network, household connections, construction and rehabilitation of sewer networks, wastewater treatment plants including sludge treatment and disposal, sewer connections for households,on-site housheold sanitation facilities (e.g. septic tanks and adequate infiltration systems), IT/SCADA-systems and other required activities. It also finances feasibility, design and other required preparation studies, technical supervision services, capacity building for citizen engagement and social mobilization activities with project beneficiaries, technical assistance and training/workshops to help develop the required tariff submission and sustainable management arrangements through delegation contracts between local governments and regional operators.

Subcomponent 1.2: Improving WASH[6] facilities in public institutions: Subcomponent 1.2 will finance works, goods, consulting services, non-consulting services and training/workshops to realize improvements of WASH facilities in health care facilities (HCFs) and schools. It will construct water supply connections to centralized networks or existing point sources, connections to sewer systems or construction of on-site sanitation facilities and indoor toilet facilities with adequate handwashing and hygiene facilities. It will finance capacity development for school and health center management and LPAs to ensure adequate O&M of the facilities and the delivery of a communication and behavior

[6] WASH (Water Supply, Sanitation and Hygiene) facilities will follow at least the minimum requirements for a basic service as per the Sustainable Development Goals targets for WASH facilities in schools and health care centers. See also: *https://washdata.org/monitoring/health-care-facilities* and *https://washdata.org/monitoring/schools*

change campaign on hygiene promotion.

Component 2 – Strengthening institutional capacity at national and local levels for improved WSS service delivery. This component supports WSS sector development and modernization by strengthening institutional capacities of national and sub-national entities and WSS operators for management, planning, regulation and reform implementation for service delivery improvements.

Subcomponent 2.1: Building national institutional capacity for WSS. This sub-component finances goods, non-consulting services, consulting services and training/workshops for activities that strengthen institutional capacities for planning, financing, economic regulation, performance monitoring, professional development and the revision and development of new policies and normative documents. Under leadership of the Ministry of Agriculture Regional Development and Environment (MARDE) and in collaboration with other entities, activities under this sub-component include but are not limited to: a) the elaboration of a National WSS Development Plan, investment program and financing strategy and the capacity development of its assigned lead entity; b) technical assistance to selected LPAs and WSS Operators to support the aggregation process into licensed regional operators (on legal, technical, financial) as per the National WSS plan; c) Preparation of amendments and/or new legislation, policies and normative documents and related capacity building; d) the development and roll-out of a national WSS Management Information System (MIS) for WSS operators and support to introduce benchmarking; e) assistance to the national WSS regulator (ANRE), WSS Operators and LPAs to prepare tariff submissions and reviews; f) delivery of a professional development program to increase qualifications of WSS sector staff, retain and attract people, specifically women, to the sector .

Subcomponent 2.2: Improving performance of WSS service providers. Sub-component 2.2 will finance works, goods, consulting services, non-consulting services, and training to support the implementation of a prioritized rolling multi-year Performance Improvement Plan (PIP) to lift the operational performance of selected WSS Operators involved under component 1.1. WSS Operators will carry out annual assessments on PIP implementation and KPIs, including publication of results and feedback rounds with customers.Investments and technical assistance activities identified in the PIPs are based on utility diagnostics and include but are not limited to the following: improving technical and commercial operations, improving financial management, human resource management and organization & strategy aspects, including improving asset management systems and inventories, operational efficiency, water metering practices and equipment, strategic planning, water safety and business continuity, and enhancing transparency and responsiveness to customers.

Component 3 - Project Management and Coordination. This component will finance operational costs, consulting services, non-consulting services, goods, and training to finance the overall project management cost, including the core project team for the Project Implementation Unit (PIU), implementation support needs at regional level within Regional Development Agencies (RDAs) and at central level for MARDE, as Project Implementing Entity (PIE). It will finance capacity building for project implementation, financial audits, implementation support consultants, training and workshops, cost for project communication and citizen consultations, and monitoring and evaluation of project results.

Component 4 – Contingent Emergency Response Component (CERC). A provisional zero-amount component is included, which will allow for rapid reallocation of credit/loan proceeds from other components during an emergency under streamlined procurement and disbursement procedures. This component allows the Government to request the Bank to re-categorize and reallocate financing from other project components to cover emergency response and recovery costs. The CERC will be established and managed in accordance with the provisions of the Bank Policy and Bank Directive on Investment Project Financing.

2.4 Risk rating

Environment and social risk are rated **substantial** due to the potential nature of the sub-projects (as analysed the water

supply and wastewater treatment subproject, and the WASH subprojects, as well as transboundary efects of such subprojects) and the significant impact on the policy and institutional environment.

2.5 Implementation Arrangements

The Public Institution Environmental Project Implementation Unit, founded by the MARDE will be the Project Implementation Unit (PIU).

The Water Agency "Apele Moldovei" will provide technical support for implementing the subprojects. **The PIU** will be responsible for the implementation of the assigned project activities, carry out procurement and supervision/monitoring of contracts, maintain effective internal control procedures, account for expenditures in their existing budgetary accounting systems, receive funds, make payments and provide the documentation and information related to use of the loan/grant proceeds, statement of expenditures (SOE) documentation of the eligible expenditures, project reporting and monitoring according annexes 6 and 8 to this document. The PIE will be responsible to ensure that the Project is implemented in an efficient manner, consistent with the Project objectives and agreements signed.

Procurement and fiduciary functions (fund flows) would remain centralized within the PIU, while assigning critical technical and procurement contributions and roles to **RDAs,**[7] given the extensive experience in WSS Project implementation. As role could be: facilitation and coordination the involvement of LPAs in sub-projects; contribution to technical specifications of bidding documents, participation in evaluation committees; being responsible for contract administration and supervision as "employer" of civil works contracts; and (v) supporting the implementation of ESS under the coordination of the PIU.

A licensed company will be hired by MARDE to carry out independent technical supervision for all sub-projects in close coordination with the RDAs[8].

LPA are expected to sign off on design documents, participate in bid evaluation committees, support coordination processes at local level, facilitate citizen engagement and social awareness activities on connection policies and tariffs. A "sub-project cooperation agreement" will be developed for each sub-project specifying roles and responsibilities of all parties and a template will be reflected in the POM.

CSOs/ NGOs will be consulted and involved during the all stages of project implementation. An NGO will be recruited which will continuously build the capacity of the CWSCs[9] and support the PIU, RDAs and LPAs in facilitation of diverse citizen engagement activities, particularly related to construction work and connections at the local level with CWSCs.

CWSCs under leadership of the local governments, involved in: community awareness, feedback, consultation and

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[7] The **development regions** are established under the Law no. 438-XVI from 28.12.2006 on regional development in Moldova; these are not administrative units and have no legal personality; are established to ensure the development, implementation and evaluation framework of regional development policies. Composition of the **development regions**:

1. **Municipality Chisinau**
2. **North** (mun. Balti, Briceni, Donduseni, Drochia, Edinet, Falesti, Floresti, Glodeni, Ocnita, Riscani, Singerei, Soroca)
3. **Center** (Anenii Noi, Calarasi, Criuleni, Dubasari Hânceşti, Ialoveni, Nisporeni, Orhei, Rezina, Straseni, Soldaneşti, Telenesti, Ungheni)
4. **South** (Basarabeasca, Cahul, Cantemir, Causeni, Cimislia, Leova, Stefan Voda, Taraclia)
5. **T.A.U Gagauzia**

[8] The Terms of Reference may require international expertise to ensure that more complicated works (WWTPS) are adequately supervised and will specify the reporting relationships with the RDAs and the Client MARDE. In addition, so-called "author supervision" is required as per Moldovan legislation.

[9] Citizen Water and Sanitation Committees

grievances resolution, connection planning, promotion of pro-poor connection support in coordination with WSS Operators, implementation monitoring.

MARDE will have the overall responsibility to implement, monitor and report on the implementation of this ESMF. PIU staff are familiar with both the national requirements and World Bank requirements for social and environmental safeguards.

2.6 Timeline

The program of the Moldova Water Security and Sanitation Project will be implemented over a period of 5 years.

2.7 Purpose of ESMF

The main goal of the ESMF is to avoid, minimize or mitigate, potential negative environmental and related social impacts caused by implementation of the project. The Framework approach is chosen as the project is financing a broad range of activities, most of which will not be identified until implementation begins. The Framework ensures that the identified sub-projects are correctly assessed from environmental and social point of view to meet the WB's Environmental and Social Framework (ESF) and its applicable Standards, as well as Moldova's Environmental and Social Laws and Regulations for adequate mitigation of any residual and/or unavoidable impacts. The ESMF serves as a guiding tool for Project Implementation Unit (PIU) and RDAs in identifying and assessing the potential environmental and social impacts of sub-projects, in preparing environmental and social management plans (ESMPs) that will summarize necessary mitigation measures to minimize or prevent identified risks (Annex 2), and to provide guidance on environmental and social monitoring and reporting (Annex 5).

The ESMF establishes principles, rules, guidelines and procedures for assessment of E&S risks and impacts. The ESMF is describing in a generic way the overall management system which has been put in place and will govern all activities falling under the rehabilitation/new construction of the water and sanitation infrastructure within the project's scope.

The ESMF is describing the environmental and social standards (ESS) and procedures which should be followed, where relevant, and applied in a transparent and consistent manner, at each of the individual facilities to be rehabilitated/constructed during the implementation of the project. Its design is meant to facilitate the early identification of environmental and social risks, as well as the undertaking of appropriate remedial actions for all subprojects financed by this project.

The ESMF sets the principles, guidelines, procedures and activities that will need to be incorporated in site-specific Environmental and Social Management Plans (which will be prepared subsequently once the full extent of the water/sanitation sites are known) including:

- Potential environmental and social risks/impacts;
- Environmental and social impact assessment and mitigation process;
- Institutional set-up for the sound implementation of assessment and mitigation activities;
- Mainstreaming ESMF principles in all other components of the project (procurement, capacity building, etc.);
- Assuring monitoring of environmental and social risk management indicators at the level of each sub-project;
- Ensuring compliance with Moldovan legislation as well as with the World Bank's Environmental and Social Framework (ESF) and other WB policies applicable to the project;
- Stakeholder engagement through public consultations, grievance management and feedback mechanism and information sharing on both beneficial and potential adverse environmental and social impacts generated by the project.

The **key stakeholders** play an important role within the proposed methodology; the spectrum of those is comprised

of various state institutions and business associations, authorities at local and central level, including civil society representatives. More details about the identified stakeholders are presented in the Stakeholder Engagement Plan (SEP) – a separate document to this ESMF. The SEP has been developed to identify the main stakeholders and to specify the appropriate roles and responsibilities of involved actors and parties according to the proposed project and activities.

The current ESMF was developed to i) identify and assess the most common anticipated risks, as well as positive and negative impacts generated during the construction and operation of WSS facilities before the exact construction sites and proposed technical solutions are determined and to ii) suggest options for reduction of risks and mitigation of negative impacts.

Further, once precise location for construction and technical solutions for water supply and sanitation/wastewater collection and treatment facilities are determined, on the basis of this ESMF, detailed EIAs as well as site-specific Environmental and Social Management Plans (ESMPs) will be developed. These sites specific ESMPs will consider local baseline environmental and social conditions, particular impacts, including those that can arise from the WSS' engineering design, and which will comply with basic principles of the WB ESS and the relevant national legislation (see Annex 12 to this document).

Another area covered by the ESMF is the identification of the training needs, capacity building of contractors and WSS operators and technical assistance required to develop and implement the proposed project actions successfully and effectively.

3 BASILINE ENVIRONMENTAL CHARACTERISTICS OF THE PROJECT AREA

3.1 Overview of the status of the country's environment

Located in Eastern Europe, Moldova is bordered on West and South by Romania and on the North, South, and East by Ukraine. Most of its territory lies between the area's two main rivers, the Nistru and Prut. Nistru river forms a small part of Moldova's border with Ukraine in the Northeast and Southeast, but it mainly flows through the eastern part of the country. The Prut River forms Moldova's entire western boundary with Romania. The Danube touches the Moldovan border at its southern most tip and forms the border for 200 m. *Moldova's climate* is moderately continental: the summers are warm and long, with temperatures averaging about 20 °C (68 °F), and the winters are relatively mild and dry, with January temperatures averaging -4 °C (25 °F). Annual rainfall, which ranges from around 6 centimeters (2.4 in) in the north to 4 centimeters (1.6 in) in the south, can vary greatly; long dry spells are not unusual. The heaviest rainfall occurs in early summer and again in October; heavy showers and thunderstorms are common. Because of the irregular terrain, heavy summer rains often cause erosion and river silting.

Most of Moldova's territory is a moderate hilly plateau cut deeply by many streams and rivers. Geologically, Moldova lies primarily on the deep sedimentary rock that gives way to harder crystalline outcroppings only in the north. Moldova's hills are part of the larger Moldovan Plateau. The northern landscape of Moldova is characterized by gently rolling uplands (up to 300 m or 984 ft, in elevation) interlaced with small flat plains in the valleys of the numerous creeks (at 150 m or 492 ft elevation). These hills, which have an average altitude of 240 meters (787 ft) and a maximum altitude of 320 meters (1,050 ft), are divided into the Northern Moldovan Plateau and the Dniester Plateau, and continue further occupying the northern part of the Chernivtsi oblast in Ukraine. To the south are located the Bălți Plain and the Middle Prut Plain, with an average of 200 meters (656 ft) and a maximum altitude of 250 meters (820 ft). Originally forested, it has been extensively de-forested for agriculture during the 19th and 20th centuries. In contrast to the region to the north and south, which is more slant, this area is referred to as plain, although it has relief very different from that of flatland, and vegetation different from that of the steppe.

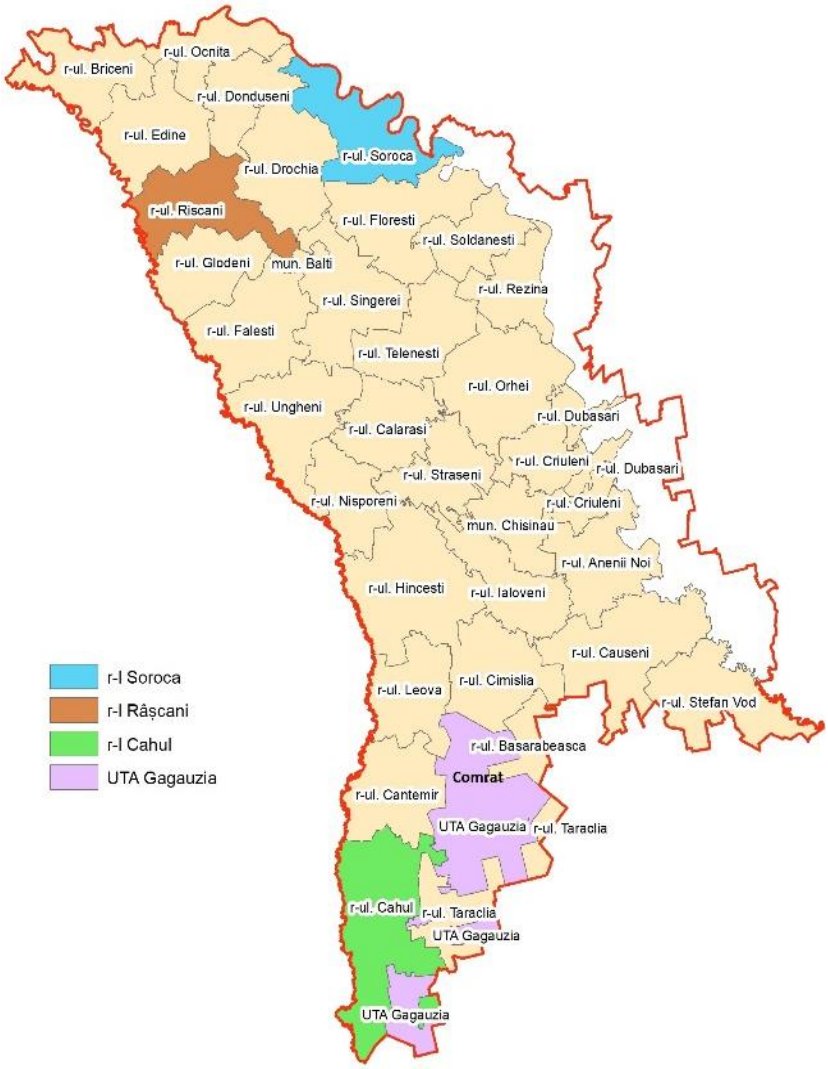


Figure 1 The districts of project intervention on the administrative map of

The project is planned to be implemented in two of the main regions in Moldova: North and South, as initial identified locations. In North it will be developed in Riscani and Soroca districts, and in South it will be developed in Cahul and Comrat regions as can be seen on the bellow map.

The overall status of the environment is being presented at yearbook, developed by the Environmental Protection Inspectorate. The data is being analyzed by environmental media (air, water, soil) and key environmental performance indicators.

3.1.1 Air

The latest data on air pollution level within the Republic of Moldova confirms that the emission of air pollutants is a leading negative externality because of its direct impact on the health of a large part of the country's population.

Based on latest data the level of air pollution is indicated in the table 1 below.

Moldova is an agrarian-industrial country, and the pollution of the airspace from fixed and mobile sources is not uniform for the whole territory. The degree of pollution of the urban airspace is higher than the rural one due to the existence of major industrial enterprises in the cities, the thermo-energy and thermal objectives and the intense traffic of the car transport. Atmospheric air pollution is a problem that requires activities to determine the quality of atmospheric air and to prevent the harmful effects of economic activities on natural ecosystems.

Table 1: Released and capture of pollutants released by stationary sources of atmospheric air pollution of economic agents

Years	Volume of pollutants at released, thousands of tons	Pollutants released into the air, thousands of tons	Captured pollutants	
			thousands of tons	In % of total volume of pollutants at discharge
2012	130,1	14,8	115,3	88,6
2013	210,3	15,6	194,7	92,6
2014	147,9	15,0	132,9	89,9
2015	156,0	15,8	140,2	89,9
2016	111,2	15,1	96,1	86,4
2017	126,4	13,8	112,6	89,1
2018	143,6	15,2	128,4	89,4

*Source: (*https://statistica.gov.md/public/files/publicatii_electronice/Mediu/Resurse_naturale_2019.pdf

The main sources of atmospheric air pollution in the Republic of Moldova are presented by the production of electricity at thermal power stations, by the heating systems of the houses, the traffic of cars, rail, air and industrial activity. The most important pollutants resulting from these processes are oxides of carbon, sulfur, nitrogen; suspended particles; formaldehyde; benzo (a) pyrene, etc (see the table 2).

The biggest source of air pollution, however, remains fuel burning. Due to impurities present in the fuel, through smoke (incomplete combustion) or through oxides of nitrogen and sulfur, the air is polluted significantly.

Table 2: Released of pollutants into the air by stationary sources of economic agents by ingredients, thousands of tons

Item	2012	2013	2014	2015	2016	2017	2018
Total	**14,8**	**15,6**	**15,0**	**15,8**	**15,1**	**13,8**	**15,2**
Solid	3,5	3,4	3,1	2,8	2,6	2,3	2,4
Gaseous and liquid	11,3	12,2	11,9	13,0	12,5	11,5	12,8
Sulphur dioxide	1,1	0,9	0,7	0,7	0,8	0,8	0,7
Carbon monoxide	4,3	4,5	4,5	4,8	4,6	4,1	4,6
Nitric oxide	1,6	1,7	1,9	2,1	1,8	1,7	1,7
More	4,3	5,1	4,8	5,4	5,3	4,9	5,8

Source: (https://statistica.gov.md/public/files/publicatii_electronice/Mediu/Resurse_naturale_2019.pdf

3.1.2 Water

The most important rivers are the Dniester and the Prut cross-border rivers with the length of the watercourse on the territory of the Republic of Moldova of 660 km and 695 km respectively. The next river with importance as internal watercourse is Răut, which has a length of 286 km. The largest natural lakes are located on the river Prut (Beleu - 6.26 km^2, Dracele - 2.65 km^2, Rotunda - 2.08 km^2) and on Dniester (Sălaș - 3.72 km^2, Rosh - 1.16 km^2, Old Dniester - 1.86 km^2). The largest artificial reservoirs are Costesti - Stinca on the Prut River (59 km^2), Dubasari on Dniester (67.5 km2), Cuciurgan in the lower Dniester (27.3 km^2) and Ghidighici on the Bâc river (6.8 km^2). The map of the mai river basins – Nistru and Prut is presented in the figure 2.

Water resources, basins and usage

As was mentioned above in the Republic of Moldova surface waters are grouped in the Dniester and Prut river basins which are transborder water sources, and include inland rivers and natural and manmade reservoirs. The biggest surface water source is the Dniester River having a total annual volume discharged of about 10.7 km3. The second biggest river is Prut, with an average annual volume discharged of about 2.9 km^3. All other inland rivers flowing on the territory of the country have an average annual volume discharged of about 1.22 km^3. The basin of the Dniester River with its tributaries occupies circa 67% of the country's territory, and of the Prut River circa 24% (8).

Regarding groundwaters the main water reserves are located in deep confined aquifers. There are approximately 7,000 boreholes for ground water withdrawal: their total flow (annual groundwater resources) accounts for approximately 1.3 km^3, including 0.7 km^3 of drinking water. The natural recharge capacity of the confined aquifers is limited, and there is a risk of overexploitation[10]

Sub-surface waters are the main source of potable water supply in the Republic of Moldova, for 100% of the rural population and 30% of the urban population, or 65% of the total population of the country. The remaining 35% of the

[10] UNDP, 2009. Climate change in Moldova. Socio-economic impact and policy options for adaptation. National Human Development Report 2009/2010: 224 pp.

population use surface waters as a source of potable water, including 32% from the Dniester River, 2.8% from the Prut River and 0.2% from other surface waters.

During the last years, it was noticed a declining trend in the water use. The water consumption in 2020 deceased by 9% in compareson with the year 2018.due to the several reasons one of the main being the decrease of about 3% of renewable water resources. About 7-8% of the total water catchment is lost during transportation due to leaks, water losses from open canals, as well as due to worn / outdated infrastructure. This amount is between 55-77 million m^3 of water. As can be seen in the graph below, no progress has been made on the impact of improving the transport system which would result in lower water losses.

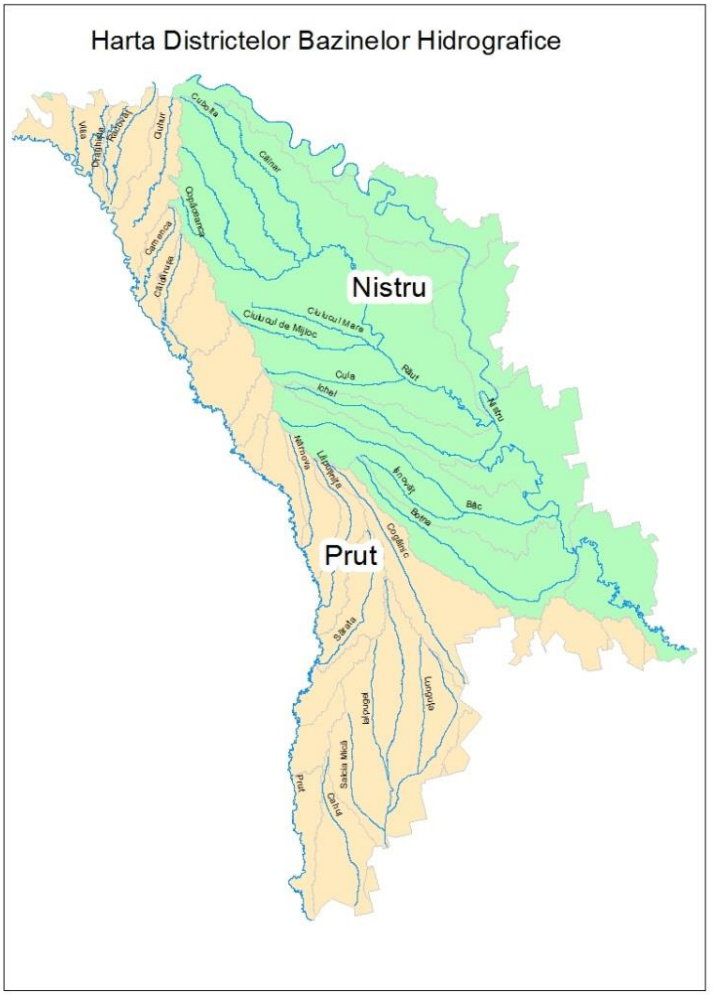


Figure 2: Main river basins of the Republic of Moldova

As the figure 3 shows the sector that uses the largest amount of water in Moldova is the heating and hot water supply sector. In 2018, water consumption by this sector counted to 558 millions m^3 of water, which corresponds to 71% of total water consumption. This sector is followed by the water supply sector (15%) and agriculture (10%). The rest is used by other sectors such as construction and services. Water consumption for the agricultural sector was decreasing until 2017. In 2018 there is a small increase due to the increase in irrigation by recovering the infrastructure in this area. Increasing water use in agriculture is a beneficial moment only when these increases are achieved through modern methods and tools based on efficient management of water resources. By applying good agricultural practices, efficient water consumption in agriculture can be achieved, which would mean greater water resources available for other uses and other sectors[11].

[11] Environmental Agency, *Total water use in the Republic of Moldova (2000-2018), http://mediu.gov.md/ro/content/c3-utilizarea-total%C4%83-apei-%C3%AEn-republica-moldova-2000-2018, accessed on 11.01.2021*

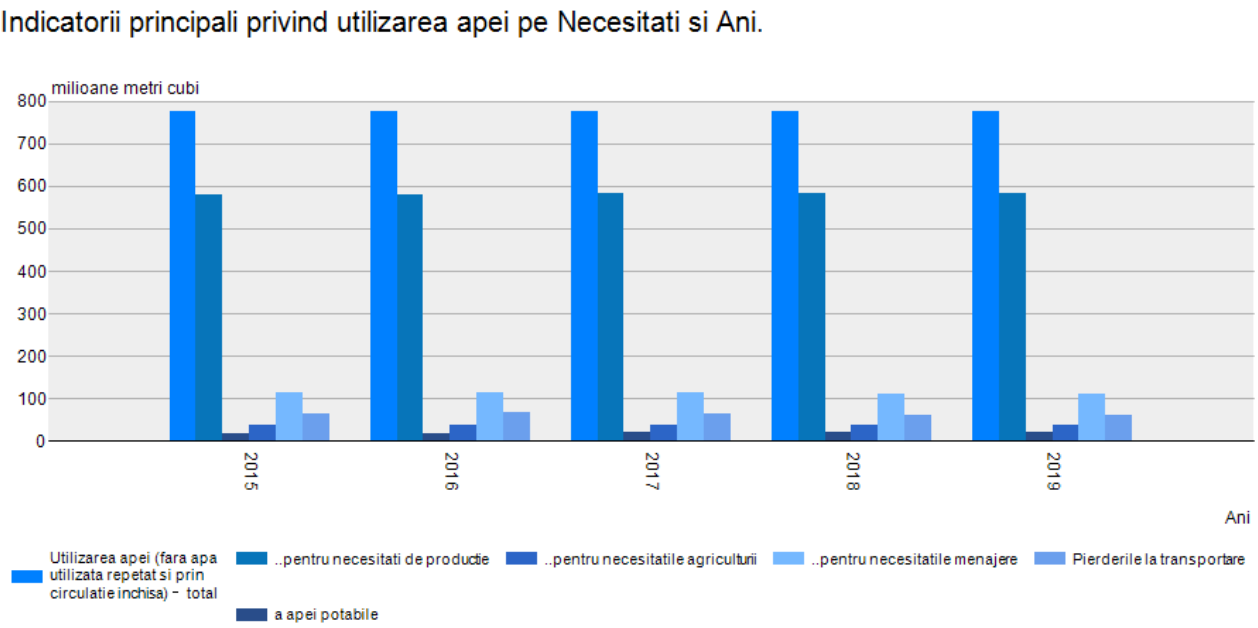


Figure 3: The main indicators on water consumption and water losses during transportation[12]

Water quality and discharge of pollutants

The monitoring of drinking water quality is carried out to ensure the effectiveness of risk control measures applied, with an impact on human health throughout the water supply chain. In the Republic of Moldova, the quality of drinking water from both centralized and decentralized sources is constantly low. Last years, the share of non-compliant evidence remains at a consistently high level. According to statistical data, the waters from centralized sources are safer in terms of quality, comparing with water quality from decentralized sources; the rate of samples performed from centralized sources with deviations from sanitary norms is about 40.1% of the total tests performed for 2018 keeping the same rate as in 2009. The table 3 below shows the information provided by the National Bank of Statistics based on reports presented by the National Agency of Public Health (NAPH), for the last 9 years.

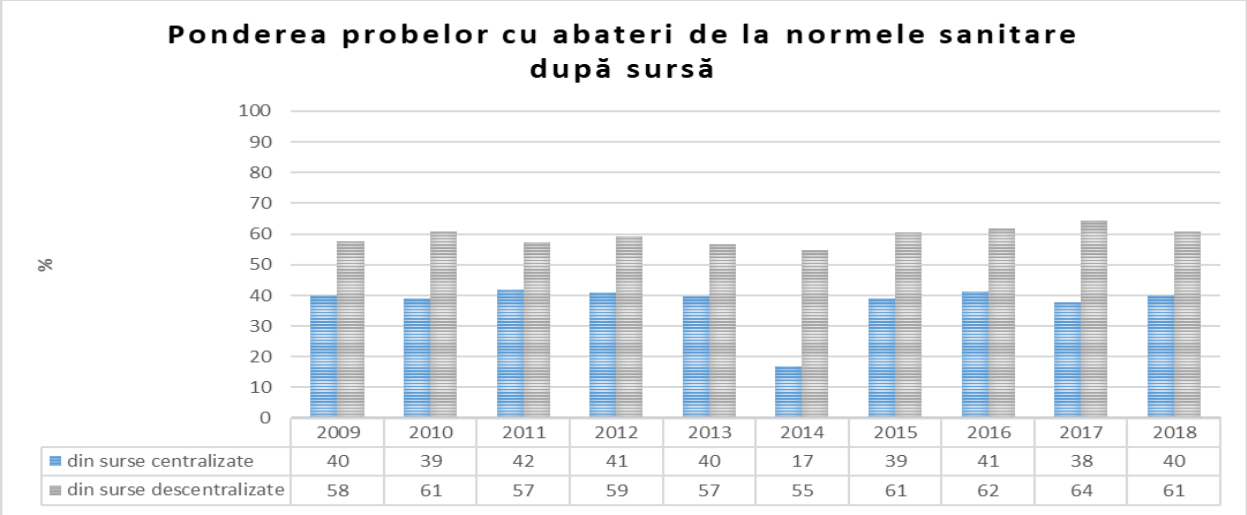
The population that supplies water from decentralized sources, mostly from rural areas, is the most affected in terms of drinking water quality. The share of non-compliant samples from decentralized water sources for the last years is maintained at a level of about 60% of the total samples performed.

If in the case of accessibility to the water supply service there is an increasing trend, then the quality of drinking water is constantly low. Of the total tests performed on the quality of water from centralized sources, an average of 38% do not correspond to sanitary norms. From these non-conformities ¾ are deviations from the chemical parameters. According to the National Agency of Public Health (NAPH), this is the result of industrial activities, the use of fertilizers and pesticides in agriculture and the poor management of waste.

In localities where there are no centralized sources of water supply, especially in rural areas, this is compensated entirely by wells.

[12] National Bank of Statistics, *https://statbank.statistica.md/PxWeb/pxweb/ro/10%20Mediul%20inconjurator/10%20Mediul%20inconjurator__MED020/MED020100.px/chart/chartViewColumn/?rxid=b2ff27d7-0b96-43c9-934b-42e1a2a9a774*, accessed on 11.01.2021

Table 3: Share of samples with deviations from the sanitary norms according to the source*



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
din surse centralizate	40	39	42	41	40	17	39	41	38	40
din surse descentralizate	58	61	57	59	57	55	61	62	64	61

* - *centralized sources;* *decentralized sources*

Bellow in figure 4, the chart information presents the results of water tests that correspond to the sanitary parameters (light blue) and those with deviation from sanitary norms (dark blue are samples with deviations of microbiological parameters and the yellow one are samples with deviation of chemical parameters).

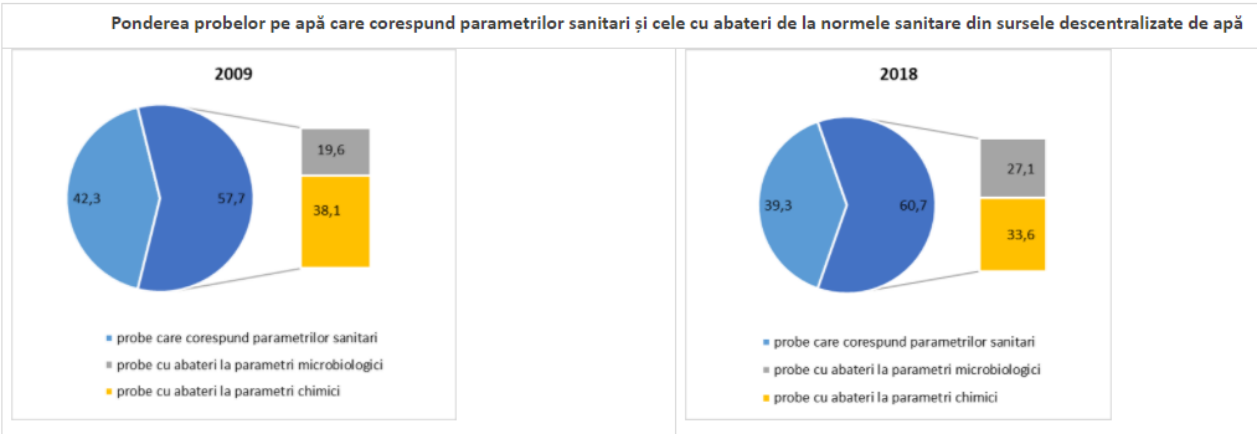


Figure 4: Water tests that correspond to the sanitary parameters and those with deviation from sanitary norms

The information was presented by the NAPH in frame of ENI SEIS II East project and published on the Environmental Agency web page[13].

If the high level of evidence of deviations persists year after year, then their structure has gradually changed. Compared to previous years, there is an increase in the share of deviations in microbiological parameters from 19.6% in 2009 to 27.1% in 2018. Thus, water becomes increasingly contaminated by various microorganisms, toxins or their metabolites. A specific concern is the quality of water in schools and institutions for children. As stated by the Water supply and sanitation strategy (2014 - 2028), the quality of water supplied in schools and children's institutions is inadequate

[13] Environmental Agency, Quality of drinking water in Republic of Moldova, *http://www.mediu.gov.md/ro/content/c9-%E2%80%93-calitatea-apei-potabile-%C3%AEn-republica-moldova-2009-2018*, accessed on 11.01.2021

(54.38% of the samples exceed the maximum allowed concentrations for the sanitary-chemical parameters and 20.21% of the samples exceed the maximum allowed concentrations according to the microbiological parameters)[14]. This situation is characteristic of groundwater and is determined, first of all, by the lack of centralized sewerage systems, unsanitary conditions, the location of latrines, toilets and landfills in the immediate vicinity of wells.

Safe water supply is interdependent with public health and sanitation conditions and their importance should not be neglected, both at the community level and by each individual, implicitly contributing to reducing water pollution.

Water Supply and Sanitation Infrastructure Access

As it can be seen from the figure 5 below the water supply system comparing with previous years increased with six units. Thus, in 2018, 1,220 water supply systems were in the country. Out of the total aqueducts, during the year, 1,168 systems or 95.7% operated, at the same time 11 aqueducts were reconstructed, out of which 10 in rural localities. The information is shown in the figure below, entitled evolution of water supply system, chart shown in the updated Governmental Decision (GD) 199/2014 on approval of the Water Supply and Sanitation Strategy (2014-2028).

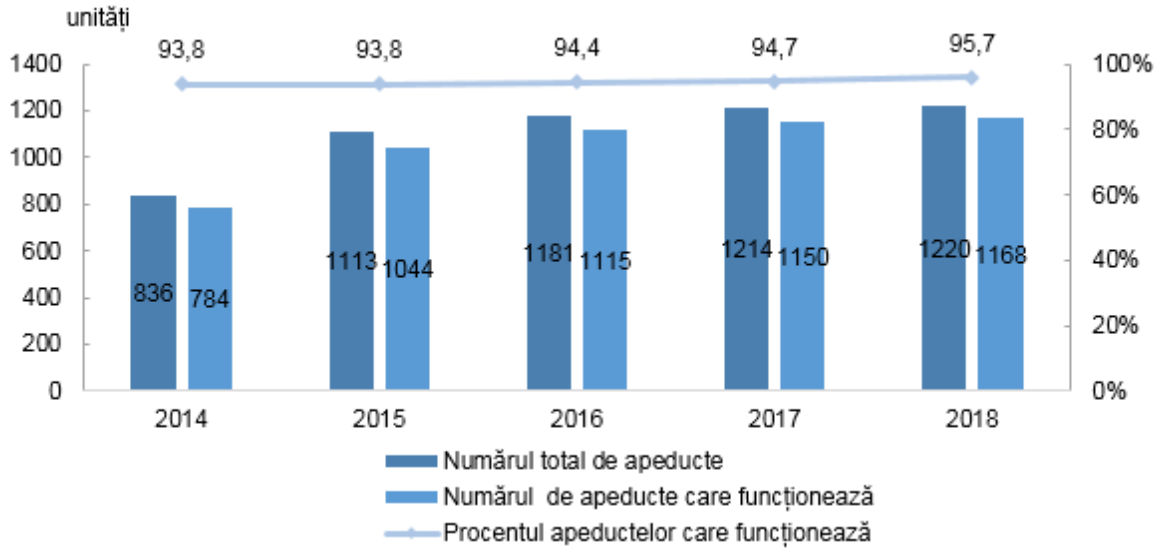


Figure 5: Aqueducts, surfaces

Annually in Republic of Moldova are performed rehabilitation, modernization and expansion works of water supply systems. In 2018, the total length of aqueducts and water distribution networks expanded by 0.4 thousand km, making up a total of 14.4 thousand km, also 67.7 km were rebuilt, and 305.6 km of new networks were built. Given the fact that not all water supply systems are functional, de facto during the year only 14.2 thousand km of network operated (98.6%).

In 2019, the access to the public water supply system had - 53 municipalities and cities, and 724 rural localities, which represent 50.7% of the country's localities. About 51% of Moldovan villages do not have access to drinking water supply from the public system (table 4).

[14] Water supply and sanitation strategy (2014 - 2028), *https://www.legis.md/cautare/getResults?doc_id=122590&lang=ro#*, accessed on 11.01.2021

Table 4: Number of localities with access to the public water supply system and length of water distribution networks, by average, 2016-2019

Item	2016	2017	2018	2019
Number of localities with public sewerage systems inclusive:	110	110	109	116
urban	52	52	52	52
rural	58	58	57	64
Total length of public sewerage networks, km inclusive:	2816.5	2829.3	2895.7	2933.1
urban	2 315,9	2 368,9	2 404,2	2 412,3
rural	500,6	460,4	491,5	520,8

Source: (https://statistica.gov.md/newsview.php?l=ro&idc=168&id=6657)

In 2019, about 2.154 million people benefited from the public water supply service, of which 1.268 millions in urban areas and 0.886 million in rural areas. Thus, at national level, the connection rate of the population to the public water supply service constituted 81.8% of the total population. During the last 4 years, the access to the public water supply service has increased by about 0.259 million people (or 13.6 %).

Regarding ***the centralized sewerage system*** in 2018, the activity of wastewater disposal from households and economic and social units took place in 53 municipalities and cities and in 73 villages. Of the total number of aqueducts, only 126 were equipped with sewerage systems (10.3%), out of which only 110 systems operated. From the total sewerage systems, 84 are equipped with sewage treatment plants, out of which 73 are functional. The best situation regarding the existence of treatment plants by development regions is in ATU Gagauzia and the South region. The lack of treatment plants is registered in Glodeni and Soroca.

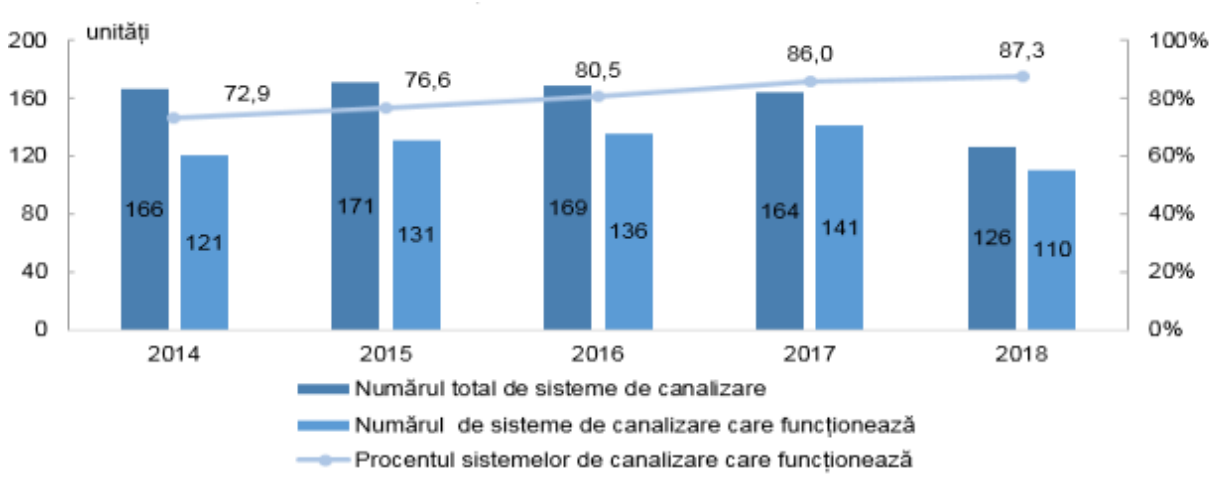


Figure 6: Sewerage system, surfaces

As can be seen in the figure 6, the evolution of sewerage system changed over the last years. The total length of the sewerage networks constituted 2.9 thousand km, of which de facto 2.8 thousand km operated (96.6%). Compared to 2017, the total length of the sewerage network decreased by 1.7 km. During 2018, 16.2 km were rebuilt and 71.3 km of sewerage networks were built.

According to the information provided in the updated GD on WSSS (2014-2028) in 2018, over 1.0 million people had access to centralized sewerage services, which represents 29.3% of the total population. In the urban area there were 979.6 thousand people with access to centralized sewerage services, representing 64.1% of the country's urban population, and in rural areas - 57.3 thousand people benefited from sewerage services, representing 2,8% of the country's rural population.

Thus, the water pollution remains a significant issue, the major sources of its remaining to be both point sources and non-point (diffuse). The point-source discharges of municipal and industrial wastewater are usually known and supervised, and their pollution loads can be quantified. On the other side, non-sewerage dwellings, agriculture fields, as well as occasional or accidental spills have a non-organized character and are, therefore, difficult to monitor and control. In the Republic of Moldova, the major point-source discharges are monitored. This primarily includes the wastewater discharges of the large water users and the centralized sewerage systems. At the same time, data provided by the *Environmental Protection Inspectorate* showed that other sources can be equally or more dangerous for the environment (e.g., water runoff from industrial sites, waste dumps) than point sources. Domestic untreated wastewater discharges (around 65% of the total dwellings in Moldova) is another

Other potential major pollution sources are the filtration beds of sugar factories, sludge decantation beds of WWTPs, manure heaps, etc. Unfortunately, the environmental impacts of these pollution sources are not monitored. Lack of data hampers the sound assessment of the situation and taking adequate pollution mitigation measures to prevent further degradation of surface and ground waters.

Now, the urban wastewater treatment plants are in rather poor condition. Most of the existing facilities provide only mechanical treatment, while due to high energy consuming biological installations have fallen out of use due to unaffordable operating costs. In most cases, the existing treatment technology and even location of the facilities shall be reconsidered, to provide the required level of system efficiency, lowest operational costs and to cover a larger number of consumers.

3.1.3 Soil

In the Republic of Moldova the land and soils resources represents 3.384 million hectars of having the following structure by category of use: agriculture purpose; land that belongs to localities; reserve fund; lands for industry, transport, communications and other special purposes; lands of the forestry fund and for nature protection purposes and lands of water funds. The distribution of land as well the variations suffered in the last years is presented in the table below.

Table 5: Land use on 1 January 2019, thousands of ha

Item	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Lands total	3384.6	3384.6	3385	3385	3384.6	3385	3385	3384.6	3384.6	3384.7
Lands for agricultural purpose	2007.6	2008.7	2009	2015	2024.2	2027	2028	2026.5	2028.3	2073

Item	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Lands that belong to localities	311.6	312.1	312.2	312.8	313.1	314.8	314.3	314.8	314.3	314.0
Reserve Fund	469.9	466.7	466.4	461.2	452.4	449.0	446.3	449.0	446.3	399.3
Lands for industry, transport, communication and other special purposes	58.7	58.9	58.9	59.6	59.4	58.7	58.8	58.7	58.8	59.6
Lands of the forestry fund and for nature protection purposes	450.0	450.9	450.6	450.4	450.4	450.5	451.7	450.5	451.7	452.1
Lands of water funds	86.8	87.3	87.6	86.1	85.1	85.1	85.2	85.1	85.2	86.7

Sources*: http://ipm.gov.md/sites/default/files/2019-07/ANUAR%20-%202018; http://ipm.gov.md/ro/node/580*).

3.1.4 Climate and climate change

Current situation on Climate and Climate Change in Moldova

Moldova is highly vulnerable to climate change and variability, and the socio-economic costs of climate change related to hazards such as droughts, floods, late spring frost, hail are significant. Increasingly erratic weather patterns have resulted in loss of life and income through rising food and energy prices. The most vulnerable sectors are agriculture, human health, water resources, forestry, transport and energy.

The climate of the Republic of Moldova is moderately continental, characterized by relatively mild winters with little snow, long warm summers and low humidity. The average annual air temperatures vary between 8-12^{0}C, and amount of precipitations, respectively between 450-900 mm per year.

According to information provided by State Hydro Meteorological Service (SHMS) 2019 year was characterized by a high thermal regime and with the annual amount of precipitation within the norm. The average annual air temperature in the territory was +10.6 .. + 12.6ºC (fig.1), exceeding the norm by 2.1-3.2ºC (figure 7 bellow) and on a large part of the territory it is reported for the first time in the entire observation period.

The temperature trends in last three decades are statistically significant for summer and annual temperatures (at a 95% confidence level) and for spring (at a 90% level). Further evidence of the acceleration of regional warming can be seen in the fact that seven years among the ten warmest in the history of instrumental observations in Moldova have been in the last two decades.

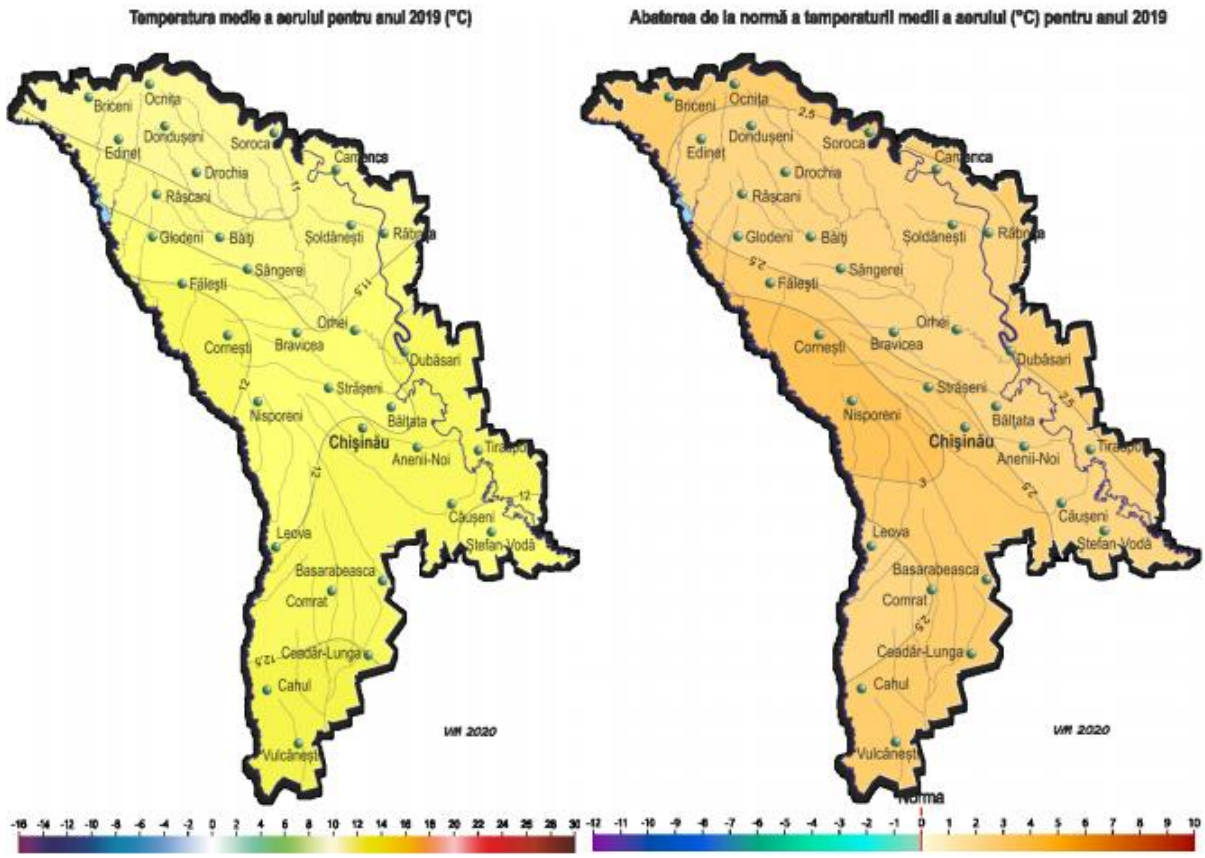


Figure 7: Average annual air temperature & deviation from normal annual average air temperature, °C

The precipitation picture is more complex. There is a change in the direction of some trends from 1887-1980 to 1981-2008: from a decrease to an increase in spring, and from an increase (about 6 mm per decade) to a decrease in the last thirty years (above 13 mm per decade) in summer. For autumn-winter and annual precipitation the previous slight increase is continuing. In 2019, the annual amount of precipitation that fell on the territory constituted 380-700 mm, or 80-120% of the norm, only isolated their amount did not exceed 340-370 mm (70-75% of the norm). During the autumn season on a large part of the territory continued to maintain a deficit of rainfall. The precipitation quantity during the season on 65% of the territory was 50-85 mm (40-75% of the norm), and in isolation (on 20% of the territory) their amount did not exceeding 35-45 mm (30-35% of the norm), which in the autumn period is reported on average once in 10-15 years. Significant deficit of precipitation was reported in November, when their monthly amount on 60% of the territory did not exceed 3-10 mm (10-30% of the monthly norm). The map bellow shows the quantity of precipitations for 2019 year and in comparation with the norm of precipitations.

The Report on Moldova Water Security Diagnostic and Future Outlook developed by World Bank states that the outcomes of various climate models generate different effects on temperature and rainfall patterns, the overall direction is that temperatures will rise, and precipitation will become more variable, likely with a drying effect in the growing season[15].

Climate Change Impact

[15] World Bank:Moldova: Water security Diagnostic and future outlook, *https://openknowledge.worldbank.org/handle/10986/34809*, accessed on 11.01.2021

Over the last 132 years of measurement, the average temperature in the Republic of Moldova increased by more than 1.2°C. The natural disasters induced by climate change, such as frosts, hail and droughts, happen more and more frequently and regularly. They generate annual economic losses of over $US 120 million or about 2% of the Gross Domestic Product.

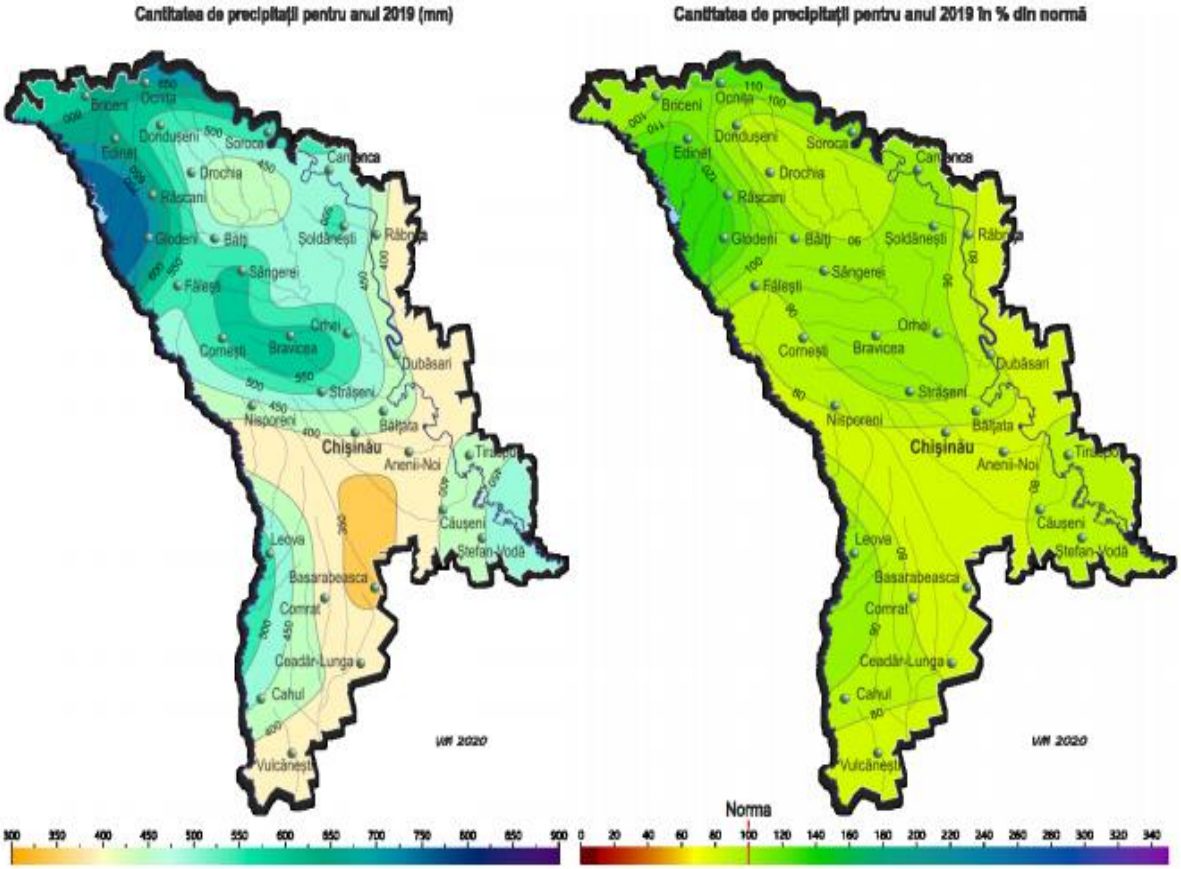


Figure 8: The amount of precipitation for 2019 (mm) and as a percentage of the norm

In the last 20 years from 2000 to 2020 the Republic of Moldova has already experienced 6 years (2000, 2003, 2007, 2012, 2015, and 2020) with the devastating droughts. The worst drought in Moldova occurred in 2007, it caused almost $987 ml in damage, with the 78% of affected territory. In 2012, 80% of Moldova's territory experienced drought, causing $200.5 million in damage.

Beside above-mentioned sectors, the Climate Change Impact will be felt in other fields as well. The profile developed in 2017 by USAID emphasized that for the water resources the risks are mainly to decrease surface flows by 16–20 percent from 2020–2029. This is especially concerning given Moldova's limited groundwater reserves. Even without climate change, water shortages are expected in the next several decades due to increased demand. Regarding agriculture field Climate change and variability already impact the sector, with 3 percent of GDP lost annually on average as a result of drought, heavy rains and flooding. Increased demand for irrigation combined with reduced water supply overall are likely to lead to irrigation shortages, impacting irrigated crops as well. Higher temperatures and drought impact the livestock sector (primarily poultry, cattle and sheep) directly by compromising animal health, and indirectly by reducing feed availability and quality. Higher temperatures and variable rainfall also adversely affect production of feed crops and pasture across all regions. This trend is likely to continue as projections indicate a 4–7 percent decline in pasture productivity by 2040.

Climate change already imposes a number of direct and indirect effects on health outcomes in Moldova. Rising air temperatures exacerbate heart conditions and severe circulatory and respiratory diseases. Acute respiratory infections are already the second highest cause of death in children under five. Shocks to agricultural production, such as floods and droughts, have important consequences for health in terms of food security and malnutrition, particularly in rural communities, where 21 percent of households were food energy deficient in 2013.

For the forestry even small changes in temperature and precipitation affect future forest growth and regeneration. Higher temperatures induce faster rates of water loss, leading to drier conditions that slow growth rates, and in severe cases, cause tree loss. Higher temperatures also tend to decrease the efficiency of water use by plants. In Moldova, climate change could lead to a decrease of beech, durmast and oak forests in favor of semi-arid forests and dryland pastures more suitable to hotter, drier conditions. By 2040, 15–25 percent of trees in the northern region will likely be water stressed. Hornbeam and ash will be the most vulnerable, with ash biomass growth estimated to decrease by 20–40 percent by mid-century[16].

3.1.5 Waste Management

The National Waste Management Strategy of the Republic of Moldova 2013-2027 states that waste management is still a problematic issue in the country, that should be better organized and for which legislation should be improved.

The waste management consists in the following activities: collecting, transportation, waste treatment, recovery, and disposal. The responsibility for the waste management activities lies with its generators under the principle „the pollutant pays" or on its producers, under the principle „*the responsibility of the producer*". The local governments are responsible for the organization of waste collection and disposal systems and therefore appropriate rates should be set in order to ensure the financing of these activities.

The production of municipal waste is influenced by a great number of factors and the most important are: the income of the population, the behaviour of consumers, increase of packaging materials and the demographic situation. A research of the International Bank shows that along with the increase of the level of income of the population the rate of waste generation per capita increases as well, which in rural areas usually is 0.3-0.4 kg/ capita/ day and 0.9 kg/ capita/ day or higher in urban areas. The increase in the number of supermarkets and the growth of the Gross Domestic Product (GDP) per capita have caused the purchase of packed products, and therefore, the produced waste. Demography also influences on the production of waste, and as a rule, the inhabitants of the urban areas produce more waste than those from the rural areas. Currently, the most widely used method of household waste treatment is landfilling, which often is a major source of soil and groundwater pollution. In this context, sanitation of settlements and urban waste management is an important objective of the local government structures.

The specialized services for waste collection and disposal do not yet cover the full territory of the country and exist in municipalities, in all district centers. In these localities, the waste management is being organized in a planned way through these services, which work on a contract basis with individual generators and legal entities, but overall this system covers only 70-90% of the total of municipal waste generators in the urban area.

A small part of the rural localities (148 villages), especially those in the close vicinity of the district centers are served by their waste collection and disposal services.

The general picture of waste generated by population in Moldova for the last 7 years is presented in the table below.

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[16] USAID, Climate Change Risk Profile Moldova, *https://www.climatelinks.org/sites/default/files/asset/document/2017_USAID%20ATLAS_Climate%20Change%20Risk%20Profile%20-%20Moldova.pdf*, accessed on 11.01.2021

Table 6: Municipal waste generated by population 2011-2017, in thousand tons

Year	2011	2012	2013	2014	2015	2016	2017
MSW generated per country. (in thousands of tons)	622,76	636,52	653,28	663,14	713,92	718,00	721,00

The forecast in waste management was determined based in analysis, statistical data and experts estimates taking into consideration the macro-economic indices provided in the existent development strategies for some fields (industry, agriculture, etc.) and namely:

- value of the GDP;
- demographic trends,
- industrial development trends,
- agricultural development trends,
- waste management system development trends.

3.1.6 Biodiversity

Biodiversity in the Republic of Moldova is influenced by the country's geographical location, at the intersection of three bio-geographical zones:

⇒ The Central European zone, represented by the Central Moldovan Plateau (maximum height of 430 m), which features the biggest forests in the country (Codrii), where important spontaneous communities of plants and wild animals are preserved.

⇒ The Eurasian zone, represented by forest steppe and steppe regions.

⇒ The Mediterranean zone, represented by fragments of xerophytic forest steppe in the south of the country.

The flora of the Republic of Moldova comprises 5,568 species of plants (2,044 of which are higher plant species and 3,524 of which are lower plant species), along with relict tertiary and quaternary species and several very rare sub-endemic species. Over 30 species of ligneous plants and 200 species of medicinal plants provide an important living for the rural population, while around 700 spontaneous flora species are fodder plants that provide feed for wild animals and livestock. The second edition of the Red Book of the Republic of Moldova includes 117 species of rare, vulnerable, and endangered plants. Also, natural ecosystems ensure suitable conditions for 1,357 species of fungi, including 557 species of mucoromycetes in forest ecosystems. Only 70 of the total number of fungal species are edible. The second edition of the Red Book of the Republic of Moldova includes nine species of fungi and 16 species of lichens.

Diversity in the animal kingdom can be explained by the variety in the landscape, which features, within relatively short distances, various types of ecosystems (forests, water, steppe, grassland, rocks) and morphological structures (hollows, terraces, narrow valleys etc.). The Republic of Moldova borders the Balkan region and forms a transition zone between continental Asian steppe fauna and European forest steppe fauna. There are about 15,000 species of animals in Moldova, of which 474 species are vertebrates (75 species of mammals, 281 species of birds, 14 species of reptiles, 14 species of amphibians and 90 species of fish), the other species being non-vertebrates (mainly insects).

The third edition of the Red Book of the Republic of Moldova includes 116 species of rare, vulnerable, and endangered animals. The most endangered are reptiles, with eight of the totals of 14 species existing on the territory of the country being included in the Red Book.

The Botanical Garden Institute of the Academy of Sciences of Moldova has a plant genetic fund of about 11,000 species, comprising 2,517 tropical and subtropical plants, 1,150 ornamental flowering plants, 2,000 ligneous plants, 350 non-

traditional fodder plants, 300 medicinal plants, and 350 aromatic plants.

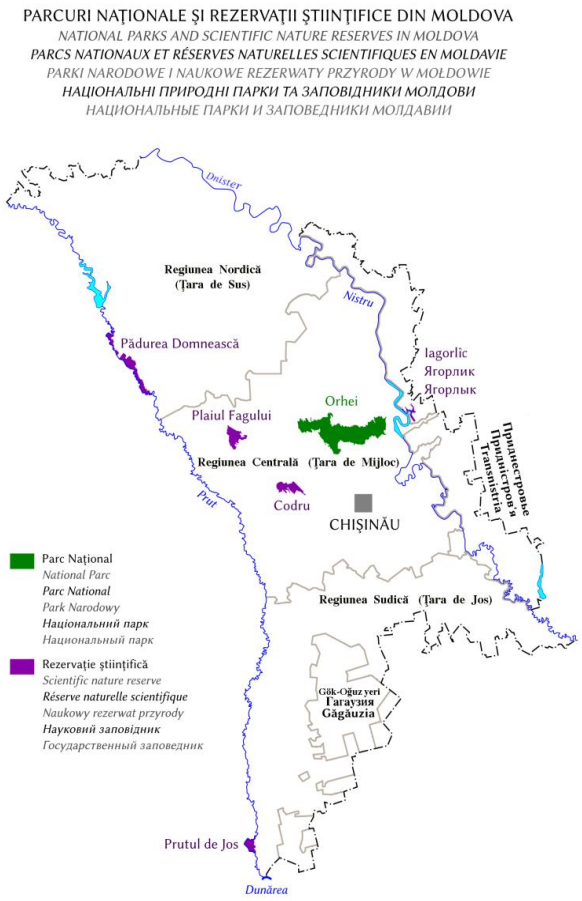

Figure 9: National Parks and Scientific Reserves in Moldova

In recent years, the plant genetic fund of the Botanical Garden Institute has been supplemented with 1,456 species, including 170 ligneous plants, 601 flowering plants, 439 tropical and subtropical plants, 148 medicinal and aromatic plants and 98 fodder plants. The herbarium of the Botanical Garden Institute and various universities have around 320,000 samples of plants from various regions.

The zoological collections of the Republic of Moldova include about 182 species of birds and 4,700 species of insects: as well as collections of 270 species of fossil plants and 500 species of fossil animals (1,500 specimens).

Regarding the State Natural Protected Areas (SNPA) the total area of state protected natural areas is 189,400 ha (5.61 percent of the country's territory) and includes 312 objects and complexes. The average area of a protected natural area is 607 ha. The national legal framework establishes 12 categories of state protected natural areas. Between 2009 and 2013, existing areas were evaluated and mapped, and 18 new state protected natural areas were proposed. One important step in the process of expanding these areas was the approval in 2013 of legal acts on the establishment of the first national park in the Republic of Moldova – Orhei National Park.

The country has five scientific reserves - Codru, Iagorlic, Prutul de Jos, Plaiul Fagului and Padurea Domneasca (presented in the fig. 9 below); one national park (Orhei); one biosphere reserve (the Lower Prut, established in 2017); 130 natural monuments; 63 nature reserves; 41 landscape reserves; 13 resource reserves; two arboreta; three wetlands of international importance (Lower Nistru, Unguri-Holosnita and Lower Prut Lakes); 32 multifunctional management areas; and 21 landscape architectural monuments.

The "Moldsilva" Agency (under the MARDE) manages about 50 percent of the total area of state protected natural areas, the other 50 percent being managed by local public authorities. The regime of the protected areas is secured by territorial entities subordinated to the "Moldsilva" Agency, while local public authorities do not have management plans for state protected natural areas. The protection of cultural and archaeological objects located in state protected natural areas, and any related activities, are undertaken in coordination with the MECR.

The main threats on biodiversity faces multiple challenges in the area of biodiversity conservation, as some species are disappearing, and others are becoming endangered and vulnerable. A significant indicator in this context is the number of rare and endangered species included in the Red Book of the Republic of Moldova: 55 species in the first edition; 242 species in the second edition; and 427 vulnerable, endangered, and critically endangered species in the third edition, published in late 2014.

Natural resources are often used irrationally, and no activities are implemented with the aim of preserving biodiversity. Current conditions (climate change, habitat fragmentation, pollution, the disappearance of species etc.), the paradigm of socioeconomic development in the Republic of Moldova, as well as limited institutional capacities, the insufficient

enforcement of legislation in this area, the insufficient mainstreaming of biodiversity conservation issues into sectors of the national economy, and insufficient appreciation on the part of the public of the value of biodiversity, all require a more realistic approach to the role of biodiversity in the national economy and increased efforts to ensure biodiversity protection.

The most serious reasons for biodiversity loss are:

- ⇒ the illegal and irrational exploitation of biodiversity.
- ⇒ direct threats to biodiversity; and
- ⇒ insufficient institutional capacity and underdeveloped legislation.

Insufficient appreciation of the value of biodiversity is another reason for biodiversity loss. Economic and industrial activities and national investment programmes do not generally take into consideration eventual impacts on biodiversity or the need for environmental conservation. However, financial losses may be high if biodiversity conservation is not considered.

The deficit in energy resources also significantly limits the potential of natural ecosystems. Assessments have shown that about 80 percent of local communities use wood and other alternative biomass sources (plant residues from orchards, vineyards, gardens, and other organic waste).

The low level of environmental awareness and education among the population is a further factor contributing to the unsatisfactory status of biodiversity in Moldova.

3.1.7 Cultural Heritage

Analyzing the new updated register of state protected monument provided by the Ministry of Education, Culture and Research (MECR) in the selected localities pre identified in the project concept exist a range of cultural heritage such as archeological sites, architectural monuments, human settlements etc. Even thought for the moment it's hard to denote if some of the protected monuments/areas will be affected by the new investments, still these should be taken into consideration at the design phase in order to undertake necessary measures to preserve them.

4 BASELINE SOCIO-ECONOMIC CHARACTERISTICS OF THE PROJECT AREA

4.1 Demography

According to the National Bureau of Statistics, the estimated number of the population with habitual residence (resident population) of the Republic of Moldova on 01.01.2019 was 2686.1 thousand persons (final data), and the population on 01.01.2020 was 2 640.4 thousand persons, these being provisional data. The birth rate decreased, reaching 12.0 live births per 1000 inhabitants in 2019, compared to 12.9 live births per 1000 inhabitants in 2018. The total fertility rate in 2019 was the same as in previous years - an average of 1.8 births per woman. Although the total fertility rate in the Republic of Moldova is relatively high, it does not reach the level of replacement of generations of 2.1 children born alive to a woman during her reproductive age. The number of deaths in 2019 was 36.4 thousand people, with 891 people (or 2.4%) less compared to the previous year. At the same time, the mortality rate decreased insignificantly, amounting to 13.7 ‰, compared to 13.8 ‰ in 2018. The value of "male mortality" in 2019 was 113 male deaths to 100 female deaths. The natural increase in 2019 had negative values (-4.4 thousand people) and a different evolution for women and men.

The majority of the population (56.9%) lives in rural areas – 2 015.2 thousand inhabitants compared to 43.1% - 1 527.5 thousand inhabitants in urban areas.[17] The ethnic composition of the population of Moldova observed during the 2014 census reveals that Moldovans/Romanians represent 82.1%[18] of the total population, Ukrainians – 6.6%, Gagauz – 4.6%, Russians – 4.1%, Bulgarians – 1.9% and other nationalities a percentage of 1.0% of the total country's population. The Romani represent 0.3% of the total population about 9,323 persons[19]. The Gagauz living mostly in southern Moldova (ATU Gagauzia, Taraclia District, Basarabeasca District). In ATU Gagauzia live predominantly Gagauzs (83.8%) and Bulgarians (4.9%), the Moldovans are only 4.7%.

Migration is a complex and intense phenomenon in the Republic of Moldova. Almost a quarter of the population of the Republic of Moldova currently lives abroad either temporarily, or for a long time. In 2017 (the last year for which the migration related data could be estimated for the moment), almost 110 thousand migrants (returned) came to Moldova, and almost 160 thousand emigrants left the country. They formed a negative net migration of approximately 50 thousand persons in that year.[20]

4.1.1 Demography in Municipalities/Cities covered by the Project

Table 7 and 8 provides data on project's areas population, particularly:

Comrat area (Comrat municipality). Comrat is the administrative center of the ATU Gagauzia. The city is located in the central part of the Budgiak steppe on the Ialpug River. Comrat is distinguished by a convenient geographical location, it is located at the intersection of roads in southern and eastern parts of Europe.

In 2019 the population of Comrat Mun.is 23.3 thousand[21] people, with ethnic structure: 72.9% Gagauz, 9.5% Moldovans,

[17] NBS, 2019, https://statbank.statistica.md/

[18] Romanians and Moldovans should be counted together, 75.1 Moldovans and 7 Romanians

[19] However, regional experience shows that Censuses tend to underestimate the real number of Roma population. Negative stereotypes attributed to the Roma by majority population, ethnic discrimination in the labour market, education, health care, and other social spheres, injustices and discrimination actions that the Roma had to face in the past are among the key reasons for denying Roma ethnicity - Roma in the Republic of Moldova, UNDP, 2007.

[20] NBS, Information Note on the reviewed number of population of the Republic of Moldova, including data on the international migration - https://statistica.gov.md/newsview.php?l=ro&idc=30&id=6409

21 2019, https://statbank.statistica.md/

7.3% Russians, 4.8% Ukrainians, 4.6% Bulgarians and other nationalities.[22]

Cahul / Vulcanesti area (Cahul rayon & ATU Gagauzia, water main Lebedenco-Vulcanesti-Alexandru Ioan Cuza). The population in this particular subproject covers partially two districts: Cahul rayon and Vulcanesti town (from ATU Gagauzia). Cahul district is the administrative-territorial unit composed of 55 localities, including Cahul municipality, 53 localities within the villages (communes). According to the number of population, the Cahul municipality is the largest city in the southern region of the country and the 6th city in the Republic of Moldova. In all these settlements the number of habitants is decreasing according to statistics data (statistica.md). The ethnic structure of the Cahul rayon population: 82.9% Moldovans (11.6% Romanians), 4.9% Ukrainians, 4.6% Russians, 4.1% Bulgarians, 2.7% Gagauzs the rest other nationalities. In Vulcanesti town the Gagauzs are about 70%[23] from population living here.

Table 7: Cahul / Vulcanesti area, project data

Name of locality	Population
Cahul rayon	
Pelinei (including Satuc village)	2,183
Vladimirovca (including setlements of Nicolaevca and Gavanoasa)	2,111
Alexanderfeld	1,344
Iujnoe	707
Burlaceni (Greceni)	1,688
Alexandru Ioan Cuza	2,447
ATU Gagauzia	
Etulia (and Etulia Noua)	3,061
Cismichioi	4,497
Vulcanesti/Vulcanesti Gara	12,185
Total	**30,223**

Riscani area (Riscani rayon - partially). Riscani rayon is located in the Northern Development Region. Within the Râșcani district there are 55 localities, out of which 2 cities, 26 communes and 27 villages, which in turn are divided into 28 ATUs, with the district center located in the town of Riscani, thus denotes the predominantly rural character of the district (the level of urbanization being only 3.6%). The project area is situated in the western part of the district and includes 18 settlements for the actual project with extension to other 10 settlements in the second stage. The ethnic structure of the Riscani rayon population: 76.7% Moldovans (3% Romanians), 19.5% Ukrainians, 2.6 % Russians, 0.8% Roma, the rest other nationalities.[24] In the Riscani district there are villages with a predominantly Ukrainian population.

According to available information from NBS, the Riscani rayon, maintain the same tendencies as the entire country, in decreasing the population in the last 30 years. The data from the last census is presented in the Table 8.

[22] Census 2004
[23] Census 2004
[24] Census, 2014

Table 8: Riscani area, Project data

No.	Name	Population	No.	Name	Population
1	Costesti	2,221	15	Pociumbauti	653
2	Proscureni	172	16	Druta	466
3	Pascauti	998	17	Dumeni	230
4	Damascani	389	18	Varatic	2,238
5	Duruitoarea Noua	880	19	Horodiste	922
6	Duruitoarea Veche	379	20	Zaicani	3,012
7	Alexandresti	257	21	Pirjota	1,676
8	Cucuietii Noi	217	22	Hiliuti	2,400
9	Cucuietii Vechi	428	23	Petruseni	1,089
10	Ivanesti	143	24	Reteni	251
11	Saptebani	1,596	25	Reteni Vasiliuti	207
12	Galaseni	1,054	26	Braniste	505
13	Malaiesti	737	27	Avrameni	485
14	Pociumbeni	903	28	Struzeni	1,521
	Total 26,029				

Soroca area (Soroca municipality). Soroca is the residence center of Soroca district. Soroca is the second largest city in the northern region and the eighth in the country. The population of the city is 35.0 thousand inhabitants[25], while after the 1989 recession the number of inhabitants was 42.2 thousand people. The reduction of the population in the reference period was determined mainly by the massive exodus of the population from Soroca abroad. In turn, the socio-economic crisis, the impoverishment of the population, the increase in morbidity. It was mentioned that the situation started to settle down in 2001 - in the locality there is a slow increase of the birth rate, and the natural increase has slight positive values. Soroca has always been a multinational city, although the ethnic population structure has undergone substantial changes in the last two decades. The ethnic structure of the population: - 68% Moldovans, 15% Ukrainians, 12% Russians, 3% Roma, the rest other nationalities.[26] The most of Roma people from Soroca live compact in "Gypsy/Roma Hill" sector.

According to the presented demographic profile this Project will have a positive social impact on about 115 thousand people from these localities.

4.1.1 WASH facilities in public institutions

Around 100 institutions from the total of 1 258[27] of schools will benefit from improvements of WASH facilities. Also, a number of 25 medical institutions will benefit of the WASH component. Approximately 360 educational institutions

[25] 2019, statbank.statistica.md
[26] www.soroca.md
[27] https://mecc.gov.md/ro/content/statistica-1

(mostly from rural areas), that represent about 30%, have outside toilets, based on data provided by the Ministry of Education, Culture and Research. In priority order, the health care centers from sub-project locations under component 1.1 and the primary and secondary schools from sub-project locations under component 1.1 will benefit from improvements of WASH facilities, but also other locations based on an inventory of WASH investments needs.

4.2 Moldova Key Economic Indicators

The Gross Domestic Product (GDP), estimated for the third quarter of 2020, amounted to 61,719 million lei, current (market) prices. Compared to the third quarter of 2019, GDP decreased, in real terms, by 9.7% on the gross series and by 11.5% on the seasonally adjusted series. In January-September 2020, the GDP decreased compared to January-September 2019 by 8.2%.[28]

In January-September 2020, compared to the same period of the previous year, industrial was lower by 6.8%, due to the decrease in production in the manufacturing industry (-7.5%) and in production and supply electricity and heat, gas, hot water and air conditioning (-4.3%). At the same time, there was an increase in the extractive industry (+ 4.5%).

During January-October 2020, exports of goods amounted to 2004.9 million US dollars, a volume lower than that achieved in the corresponding period of 2019 by 12.6%.

Exports of domestic goods in January-October 2020 amounted to US $ 1537.2 million (76.7% of total exports), decreasing by 5.7% compared to January-October 2019, thus influencing the decrease in total exports by 4.0%.

Significant gap in Moldova's exports and imports caused the accumulation in January-October 2020 has a trade deficit amounting to 2.3207 billion US dollars US, or 183.7 million US dollars US (-7.3 %) less compared to the one registered in the corresponding period of 2019.

Compared to January-November 2019, there is a decrease, compared to the respective period in 2019, in passenger air transport (-76.3%), road (-46.4%) and rail (-40.0%). At the same time, increases were registered for river passenger transport (+ 53.4%), which, having an insignificant share (of about 0.4%) in the structure of the number of passengers transported, did not influence the general trend.

The COVID-19 pandemic has created a number of impediments to the day-to-day activities that have an impact on the mood of the population. Thus, 38.5% of households in that period said they had depression, stress, anxiety.

At the same time, the pandemic, due to its magnitude, influenced the plans and intentions of the households. Thus, about 9.8% of households with members abroad at least one of their members returned from abroad because they lost their job. Another 13.3% of households with members abroad their members had difficulty returning to the country. Also, 61.0% of households, whose members planned trips abroad, they had to postpone them.

The people that lost their jobs in the country have incomes 39.3% lower compared to the members of the households that continue to work. Also, about 26.6% have lower incomes in households where at least one member has returned to the country from abroad due to job loss, compared to households whose members continue to work abroad. Households in which at least one member was depressed also had an income of about 11.0% lower than those who did not report the condition.

Poor households faced difficulties related to health services. The incomes per person of those who mentioned these difficulties are over 15% lower than those who did not have problems accessing those services.

The population faced financial difficulties, expressed by the reduction or loss of income from work in the country and

[28] National Bureau of Statistics (https://statistica.gov.md/)

remittances.

The population faced also other difficulties like financial difficulties and accessing distance education services.

4.3 Local Economy of the Project Area

4.3.1 Local Economy in Municipalities/Cities covered by the Project

Soroca. The city of Soroca is the regional leader of the north-west of the country. The main branch of the city 's economy is the manufacturing industry and food industry. The total number of employees in the city economy is 10.4 thousand people, which is 29.3% of the total number of economic active populations. During the last 30 years the number of employees in the non-productive sphere has increased, and in the sphere of production this index has decreased and constitutes correspondingly 51% and 49%.[29]

Comrat. In Comrat municipality, were registered 2348 businesses (data of 2018). Commercial units engaged in trade in the territory of Comrat, are 734; from them - 151 trade enterprises that are engaged in provision of services.

The municipality of Comrat is the most developed industrial hub in ATU of Gagausia. The economic activities in Comrat are represented by areas such as wiring harness manufacturing for automotive industry, food processing, alcohol production, oil processing, apparel, and furniture production.[30]

Rascani area. The district's industry throughout the 1990s was in a deep crisis, as a result of which the volume of industrial production decreased. Currently the district industry is active in the fields of: processing and preserving fruits and vegetables, vegetable oil manufacturing, dairy and milling products, bakery and clothing manufacturing, brick production, cutting, shaping and finishing stone.

The share of entrepreneurship and small business sector accounts 93% in the total number of enterprises. The small business are emploing about 83% of employees. In Riscani area the economic activities of small and medium enterprises is manifested by the creation of new jobs, the saturation of the market for goods, services and the reduction of poverty.

The potential for the economic growing of the district is about 470-500 million. lei (~24 mln Euro). The share of the agricultural branch constitutes 70%, of the industry - 8%.

An important segment in the district's economy is the agricultural sector. The global volume of agricultural production in all categories of households in current prices was estimated at 923 million lei (~44 mln Euro), (2018 latest data). In the industrial sector of the district operate 42 enterprises.[31]

Cahul / Vulcanesti area. In the Cahul district, over 24,900 economic agents carry out their activity - natural and legal persons: commercial companies, municipal and state enterprises, peasant households, cooperatives, etc. Most economic agents are in the branch of agriculture (81.2%, mainly households), in the sphere of trade and services (9.8%), transport and construction (4.0%). In terms of economic development, Cahul district is characterized by development industries based mainly on different raw materials.

There are 11 private wineries and 8 bakeries in the district. There are a limited number of companies specializing in the production of cheese, grain collection and vegetable and fruit processing enterprises. Industry light is represented by two clothing factories. Also, the district produces construction materials, but the main branch of the district's economy is agriculture. Out of the total of 154,600 ha, 64% are agricultural land. In Giurgiulesti there is a port and a free economic zone which represents a key economic potential. Cahul hosts the State University of Cahul, opened in 1999. Currently,

[29] https://www.primsoroca.md/ro/planuri-strategice
[30] http://freezone-valcanes.md/media/about/pdf//about_4703915732160561e66.pdf
[31] Riscani royonal council website.

on the territory of Cahul district, there are 781 commercial objectives, including 462 in urban areas and 319 in rural areas, which are represented by shopping centers and temporary constructions (kiosks) or adapted constructions that do not have the necessary urban equipment.[32]

In Vulcanesti there are more than 600 economic agents registered in the city. Near Vulcănești, at a distance of 6 km is located the free economic zone, which consists of 2 subzones, one with an area of 78 ha, another, which is currently developing intensively, with an area of 44 ha. The free economic zone of Vulcanesti is located on the border between 3 countries: Moldova, Ukraine and Romania. The residents were registered in the free economic zone have been created more than 500 jobs.[33]

The city's agricultural sector specializes in the production of grapes, fruits, vegetables and meat.

The city's trade system consists of 101 commercial units, 30 waiters and 17 bars and cafes. The city of Vulcănești has 3 accommodation units. The financial-banking sector is represented by 4 branches of commercial banks.

4.4 Impacts of Climate Change and Water Pollution on Local Economy

The climate extremes, channeled through the hydrological cycle, impose large economic costs on the country. The average annual economic impact of floods is estimated at US$100 million annually (0.1–0.2 percent of GDP), directly or indirectly affecting 70,000 Moldovans. Moldova's environment has suffered from neglect, specifically in the last 40-60 years, when economic growth was prioritized over environmental goals. This has resulted in polluted waters and an overall poor ecological status of many water bodies in the Prut–Danube–Black Sea and Dniester basin. Approximately 40 percent of water produced for municipal and industrial use is collected but effective treatment is much lower, although not exactly known. Untreated wastewater and industrial and diffuse pollution from agriculture have severely deteriorated the quality status of surface water, limiting the use of these resources for many purposes without costly treatment. High levels of river canalization and deteriorated watersheds and wetlands across the country have compromised ecosystem services. Their restoration is necessary to preserve natural capital and help mitigate the effects of floods and create value through nature-based tourism, a small niche in the economy.

Investing in water security yields high benefit-cost ratios across scenarios and sectoral investments (urban and rural water supply, irrigation, floods). With high upfront financing needs, prioritization remains political and shaped by external developments.

The COVID-19 pandemic, economic recession, and another drought in 2020 highlight the necessity to invest in water supply services, as well as irrigated agriculture to support future jobs, economic recovery, food security, and health outcomes

Climate, along with soils, is the main natural resource of Moldova, determining its agricultural productivity and ecosystems services, which in turn support the livelihoods of about half of Moldova's population, especially in the conditions of its transition economy and current world economic and financial crisis. The country is located in a temperate continental climate zone, slightly modified by the proximity of the Black Sea and the intrusion of warm wet air from the Mediterranean. At times, there are northern cold-air surges. Climatic seasons are clearly defined with a short and soft low-snow winter and a long summer, sometimes very hot and dry. Annual mean air temperature for the country as a whole averages 9.3 °C, ranging across the country's territory from 7.8 to 9.9 °C[34]. Being rich inwarmth, Moldova has limited precipitation, which decreases from 615 to 485 mm from northwest to southeast. On the whole,

[32] Cahul rayonal council
[33] Vulcanesti website.
[34] NHDR Moldova

Moldova is located in an insufficiently wet zone which results in a high frequency of droughts, which negatively affect its economy. For example, only between 1990 and 2007, nine droughts were registered in the country. A record catastrophic drought, which aff ected 75-80 per cent of the country area and had very severe consequences for national economy, was observed in 2007. The 2010-2020 was also very warm years. The 2020 summer was with droughts on the entire territory.

Economic water security is an important but often overlooked dimension of water security, which traditionally focuses on physical endowments and withdrawals. Instead, economic water security measures the productive use of water as a driver of economic growth and as a key input to many industries, including food production, manufacturing, energy generation, as well as nonconsumptive sectors, such as tourism. Although physical water scarcity might undermine economic growth, so too does economic water insecurity, in which limited investments in the sustainable management and utilization of water endowments prevent water needs from being met.

There is potential to advance the sustainable use of Moldova's water resources for better economic outcomes. As a percentage of total renewable resources, Moldova's water withdrawals are low, less than 5 percent. Water use has declined during the past two decades as a result of decreasing irrigation water use and other economic changes. However, water is central to the economy, driving higher-value agricultural productivity, powering industry, and contributing to the country's energy production through thermal cooling and small-scale hydropower. With further industrialization, water security will be key to its economic success, whereas inefficient water management can be costly, directly, as well as through foregone economic development gains.[35]

Reliable and good quality municipal water services are critical for Moldova's growing agrifood businesses, light manufacturing (light industry), and also its services and tourism sector. There remains room for improvement, both in terms of connectivity as well as reliability of supply. In a survey carried out in 2017, 5 percent of firms reported experiencing disruption in production because of water supply outages over 72 hours in length (World Bank 2017). Expanding water supply and wastewater treatment services to people and businesses—specifically to economic and industrial zones—will increase productivity and protect the environment from pollution, avoiding downstream costs.

In line with historic trends, most water is withdrawn for thermal cooling, currently 76 percent of total withdrawals,[3] whereas 22 percent is used for municipal supply to households and industry. With the decline of large areas under functional centralized irrigation systems, and a reliance on rainfed commodity cropping, withdrawals for irrigation have declined to under 1 percent of total withdrawals. This share was estimated to be approximately 10 percent in the early 1990s(FAO 2019). The low level of total water withdrawals as a percentage of renewable resources (5 percent) indicates that Moldova can use its water resources for development.

Agriculture remains an important pillar of the economy, representing 10 percent of gross domestic product (GDP) in 2019. Its value for jobs is significant, employing a third of Moldova's labor force. Agricultural produce and food products account for 45 percent of exports, and most exports still comprise commodity crops, such as oil seeds and cereals. Moldova's largely rainfed agriculture remains vulnerable to droughts, with volatile outputs that expose the economy and affect rural livelihoods. Despite challenges, Moldova's agricultural sector can be a motor for diversification and growth in the future. Since 2010, the area cropped, and the harvests of fruits and vegetables have increased. Although Moldova is transitioning toward a more diversified economy, opportunities from a higher-value agriculture are not fully realized. This is partly the result of underinvestment and poor management of state-owned irrigation schemes, most of which are now dysfunctional. Moldova has both high riverine flood risk and drought risk

[35] Moldova Water Security Diagnostic and Future Outlook (WB, 2020)

because of the interannual and intra-annual variability of its precipitation patterns and its mostly rainfed agriculture sector.

Employment. According to the results of the annual research "Earnings and labor costs in 2019"[36], the average number of employees was 625.2 thousand people, 2% (or 12.2 thousand people) more than in 2018.

The distribution of employees by economic activities reveals that most employees were engaged in the activities of:

- industry - 17.8% of the average total number of employees
- wholesale and retail trade; maintenance and repair of motor vehicles and motorcycles - 16.7%
- education - 15.3%
- health and social assistance - 9.7%.

Women predominate among employees (326.9 thousand, or 52.3% of the average number of employees). The share of women and men differs significantly by economic activities and is largely influenced by the profile of economic activities. Thus, women are mainly found in the activities:

- health and social assistance - 81% of the average total number of employees in this activity
- education - 76.7%
- financial and insurance activities - 70.1%
- accommodation and catering activities - 65%.

Men predominate in the activities:

- constructions - 86.8% of the total employees in this activity
- agriculture, forestry and fishing - 73%
- transport and storage - 71.8%
- administrative service activities and support service activities - 64.9%.

In 2019, there were 46,900 **unemployed persons**.[37] In terms of gender, more men (27,600) was unemployed than women (19,300) in 2019. The highest share in unemployed persons makes people unemployed for less than six month (32,000 persons). People from rural area accounts for the highest share of unemployed persons, 26,000 unemployed persons from rural area comperea to 20,000 from urban.[38] The South Region has the higher unemployment rate compered with the total population rate and the North region lower (Table 9).

Table 9: Employment and unemployment *r*ate *(%)*, by regions 2019[39]

Item	Employment rate	Unemployment rate
Total population	40.1%	5.1%
North Region	42.5%	4.3%
Center Region	33.6%	6.3%
South Region	31.3%	5.8%
Chisinau mun.	52.6%	4.6%

Source: NBS

[36] https://statistica.gov.md/print.php?l=en&idc=168&id=6742
[37] https://statistica.gov.md/newsview.php?l=ro&idc=168&id=6617
[38] statbank.statistica.md/
[39] Statistical Regions are different than Regional Development Regions. https://statistica.gov.md/pageview.php?l=en&id=5091&idc=349

4.5 Poverty

Although the Republic of Moldova has made progresses in income increase, the income of the population remains the smallest in the region, ranking the Republic of Moldova as the poorest country in Europe. From 2010 to 2019 the average disposable income of the population grew by 53.5% from MDL 1,273.7 to MDL 1,956.6. At the same time, the discrepancy between the income of urban and rural population has increased – from 23.6% in 2010 up to 41.8% in 2015, which proves that social inequalities between the urban and rural population have deepened.[40]

The key poverty and inequity indicators for Moldova (comparative figures for 2014 and 2019), are presented in Table 10.

Table 10: Poverty and Inequity Indicators in Moldova, 2014 and 2019

Item	2014	2019
Absolute poverty line (MDL[41])	1558.6	2095,1
Absolute poverty rate, total population	29.5%	25.2%
Absolute poverty rate for + 60 years single-member household	31%	38.1%
Absolute poverty rate for household with 3 and more children	57.8%	38,1%
Absolute poverty rate for rural households	39.5%	34.5%
Absolute poverty rate for urban households	15.6%	11.2%
Absolute poverty rate for South region[42]	35.1%	40,4%
Absolute poverty rate for North region[43]	31.9%	27.7%
Extreme poverty rate	12.8%	10.7%

Source: NBS

The poverty rate in 2019 was higher in the South region (40.4%). Households with single elderly people and those with more than 3 children are most at risk of living in poverty. Poverty also varies depending on the level of education of the head of the household. Each additional level of education of the head of the household means a decrease in the poverty rate, from 78.3% for households where the head of the household has primary education or no education, to 4.6% for households where the head of the household has higher education[44].

Over the years, low salaries have resulted in international labor migration. Labor migration intensification has generated a growth of money transfers, which currently are a significant source in the households' budget. On average, remittances represent 12.5% of total households' income[45]. The most important source of income for households with at least one person with disabilities is social benefits.[46]

Public opinion polls reveal that about 27% of respondents saying their incomes are not enough to cover the bare necessities, 43% saying they just cover the necessities, and 22% saying they provide for a decent life but not expensive

[40] Inequalities in urban and rural Moldova: Beyond incomes and averages, looking into the future of inequalities, UNDP, Moldova 2020

[41] 1 US$= 17.75 MDL

[42] South Region includes Cahul, Comrat, Vulcanesti

[43] North Region includes Soroca and Costesti

[44] NBS, https://statistica.gov.md//newsview.php?l=ro&idc=168&id=6865#idc=429&

[45] NBS, https://statistica.gov.md/newsview.php?l=ro&idc=168&id=6614

[46] NBS, HBS

goods; only 6 per cent consider themselves better off.[47]

4.6 Labor Conditions

In the Republic of Moldova, the share of informal employment is relatively high (23.1% was in 2019)48. Informal employment is most common among the rural employers, men, young and unskilled workers.[49]

Undeclared (based on verbal agreements) work among employees accounted for 7.2% in 2019. The practice of hiring without completing individual employment contracts (based on verbal agreements) is more common among male employees (9.1%) than female employees (5.6%). The largest shares of employees who work only on the basis of verbal agreements, are estimated in agriculture (48.3%), trade (16.0%), construction (15.3%) and industry (6.4%).[50]

Under-declaration of wages/ envelop wages are widespread in Moldova, at least 21.3% of Moldova's employees partially of fully received their salaries in envelopes, according to an opinion poll conducted in 2018[51]. According to the NBS data "Earnings and labor costs in 2019" the average gross nominal monthly earning of an employee was 7233.7 lei, increasing by 15.4% (or 965.7 lei) compared to 2018. (1 US$= 17.75 lei) and the average net monthly nominal salary was 6010.1 lei, by 16.9% (or 868.2 lei) more than in 2018.

The detailed labor conditions requirements are mandatory for the entire country and do not differ by location or region. A separate document - Labor Management Procedure (LMP) is developed and will be attached to ESMF (Annex 9).

Trade unions, labor safety control institutions are not very functional in the Republic of Moldova. Mostly, the employees choose to change jobs when they are dissatisfied with the working conditions, salary, salary delays, etc., without addressing other institutions. Distrust persists in state institutions, and addressability is low due to bureaucratic procedures and the perception that justice will not be served. For this reason, employees should be informed about the benefits of formal employment and encouraged to claim their rights when they are violated. All project workers are encouraged to use the existing project grievance mechanism to raise workplace concerns.

4.7 Main Gender Gap and Citizens Engagement Relevant to this Project

The *Gender Gap and Citizen Engagement Analysis*[52] was prepared as a standalone document for this Project. The analysis was conducted to serve as information for developing entry points for gender mainstreaming in the project and developing approaches for customer orientation and citizens engagement.

This Analysis focuses on three main issues, as follows:

(i) employment opportunities and decision making in WSS utilities.
(ii) gender vulnerabilities in utility customer feedback mechanisms (information, satisfaction and opportunity for feedback, complaints resolution).
(iii) project entry points for strengthening citizen engagement and customer orientation.

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[47] Public Opinion Barometer, hOp://bop.ipp.md/
48 NBS, statbank.statistica.md
49 NBS
50 https://statistica.gov.md/newsview.php?l=ro&idc=168&id=6617&parent=0
[51] CBS-AXA/IDIS, http://www.viitorul.org/ro/content/salariile-%C3%AEn-plic-prejudiciaz%C4%83-bugetul-public-na%C8%9Bional-cu-35-miliarde-anual
[52] Gender Gap and Citizen Engagement Analysis was conducted in the localities included in the project (Cahul, Costesti (Rascani), Comrat, Soroca) during October – November as the preparation stage of the Moldova Water Security and Sanitation Project (P173076)

4.7.1 Employment Opportunities and Decision Making in WSS Utilities

The Analysis shows that women are overall underrepresented in the Moldova water sector (only 22% [53] of all workers in consulted WSS utilities in the project area). Gender-based division of jobs is present in the consulted WSS utilities.

Based on analysis of data from the four utilities it is observed that higher gender segregation is more characteristic for larger enterprises. Interviews with HR suggested that this might be linked with the proportion of skilled versus non-skilled share of employees in large enterprises. More specifically, large enterprises have a higher number of employees and most of them are workers. Since women are concentrated in office-related, administrative and accounting jobs, their share in larger enterprises is therefore smaller, compared with small enterprises.

Soroca and Costesti utilities will be used below as examples of detailed organizational structure to understand the specifics of gender segregation and category of jobs. Costesi has the largest female share in its organizational structure (37%), while Soroca has the lowest female share (18%).

Analysis of HR data provided by the surveyed utilities identified that in some utilities, despite low female share in the overall employee structure, recruitment shares were lower among women. For example, in Soroca in the past 12 months the share of female new employees constitutes 36% (vs. 64% men), in Comrat 22% (vs. 78% men), in Cahul only men were recruited. The last listed utility had recruited the largest number of new employees compared with other utilities. Feedback from the HR interview explained that this is linked with traditional occupational segregation and non-attractiveness of low skilled categories of jobs for female candidates.

The proposed interventions to increase to enhance women's employment and decision making in the water sector are:

- Supporting of internship trainee programs, in coordination with the sector association AMAC, MARDE and educational institutes of various levels: secondary level education (TVET schools), postsecondary technical education (college) and higher education (university) to attract more young staff, specifically females in the WSS sector, specifically in technical roles,
- Requiring as part of a utility performance improvement plan to include measures and targets for increasing gender equality and to report on implementation of measures indicating specific HR measures such as conversion upskilling programs specifically targeted at women, to enhance gender equality in the workplace and to raise awareness.
- Training and sensitization workshops and learning events for senior WSS sector decision makers, Regional Development Agency staff and managers of WSS operators, such as facilitated through the Equal Aqua Platform[54], so that any proposed internship and/or trainee program could be piloted at a national level, potentially leveraging support of other partners.
- Setting a proposed indicator to measure progress related to the share of female trainees participating in trainee programs among participating utilities and WSS institutions.
- Initiating discussions at sector level between the national association AMAC, Ministry of Education, Culture and Research, Ministry of Economy, Ministry of Agriculture, Regional Development and Environment to define a strategic approach to address the problem related to merging of Water and Sanitation dpt. at the Technical University of Moldova and lack of trained specialists in the water and sanitation sector.

4.7.2 Gender vulnerabilities in utility customer feedback mechanisms

According to feedback from interviews and focus groups, in all the surveyed communities' citizens are provided with

[53] From 404 persons employed in the four utilities covered by the assessment, 87 were female
[54] https://www.worldbank.org/en/topic/water/brief/inclusive-water-institutions-platform

information about the WSS utility and its services, including tariffs, projects, planned operations, etc. Customers mentioned that their Utilities have different mechanisms for providing information to customers: social media networks, information boards in front of the utility, information boards placed in front of their block of flats, information boards placed at Primaria, local radio &TV (only Costesti does not have a local TV, though they have a local radio-station).

Analysis of Facebook pages of Cahul Utility[55], identified that the utility is an active user of this communication channel and regularly publishes information on water disruption, tender information, vacancy announcements. The website56 of the utility is user-friendly, regularly updated and contains information on how the tariff is formed, water supply and wastewater services, templates of contracts, etc. The other three utilities do not have websites or Facebook pages. Comrat Utility intermittently uses the Facebook page of Mayor's office to inform about planned water supply disruption.

The analysis identified that all utilities have some sort of GRM, which allows customers to submit complaints in writing directly to the office of the utility, verbally to field-employees (technicians, field-engineers, meter-readers), and on the phone. In case of Cahul utility, which has a hotline on the website and a Facebook page, these channels are also used by customers for sending complaints.

Women participate in the local decision-making mechanisms to a significant extent. As reported in the Analysis, Citizens' consultation meetings should be gender balanced and women should be explicitly invited to participate in policy dialogue. The WSS utilities can ensure that women's organizations and other organizations, such as youth, elderly, ethnic minorities are reached for dissemination of invitations and ensuring wide citizens' representations. Alternatively, smaller, and more focused consultation events can be held in order to encourage women's participation, particularly of women from vulnerable groups (Roma, less educated, from households with 3 and more children).

4.7.3 Project Entry Points for Strengthening Citizen Engagement and Customer Orientation

The MWSSP should create space, which would allow citizens, local public authorities, utilities and construction contractors to use a two-way feedback on project implementation, including project-specific investments in the subprojects, proposed service delivery arrangements and transparent contracts, local representation in the governance boards of WSS operators, tariffs and connection fees and metering arrangements. The potential channels should include community consultation meetings, digital and other media information and communication campaigns, and beneficiary satisfaction surveys at regular intervals to course correct. The capacity development and activities conducted during the project should be designed to empower citizens and communities to stay engaged inclusively after completion of the project in monitoring the service delivery, procurements, contract awards, and any other practices, which contribute to increased transparency, improved efficiency of service delivery and reduce opportunities for corruption in the sector.

4.8 Gender-based Violence, Sexual Harassment, Sexual Exploitation and Abuse

In Moldova 63.4% of women aged >15 suffered at least one form of physical, psychological, or sexual violence during their lives. Rates in rural areas are even higher at 69%[57] (the highest among CIS countries). Sociological studies demonstrated prevalence of physical violence in 50% of the interviewed men's families, and pointed at problematic traditional perceptions and stereotypes, and persisting gender inequality in families/society as root causes of violence: e.g. 27.7% of men/17.5% of women believe that a woman should tolerate violence to save the family, and 41.1% men/ 19.1% women believe that there are situations when a woman's beating is justified.[58] The situation is worse for women in rural areas and with low level of education.

[55] https://www.facebook.com/ApaCanalCahul
[56] http://www.apacanalcahul.md/ro/BillRatesPaymentServices/Tariffs/
[57] NBS, Violence against Women in the Family in the Republic of Moldova", Chisinau, 2011
[58] La Strada/ CBS AXA, 2014

Republic of Moldova has ratified or inherited a number of national and international commitments on gender equality and GBV prevention, including the adoption of Law no. 196; signing the Council of Europe Convention on preventing and combating violence against women and domestic violence[59]; signing and ratifying the CEDAW Convention[60], one of the first conventions signed and ratified by the Republic of Moldova, on elimination of any form of discrimination against women, the Republic of Moldova is still a country where women are constantly discriminated in all the areas of life.

There is currently an emergency telephone line (0 8008 8008): accessible 24/24 hours a day, offering victim counseling services, information in conditions of anonymity and confidentiality, managed by the International Center "La Strada".[61]

4.9 Vulnerable Groups

Disadvantaged / vulnerable individuals or groups are potentially disproportionally affected and less able to benefit from opportunities offered by the project due to specific difficulties to access and/or understand information about the project and its environmental and social impacts and mitigation strategies. Such groups are also more likely to be excluded from the consultation process. It also includes groups who may be difficult to reach due to communication barriers (language, illiteracy) and those who are in the informal housing market or informal economy and those who are very poor and may find it hard to pay regular tariffs.

Disadvantaged / vulnerable individuals or groups in the project area include “low-income households” (see point 4.7 Poverty); elder-headed households (≥ pension age) without any other household member bringing in income; persons with disabilities, Roma groups family with more children are living in very poor conditions. Even if they live in the vicinity of the water or sanitation system, some low-income families do not have a connection to such systems.

The Roma population is categorized among the most vulnerable social groups due to low level of education. There are some localities where Roma people live compact and the main problem of these communities are low education of their members. A huge number of Roma people cannot read and write and respectively need adapted methods of engagement. Also, many Roma families have been severely affected by economic consequences of the COVID-19 pandemic as they have lost their possibilities for short term migration. In case they have a job, which is very rare, it is usually some unregistered and lower paid job. In Soroca lives an important Roma Community, about 10,000 people[62]. Approximately 60 percent of Roma families live in rural areas, often in deplorable living conditions, without running water, sanitation facilities and heating.[63] According to the report on inequalities in the Republic of Moldova[64], even in settlements where communal services are available, Roma households have much lower access to these services compared to non-Roma households living in the same localities.

The Gagauz are vulnerable due to communication barriers, the most of them do not speak Romanian, but usually they know Russian and Gagauz. In Comrat about 73% from population are ethnic Gagauz. For the Gagauz engagement in the project consultation project the information disclosure should be done also in Russian.

Vulnerable groups within the communities affected by the project will be further confirmed and consulted through dedicated means, as appropriate. Description of the methods of engagement that will be undertaken by the project is

[59] also known as the Istanbul Convention on February 6, 2017
[60] The Committee on the Elimination of Discrimination against Women
[61] http://lastrada.md/
[62] According 2014 Census - 9.323 people. The Roma leaders consider that the figure is higher, from discrimination concerns, some of Roma people do not declare themselves as Rom.
[63] *https://rm.coe.int/report-on-the-visit-to-moldova-from-9-to-13-march-2020-by-dunja-mijato/16809ed0e4*
[64] East Europe Foundation, Unequal Moldova: Analysis of the most relevant inequalities in the Republic of Moldova, 2018, page 23

provided in the SEP developed for this Project.

5 LEGAL FRAMEWORK

5.1 The World Bank requirements

5.1.1 The World Bank Environmental and Social Framework

WB's Environmental and Social Framework[65] became effective in October 2018. The Framework sets out the Bank's commitment to sustainable development, through a Bank Policy and a set of Environmental and Social Standards (ESS) that are designed to support Borrowers' projects, with the aim of ending extreme poverty and promoting shared prosperity. The Bank's Framework consists of three parts as shown in diagram 10 below :

Figure 10: World Bank Framework

Risk Classification

The Bank classifies all projects into one of four classifications; the risk rating of operation on environment is described in the table 11.

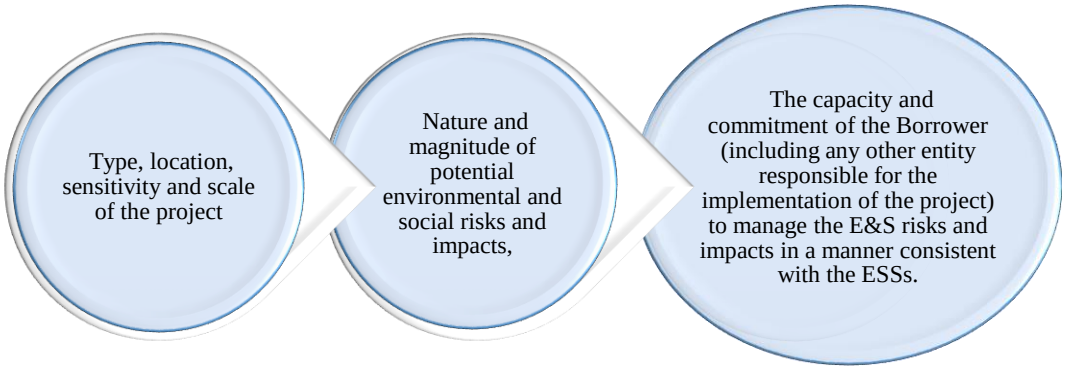
Table 11: Risk rating of operation on environmental components

Risk rating	Risk description
High Risk	Risks have a large geographic footprint; have strong synergistic or cumulative effects with other initiatives and involve mitigation or management measures which are complex or unproven; they are beyond the direct control of the operation. The operation is likely to have adverse environmental impacts that are sensitive, diverse, and/or unprecedented.

[65] Available in English at: *http://pubdocs.worldbank.org/en/837721522762050108/Environmental-and-Social-Framework.pdf*

Risk rating	Risk description
Substantial Risk	These risks will be less diverse or complex and, while they may be more predictable, many such risks are still beyond the direct control of the operation. The operation may have potential adverse environmental impacts, but these are less severe. Such impacts could be on environmentally or socially sensitive areas, but the operation is less likely to have a large footprint and impacts will be site-specific, less divers and complex and will have less potential for strong synergistic or cumulative impacts.
Moderate Risk	These risks are well understood and expected to be limited in impact. The operation may have some adverse environmental and social impacts. Such impacts would tend to be away from environmentally or socially sensitive areas. The operation may also have some adverse effects on gender, vulnerable groups, poverty, equity.
Low Risk	There are few or no risks of adverse impacts, the project footprint is small, and activities present little or no direct impacts.

In determining appropriate risk classification, the Bank takes into account relevant issues such as:



Other areas of risk may also be relevant to the delivery of E&S mitigation measures and outcomes, depending on the specific project and the context in which it is being developed. These could include legal and institutional considerations; the nature of the mitigation and technology being proposed; governance structures and legislation; and considerations relating to stability, conflict, or security.

Projects involving multiple small subprojects

For projects involving multiple small subprojects, that are identified, prepared, and implemented during the course of the project, the Bank will review the adequacy of national E&S requirements relevant to the subprojects, and assess the capacity of Borrower to manage the E&S risks and impacts of subprojects. When necessary, the project will include measures to strengthen the capacity of the Borrower.

The Borrower is required to carry out appropriate E&S assessment of subprojects, and prepare and implement such subprojects, as follows:

⇒ High risk subprojects, in accordance with ESSs.

⇒ Substantial, moderate, and low risk subprojects, in accordance with national law and any requirement of the ESSs that the Bank deems relevant for such subprojects.

Where subprojects are likely to have minimal or no adverse environmental or social risks and impacts, such subprojects do not require further environmental and social assessment following the initial screening (Annex 1).

5.2 Environmental and Social Standards (ESS)

Ten ESS set out the requirements for Borrowers relating to the identification and assessment of environmental and social risks and impacts associated with projects supported by the Bank through Investment Project Financing. The Bank believes that the application of these standards, by focusing on the identification and management of environmental and social risks, will support Borrowers in their goal to reduce poverty and increase prosperity in a sustainable manner for the benefit of the environment and their citizens.

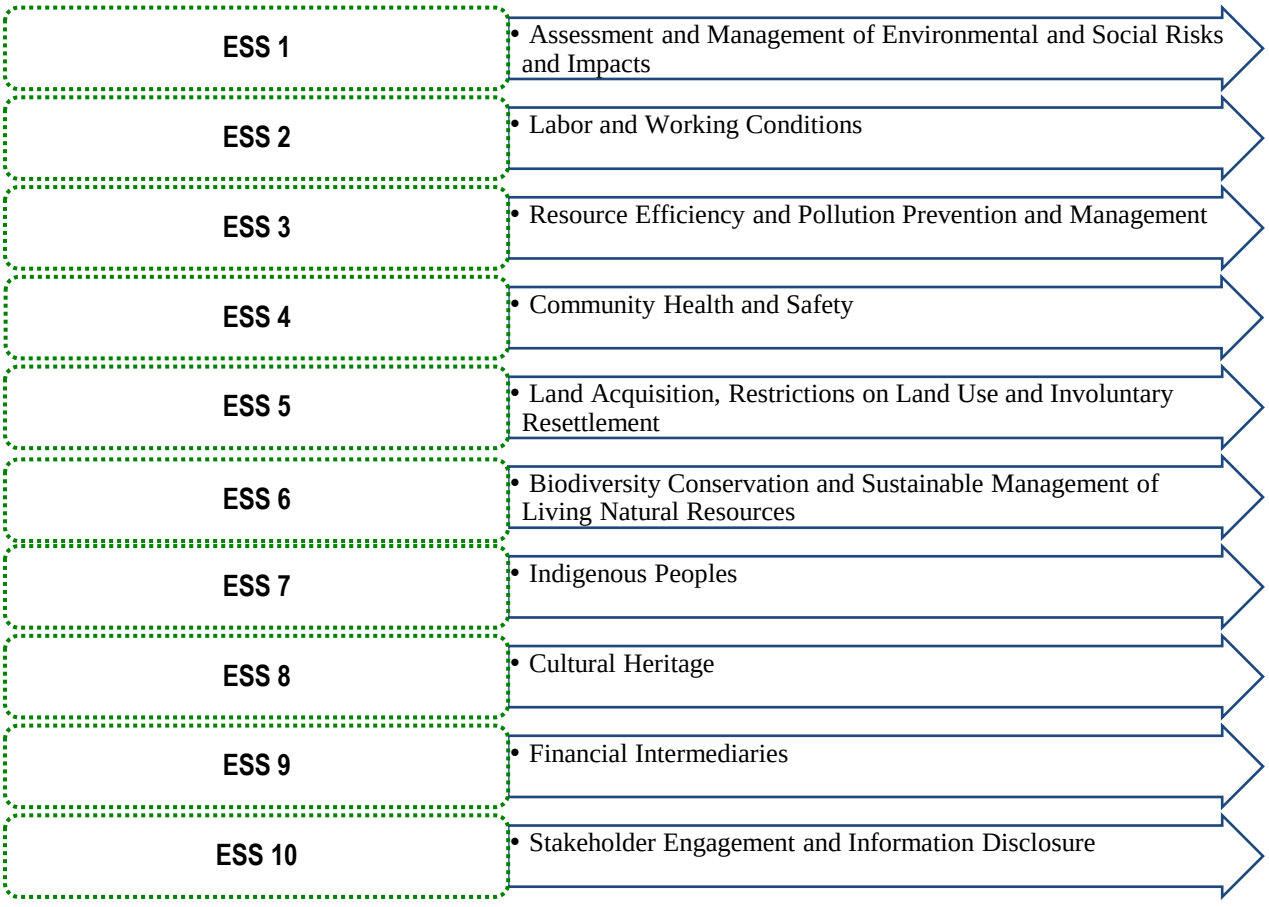
The standards will:

⇒ support Borrowers/Clients in achieving good international practice relating to environmental and social sustainability.

⇒ assist Borrowers/Clients in fulfilling their national and international environmental and social obligations.

⇒ enhance nondiscrimination, transparency, participation, accountability, and governance.

⇒ enhance the sustainable development outcomes of projects through ongoing stakeholder engagement.



Out

of ten ESS, only **seven apply to the MWSS Project** and establish the conditions that the Borrower and the project will meet throughout the project life cycle (see the chapter 6.1 below).

ESS 1 - Assessment and Management of Environmental and Social Risks and Impacts

ESS1 sets out the Client's responsibilities for assessing, managing and monitoring environmental and social risks and impacts associated with each stage of a project supported by the Bank through Investment Project Financing, in order to achieve environmental and social outcomes consistent with the Environmental and Social Standards (ESSs).

The environmental and social assessment will be based on current information, including a description and delineation of the project and any associated aspects, and environmental and social baseline data at an appropriate level of detail sufficient to inform characterization and identification of risks and impacts and mitigation measures. The assessment will evaluate the project's potential environmental and social risks and impacts, with a particular attention to those that may fall disproportionally on disadvantaged and/or vulnerable social groups; examine project alternatives; identify ways of improving project selection, sitting, planning, design and implementation in order to apply the mitigation hierarchy for adverse environmental and social impacts and seek opportunities to enhance the positive impacts of the project.

Within ESS1, the Borrower is obliged to:

- Conduct an E&S assessment of the propose subproject, including stakeholder engagement,
- Based on the E&S assessment, prepare site-specific ESMPs for each subproject financed undere the MWSS project
- Undertake stakeholder engagement and disclose appropriate information in accordance with ESS10,
- Develop an Environmental and Social Commitment Plan (ESCP) and implement all measures and actions set out in the legal agreement including the ESCP,
- Conduct monitoring and reporting on the environmental and social performance of the project against the ESSs.

According to ESS1 the Client will manage environmental and social risks and impacts of the project throughout the project life cycle in a systematic manner, proportionate to the nature and scale of the project and the potential risks and impacts.

ESS 2 – Labor and Working Conditions

ESS2 recognizes the importance of employment creation and income generation in the pursuit of poverty reduction and inclusive economic growth. Borrowers can promote sound worker-management relationships and enhance the development benefits of a project by treating workers in the project fairly and providing safe and healthy working conditions. ESS2 applies to **project workers** including fulltime, part-time, temporary, seasonal and migrant workers.

The term "project worker" is related to:

a) people employed or engaged directly by the Borrower (including the project proponent and the project implementing agencies) to work specifically in relation to the project (direct workers);
b) people employed or engaged through third parties to perform work related to core functions of the project, regardless of location (contracted workers);
c) people employed or engaged by the Borrower's primary suppliers (primary supply workers); and
d) people employed or engaged in providing community labor (community workers).

ESS2 objectives are:

- To promote safety and health at work.
- To promote the fair treatment, nondiscrimination and equal opportunity of project workers.

- To protect project workers, including vulnerable workers such as women, persons with disabilities, children (of working age, in accordance with this ESS) and migrant workers, contracted workers, community workers and primary supply workers.
- To prevent the use of all forms of forced labor and child labor.
- To support the principles of freedom of association and collective bargaining of project workers in a manner consistent with national law.
- To provide project workers with accessible means to raise workplace concerns.

The Borrower developed and will implement written labor management procedures (LMP) applicable to the project and attached to the ESMF. These procedures will set out the way in which project workers will be managed, in accordance with the requirements of national law and this ESS. The procedures will address the way in which this ESS will apply to different categories of project workers including direct workers, and the way in which the Borrower will require third parties (contracted workers) to manage in accordance with ESS2. In addition, a Grievance Redress Mechanism for workers will be developed.

ESS 3 – Recourse and Efficiency, Pollution Prevention and Management

ESS3 recognizes that economic activity and urbanization often generate pollution to air, water, and land, and consume finite resources that may threaten people, ecosystem services and the environment at the local, regional, and global levels. The current and projected atmospheric concentration of greenhouse gases (GHG) threatens the welfare of current and future generations. At the same time, more efficient and effective resource use, pollution prevention and GHG emission avoidance, and mitigation technologies and practices have become more accessible and achievable. This ESS sets out the requirements to address resource efficiency and pollution prevention and management throughout the project life cycle.

ESS3 objectives are:

- To promote the sustainable use of resources, including energy, water and raw material.
- To avoid or minimize adverse impact on human health and the environment by avoiding or minimizing pollution from project activities.
- To avoid or minimize project-related emissions of short and long-lived climate pollutants.
- To avoid or minimize generation of hazardous and non-hazardous waste.
- To minimize and manage the risks and impacts associated with pesticide use.

Besides, the Borrower will avoid the release of pollutants or, when avoidance is not feasible, minimize and control the concentration and mass flow of their release using the performance levels and measures specified in national law or the World Bank Group Environmental, Health and Safety Guidelines[66], whichever is most stringent. This applies to the release of pollutants to air, water and land due to routine, non-routine, and accidental circumstances, and with the potential for local, regional, and transboundary impacts. Pollution prevention and management includes management of:

- Air pollution
- Hazardous and non-hazardous waste
- Chemicals and hazardous material
- Pesticides

[66] World Bank Group Environmental, Health and Safety Guidelines (EHSG), available at: *https://www.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/Sustainability-At-IFC/Policies-Standards/EHS-Guidelines/*

The ESMF includes sections on resource efficiency and pollution prevention and management. Assessment of risks and impacts and proposed mitigation measures related to relevant requirements of ESS3, including raw materials, water use, air pollution, hazardous materials, and hazardous waste are included within scope of the ESMF, and ESMPs as relevant.

ESS 4 – Community Health and Safety

ESS4 recognizes that project activities, equipment, and infrastructure can increase community exposure to risks and impacts. In addition, communities that are already subjected to impacts from climate change may also experience an acceleration or intensification of impacts due to project activities. ESS4 addresses the health, safety, and security risks and impacts on project-affected communities and the corresponding responsibility of Borrowers to avoid or minimize such risks and impacts, with particular attention to people who, because of their particular circumstances, may be vulnerable.

Objectives of ESS4 are the following:

- To anticipate and avoid adverse impacts on the health and safety of project-affected communities during the project life cycle from both routine and non-routine circumstances.
- To promote quality and safety, and considerations relating to climate change, in the design and construction of infrastructure, including dams.
- To avoid or minimize community exposure to project-related traffic and road safety risks, dis-eases and hazardous materials.
- To have in place effective measures to address emergency events.
- To ensure that the safeguarding of personnel and property is carried out in a manner that avoids or minimizes risks to the project-affected communities.

ESS 5 – Land Acquisition, Restriction on Land Use and Involuntary Resettlement

ESS5 requirements cover the preparation and implementation of a resettlement framework or plan which will set ground for:

⇒ general requirements such as eligibility classification, project design, compensation and benefits for affected persons, community engagement, grievance mechanism, planning and implementation;
⇒ physical and economic displacement;
⇒ collaboration with other responsible agencies or subnational jurisdictions; and
⇒ technical and financial assistance.

ESS 6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

This standard is applicable to all projects that potentially affect biodiversity or habitats, either positively or negatively, directly or indirectly, or that depend upon biodiversity for their success.

The objectives of ESS6 is to:

⇒ protect and conserve biodiversity and habitats;
⇒ apply the mitigation hierarchy and the precautionary approach in the design and implementation of projects that could have an impact on biodiversity;
⇒ promote the sustainable management of living natural resources; and
⇒ support livelihoods of local communities through the adoption of practices that integrate conservation needs and development priorities.
⇒ avoid or minimize generation of hazardous and non-hazardous waste

The applicability of ESS6 depends on the environmental and social assessment described in ESS1.

The Borrower is obliged to avoid adverse impacts on bio-diversity and habitats. When avoidance of adverse impacts is

not possible, the Borrower will implement measures to minimize adverse impacts and restore biodiversity in accordance with the mitigation hierarchy provided in ESS1 and with the requirements of this ESS. Where significant risks and adverse impacts on biodiversity have been identified, the Borrower will develop and implement a Biodiversity Management Plan[67]. A Biodiversity Management Plan (BMP) includes key biodiversity objectives, activities to achieve the objectives, an implementation schedule, institutional and gender-inclusive responsibilities, cost and resourcing estimates.

ESS 10 Stakeholder Engagement and Information Disclosure

This ESS recognizes the importance of open and transparent engagement between the Borrower and project stakeholders as an essential element of good international practice. Effective stakeholder engagement can improve the environmental and social sustainability of projects, enhance project acceptance, and make a significant contribution to successful project design and implementation.

The client will engage with stakeholders throughout the project life cycle, commencing such engagement as early as possible in the project development process and in a timeframe that enables meaningful consultations with stakeholders on project design. The nature, scope and frequency of stakeholder engagement will be proportionate to the nature and scale of the project and its potential risks and impacts.

Stakeholder engagement is an inclusive process conducted throughout the project life cycle. Where properly designed and implemented, it supports the development of strong, constructive and responsive relationships that are important for successful management of a project's environmental and social risks.

Stakeholder engagement is most effective when initiated at an early stage of the project development process and is an integral part of early project decisions and the assessment, management and monitoring of the project's environmental and social risks and impacts. In consultation with the Bank, the Borrower has developed a Stakeholder Engagement Plan (SEP) proportionate to the nature and scale of the project and its potential risks and impacts of the ESS triggered for this Project.

5.3 National Policy, Legal and Institutional framework

5.3.1 National Policy framework

At **sustainable national policy level,** the following key documents are relevant.

The water and sanitation policy is formulated in the **Water supply and sanitation strategy (2014 - 2030),** approved by Government Decision no. 199 of March 20, 2014 (with respective addendums). The general objective of the Strategy is to ensure the gradual access to safe water and adequate sanitation for all localities and population of the Republic of Moldova, contributing to the improvement of health, dignity and quality of life and economic development of the country. Based on the general objective, three specific objectives are formulated: a) improving the management of public water supply and sanitation services; b) planning and development of public water supply and sewerage systems in order to increase the level of population access to high quality services; c) harmonization of national legislation in the field of water supply and sanitation in accordance with EU standards and international commitments.

Water and health policy measures are provided by the **National Program for the implementation of the Protocol on Water and Health in the Republic of Moldova for the years 2016-2025,** that was approved by Governmental Decision

[67] Depending on the nature and the scale of the risks and impacts, to address biodiversity conservation as an integral aspect of sustainable development within the project, the Biodiversity Management Plan may be a stand-alone document or it may be included as part of the Environmental and Social Commitment Plan prepared under ESS1.

no. 1063 of 16.09.2016. The overall objective of this Program is to improve the quality of life of the population and access to safe drinking water and improved sanitation by planning the necessary measures to ensure the achievement of the target indicators of the Water and Health Protocol. The specific objectives of the Program are the following: 1) ensuring by 2025 the distribution of safe drinking water in 100% institutions for children and reducing up to 20% of drinking water samples that do not comply with the basic chemical parameters and 5% with the microbiological parameters; 2) reduction by 20% by 2025 of the number of epidemic outbreaks of infectious diseases and the incidence of water-borne diseases; 3) ensuring the access to sustainable drinking water systems in 100% institutions for children and the access of the general population to aqueduct systems up to 75% by 2025; 4) ensuring by 2025 in proportion of 100% the population's access to improved sanitation systems, including up to 50% to sewerage systems; 5) increasing the performance levels of collective water supply, sanitation and other systems; 6) increasing the degree of application of recognized good practices in the field of integrated water management and water supply and sanitation; 7) reduction by 50% of discharges of untreated wastewater, as well as reduction of discharge of untreated rainwater into natural receptors; 8) improving the management of sludge and the quality of treated wastewater from centralized sewerage systems or other sanitation systems; 9) ensuring adequate management to improve the quality of water used as drinking water sources; 10) improving the closed water management generally available for bathing; 11) increasing the degree of identification and remediation of highly contaminated lands; 12) increasing up to 80% of the share of the population that possesses relevant knowledge on drinking water safety, hygiene and health.

The key policy document within the healthcare sector regulation is the **National Public Health Strategy for 2014-2020** (approved by the Government Decision no. 1032 from December 20, 2013) which is based on various international and national documents. The Framework Policy of the World Health Organization "Health 2020". with the purpose of supporting the interactions of the Government and the society in order to significantly improve the health and well-being of the population, reduction of inequalities in the field of health, consolidation of public health. As a priority, the Strategy will pursue the implementation of the Post-2014 Action Program of the International Conference on Population and Development and the post-2015 Agenda for Sustainable Development.

"Greening" of economy and promotion of the sustainable procurements is reflected under the **approving the Program for the promotion of the "green" economy in the Republic of Moldova for the years 2018-2020** (GD no. 160 of 21 February 2018). Among the specific objectives of the Programme is ensuring, by 2020, that **at least 15%** of all public procurement will meet sustainable procurement criteria. The Programme sets measures to achieve the objective: update the procurement instructions, considering the lessons learned in the pilot auctions; elaborate a monitoring and evaluation system regarding the implementation of the contracts concluded following the development of sustainable public procurement.

National Environmental Strategy for 2014-2023 (GD no. 301of 24.04.2014) is the main document of long-term strategic planning which establishes the strategic framework on the environment protection, including protection of human health and the environment from adverse effects caused by pollutants. Under the Specific objective 6: Ensuring the rational use, protection, and conservation of natural resources, is indicated the point. A. Water resources management, water supply and sanitation infrastructure with relevant measures.

National Waste Management Strategy 2013-2027 (GD no 248 of 10.04.2013) establishes the strategic vision of waste management until 2027 as an integrated system, economically efficient and ensuring protection of human health and environment. Inter alia, the Strategy aims to promote separate waste collection and treatment for each type of waste, particularly toxic and hazardous waste. The strategy provides general information regarding with construction and demolishing waste and conditions of its management.

Development Strategy with reduced emissions of the Republic of Moldova until 2030 (Government Decision no. 1470 as of December 30, 2016) is a strategic document that allows the Republic of Moldova to orient towards a low carbon economy and to achieve the targets mentioned the document "Intentional determined national

contribution" through green sustainable development, based on the socio-economic priorities of the country's development.

Also, this Strategy supports the achievement of sustainable development objectives, providing a national strategic context to the mitigation efforts for which the country receives international support. The specific objective 1 of the Strategy is to reduce, until 2030, the GHG emissions from the energy sector by 74% (unconditional) and up to 82% (conditioned) compared to 1990 level.

National Strategy on Energy Efficiency until 2030 (GD no. 102 din 05.02.2013) and **National Energy Efficiency Program** for 2011-2020 (GD no. 833 of 10.11.2011) are key policy documents that look at measures that country will take regarding these future CO2 emission limits. It is expected, that in the next decade, 2021-2030, carbon capture and storage technology will have to prove economically viable in order to be allowed to actively enter the market, thus substantially altering the structure, values, prices and costs, of fuel for the latest technologies. Between 2021-2030, smart grid technologies and equipment will clearly prove to be economically viable and will become a de facto standard for the electricity industry. This type of structuring of the energy system will greatly change the existing approaches of the topologies, balancing, measurement, monitoring and energy mix of the system. All these changes will act in favor of the assimilation of increasing quotas of electricity from renewable sources.

Under the social and equal opportunities agenda, the Government developed the **National Strategy on Gender Equality 2017-2021** (GD no. 259 of 28.04.2017) **and a Strategy on Violence Against Women and in family 2018-2023** (GD no. 281 of 03.04.2018). The aim is to response to gender-based violence through improving quality of services for survivors and prevention of the violence.

In mean time, Government approved a **National Youth Development Strategy 2020 and a Youth Gap Index** tool for mainstreaming youth priorities, although there remain gaps in data and weaknesses in monitoring youth policies.

5.3.2 National Legal Framework

The Association Agreement between the European Union and the European Atomic Energy Community and their Member States and the Republic of Moldova was signed on June 27, 2014. The Agreement was ratified by the Parliament of the Republic of Moldova on July 2, 2014 and by the European Parliament on November 13, 2014. And continued with the *National Action Plan for the implementation of the EU-Moldova Association* Agreement Republic in the period 2017-2019 by Government Decision 1472/2016. At this moment, RM is in process of negotiation the second phase of AA.

Following the signature of the Agreement, the country committed to implement the relevant environmental legislation of the European Union into its national legal system by adopting or changing national legislation, regulations and procedures aiming at political association and economic integration with the EU.

The Association Agreement includes binding provisions, regulatory norms and broader cooperation arrangements in all sectors of interest. Therefore, the EU directives have become directly relevant to all aspects of green city development and are discussed separately per sector and key issue.

The achievement of commitments started with the adoption of the National Implementation Plan of the EU-Moldova Association Agreement for 2014-2016 by Government Decision 808/2014, continuing with the National Action Plan for the implementation of the EU-RM AA in the period 2017-2019 by Government Decision 1472/2016, in 2020 Government started to elaborate the Action Plan for the Phase II.

An overview of Key National Environmental Legal Provisions are presented in the Annex 12 to the ESMF.

5.4 Evaluation of the environmental legislation in context with MWSS project

5.4.1 Overview of relevancy of environmental legislation to MWSS project

The general evaluation of the normative acts and its relevancy to MWSS Project are indicating in table 12 below.

Table 12: Relevant normative acts with MWSS Project

Title	General overview	Relevancy with the project
Law on the Environmental Protection no.1515- XII of June 16 (1993);	Establishes the basic legal framework for drafting special normative acts and instructions issues of environmental protection.	basic rules regarding air, water and soil quality conditions, rights, and duties of each actor with activities with potential impact to environment.
Law on Ecological Expertise no. 851-XIII of 29.05.1996;	determines goals, objectives, and principles of State Ecological Expertise (SEE), as well as basics of procedure.	the list and procedure for the small economical activities that are subject of ecological expertise;
Law on Environmental Impact Assessment no. 86 of 29.05.2014;	establishes the goal of preparing documentation on the Environmental Impact Assessment (EIA), its procedure, coordination, and approval, and includes the List of objects and types of activities for which an EIA is compulsory prior to their design.	relevant, because several sub-project will be object of the EIA as big infrastructure measures;
Law no.591 on Green Spaces of the Urban and Rural Localities (1999)	regulates relations in the field of development and protection of green spaces in urban and rural localities in order to ensure the right of each individual to a healthy and aesthetic environment.	the identification and delineation of the green areas nearby water supply infrastructure;
The Water Law no. 272 of 23.12.2012;	partially harmonized with EU directives in the field of water policy, establishes the legal framework necessary for the water management, protection, and use.	the permit conditions for water pumping and wastewater treatment activities.
Law on the quality of drinking water no. 182 of 19.12.2019 (in force 03.01.2021)	partially harmonized with EU directive, to ensure the sustainable compliance of the quality drinking water through creating a flexible and transparent legal framework, as well as by promoting adequate risk management.	the list with parameters of the quality of drinking water; conditions/rule for ensuring water quality;

Title	General overview	Relevancy with the project
Government Decision for the approval of the Regulation on the requirements for collection, treatment and discharge of wastewater in the sewerage system and / or in emission for urban and rural localities no. 950 of 25.11.2013	The purpose of this Regulation is to: 1) establishing the requirements for the operation of wastewater collection systems and for the operation of treatment plants, which must contain provisions regarding: a) the method and degree of treatment to be ensured depending on the amount of inhabitants / size of the locality served or to be served by a collection system and a treatment plant and / or the quality of the effluents into which the wastewater is discharged treatment. b) identification and classification of such emissions designated as sensitive or less sensitive areas. c) the obligation to discharge all the used industrial waters in a collection system in the urban localities, which must take place based on a contract and / or approval issued by the operator. d) the conditions regarding the sludge management resulting from the treatment process. e) the obligation to monitor the discharges of liquid waste and to monitor their effects, as well as the reporting requirements; f) other relevant aspects. 2) establishing the requirements for wastewater treatment in rural localities regarding the collection, storage, treatment, and discharge of domestic wastewater in rural localities, including the requirements for the operation of local collection systems, stations and alternative treatment processes, technologies and of the appropriate processes. 3) protecting the quality of water resources. 4) establishing the methodology for calculating the additional payments for wastewater discharge in the public sewerage system with exceeding the CMA of the established pollutants.	relevant for the construction and functionality of the wastewater treatment plants
Land Code (1991) 828-XII of 25.12.91;	establishes the relations and rights of land ownership and the basic framework of land use.	for establishing the procedures, duties, and obligations under administration of the land, procedure for transforming land of one category to another, if will be relevant for the infrastructure components.
Law on State Supervision of Public Health, no.10-XVI of February 03, 2009;	The Purpose of this law is providing optimum conditions for the maximum realization of potential of health of everyone throughout all life by means of organized efforts of society on the prevention of diseases, protection and promotion of health of the population, improvement of quality of life.	relevant for the indoor air quality and drinking water quality, as well as quality of products;
The Law on the Fund of Natural Areas Protected by the State, no. 1538-XIII of 25 February 1998;	establishes the legal bases for the creation and functioning of the state-protected natural areas fund.	will be relevant because of the possibility that sub-project locations are close to protected areas
Law on Quality in Construction (no. 721 of February 02,	The provisions of this law are applied to construction and related facilities, hereinafter referred to as the building industry, in the design, construction and building, as well as in the stages of exploitation and interventions to existing buildings and post-utilization them, regardless of their form of ownership, destination, category and class or source of funding, in order to protect people's lives their goods, society and the environment.	will be relevant for the civil works, to ensure quality of the building / infrastructure;

Title	General overview	Relevancy with the project
Law on authorization of the executing the construction Works, no.163 of July 09, 2010;	The provisions of the law are mandatory for authorizing the execution of constructions of any kind, category, destination, and type of property, except for objects of a military or secret which are specifically authorized character.	will be relevant all planned civil work under the project are included in the list of activities for which is necessary to issue the authorization for construction.
Law on the protection of archaeological heritage No. 218 of 17.09 2010	This law regulates the general legal regime of archaeological discoveries and research, as well as the protection of archaeological heritage, a component part of the national cultural heritage.	Relevant at the request of the urban planning certificate for design in accordance with the Law relating to the authorization of executing the construction works No, 163/2010, in the case of construction works involving interference with the ground, regardless of the type of work contemplated, and the form of the ownership of the land.
Law on Waste no. 209 of 29.07.2016;	The Law sees that waste management methods will not endanger the environment, peoples' health and other living organisms. Authorities in charge are authorizing waste collecting, transportation, exploitation and disposal activities, avoiding water, soil, flora, fauna, phonic and air pollution. New methods must not endanger landscapes or protected areas.	relevant for ensuring the waste management at the level of each institution for toxic waste, electric and electronic waste equipment for the solid waste, establish the rule for separating he waste and especially for construction waste.
Law on Air Protection (no. 1422- XIII of 17.12.97).	The Law has the objective to maintaining the air quality and improving the air quality - component of the environment, preventing and reducing the adverse effects of physical, chemical, biological, radioactive and other factors on the atmosphere, with adverse consequences for the population and /or the environment, and regulates the activity of individuals and legal entities, irrespective of type of ownership and legal form of organization, when he/she directly or indirectly affects or may affect the air quality.	relevant for ensuring the air quality for the activities connected with civil works and also for ensuring the legal requirements for noise during civil work and authorization for release of pollutants into atmosphere from the wastewater treatment.
Law on access to information (no. 982-XIV of 11.05.2000);	This Law shall govern the rights of access to information of public importance held by public authorities, with a view to exercising and protecting the public interest to know and attaining a free democratic order and an open society	relevant for ensuring active and passive way of disseminating information about implementation of the project and small civil work executed under the project;
Law on transparency in the decision-making process no. 239-XVI of 13.11.2008	This law establishes the applicable norms for ensuring transparency in the decision-making process within the central and local public administration authorities, other public authorities and regulates their relations with citizens, with associations established in accordance with the law, with other stakeholders in order to participate in the decision-making process.	relevant for ensuring legality of each local decision relevant to the projects also to ensure public involvement in EIA process and SEE process

Environmental Assessment Procedure

In Moldova the procedures for issuing an Environmental permit and the Environmental Impact Assessment (EIA), Ecological appraisal and the Ecological Expertise procedure are stipulated by following acts:

⇒ Law on environmental impact assessment no. 86 of 29-05-2014.

⇒ Law on Ecological Expertise no. 851-XIII of 29.05.1996.

⇒ Other relevant implementation bylaws.

Following to the applied environmental appraisal practice, all projects/planned activities can be conventionally divided into 3 categories:

⇒ **1st category** - projects which will have significant impacts on the environment. They are specified in Annex 1 of the Law No. 86/2014 – EIA mandatory (is applicable to complex and potentially dangerous for environment projects/ planned activities which could result in significant impacts and aims to prevent and mitigate impacts even on the projects' design stage).

⇒ **2nd category** - projects which will have less significant impact on environment as compared to the 1st category of the projects. These projects are listed in the i) Annex 2 to the law on EIA, yet, decision that full EIA is not needed is made by the Environmental Agency, and ii) Annex 1 to the Law on ecological expertise (Agency is presented in Annex 2 to the law on EIA. In case, If Environmental Agency decides that for the activities specified in Annex 2, EIA is not required, the project technical documentation is a subject to State Ecological Expertise only – category 3 indicated below).

This category of the projects requires ecological justification of project activities to be presented in so called the Environmental Protection chapter of the project design documentation, and which have to contain information on potentially affected environment as well as outline main potential environmental impacts and mitigation measures. This Chapter is a subject to further examination under the process of the state ecological expertise to be made prior to the project commencement.

⇒ **3rd category** - the rest of projects which are not listed in Annex 1 and Annex 2 to the law On EIA, and Annex 1 to the law On ecological expertise and which are expected to have minor impacts on environment and therefore, do not need to be passed through the formal procedures either EIA or State Ecological Expertise (SEE).

The decision on necessity of conducting EIA is made by the Environmental Agency on the basis of evaluation of the Statement on the planned activity submitted by the initiator. The initiator, which is planning to implement activities specified in Annexes 1 or 2 to the law on EIA shall submit a written Statement to the Environmental Agency. Statement shall be submitted after carrying out the feasibility study of the planned activity and shall contain information on the planned activities and at least two alternative decisions regarding the location and type of technologies used, indicating the possible environmental, social and economic impacts. Within 5 days from the date of the Statement submission, Environmental Agency shall publish information on it on its official webpage. On the basis of Statement, the Environmental Agency carries out a preliminary assessment which to be made within 10 working days. Based on the results of the preliminary assessment, the Environmental Agency makes one of the following decisions: (a) the proposed activity is subject to an environmental impact assessment in a transboundary context; (b) the proposed activity is subject to an environmental impact assessment at the national level; and (c) no environmental impact assessment is required. Developed EIA is examined by the Environmental Agency, and once its structure and content fully correspond to the established EIA principles and requirements, it issues the environmental permit. The scheme of EIA procedure is presented in the figure 11 below.

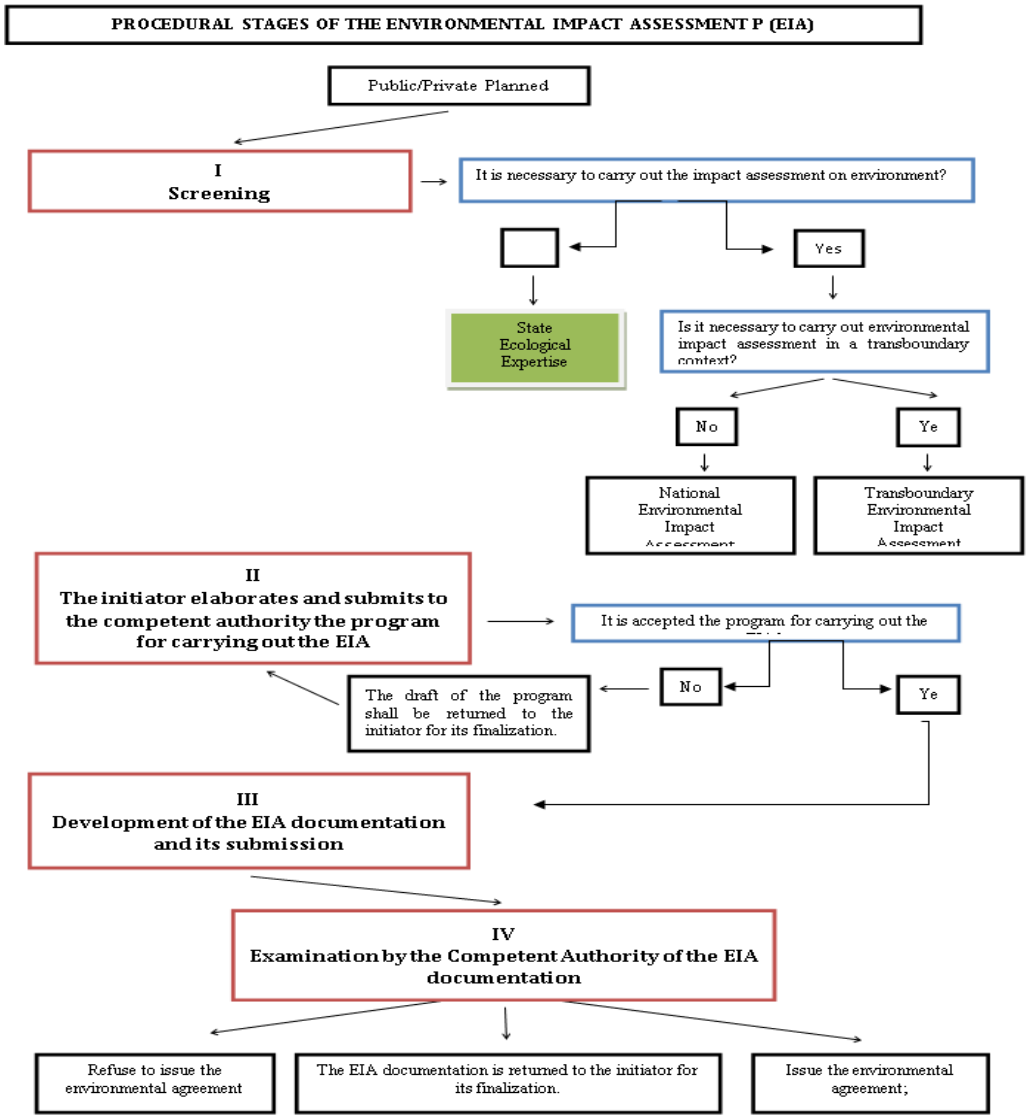


Figure 11: Scheme of EIA procedure according MD Law on EIA nr. 86 / 2014

5.4.2 State Ecological Expertise to obtain Ecological appraisal

State ecological expertise is the exclusive competence of the Environmental Agency and territorial sub-divisions, which possess the system of state ecological expertise (refer to law on ecological Expertise, art 2, paragraph 1, 2).

The main principles of ecological expertise are:

(a) a presumption of the potential environmental hazard of any proposed activity involving the use of natural resources;

(b) obligation to conduct ecological expertise prior to making decisions on implementation of activities/ projects that may affect environmental conditions and/or envisage use of natural resources, regardless destination, placement, type of ownership and subordination of these objects, the amount of capital investments, source of funding and method of carrying out the construction works;

(c) comprehensive assessment of impacts of the proposed activity;

(d) scientific validity, objectivity and legality of the conclusions of the ecological expertise, and

(e) transparency, public participation and consideration of public opinion.

In those cases when object or planned activity is a subject to EIA (list of objects/ activities are presented in Annex 1 and Annex 2 to the law On environmental impact assessment), it does not pass through the process of the state ecological expertise (refer to law On ecological expertise, art. 6, paragraph 3). Yet, design documentation for objects/ planned activities which are listed in Annex 1 to the law on Ecological Expertise, and which can adversely affect the environment is a subject to the state ecological expertise to determine whether it complies with environmental protection requirements. The principal objective of SEE is to check whether all environmental standards/ principles are adhered, environmental concerns are addressed, and the environmental protection measures are proposed. The project design documentation submitted for state ecological expertise is a subject to comprehensive examination addressing full consideration of the environmental, economic and social factors, including technical solutions that shall ensure compliance with environmental requirements taking into account regional characteristics and maintain the stability of natural ecosystems in the context of the expected impact on them throughout the entire period of implementation of the planned activity, including construction and operational phases, and also demolition or liquidation. In dependence on complexity and potential danger of planned activity, terms of conducting of the state ecological expertise vary from 45 to 90 days.

Results of the ecological expertise of the design project documentation are issued as written Notification about acceptance / non acceptance and are considered as a basis for further approval (in case of positive notification) or refusal (negative notification) of entire design documentation package.

The Moldovan EIA procedures are, with some exceptions, in line with the WB's ESSs. The primary exceptions are in project categorization, scope of environmental and social assessment. In cases where the Moldovan legislation differs from the ESSs, the more stringent one will be applied to the project implementation.

5.4.3 Permits Required

The table 13 below provides the information about the acts and regulations forming the construction permiting system that might be relevant to the MWSS project.

Table 13: Potential environmental permits and/or licenses to be applied for Project implementation.

Act / Regulation	Permit / License	Implementing agent	Relevance to the project
Law no. 163/2010 on the authorization of the execution of construction works Law no. 160/2011 on regulation by authorization of entrepreneurial activity	**Building permit** Necessary acts: Urban planning certificate for design or finding certificate, in case of application of the principle of tacit approval. extract from the project documentation in volume of: explanatory memorandum, General plan (situation plan, drawing plan), facades, chromatic Solutions, Project for organizing the execution of construction	Public Services Agency (Cadaster services)- the location scheme that includes data on the land and the objects existing on it. Agency for technical supervision of the MoEI of the degree of damage to buildings. Local bodies of architecture and urbanism within the local public administration - Urban planning certificate for design or finding certificate.	Authorization of the execution of constructions of any kind, category, destination and type of property, with the exception of objects of a military or secret nature, which are specifically authorized.

Act / Regulation	Permit / License	Implementing agent	Relevance to the project
	works; project documentation verification notices. contract on author supervision, signed by the applicant (beneficiary) and the designer. extract from the minutes of the meeting of the National Council of Historical Monuments of the Ministry of Education, Culture and Research. certificate of discharge of archaeological load, in the cases provided for in art. 6 para. (2) and (3) of Law No. 218/2010 on the protection of archaeological heritage; environmental agreement, if environmental impact assessment is required.	The National Archaeological agency submits to the issuer of the urban planning certificate for design the archaeological expertise opinion. Environment Agency, National Agency for Public Health, Agency for technical supervision, and State Inspectorate for emergency situations INCP "Urbanproiect" (for all localities, except Chisinau municipality), IMP " Chisinau proiect "(for Chisinau municipality) – project documentation verification notices Environment Agency – environmental agreement. Mayors of municipalities, cities, communes and villages for construction (construction/dismantling works) of any destination and type of property.	
Law No. 509/1995 on roads	Authorization of objects in the area of the public road and/or its protection areas.	Road manager - Road infrastructure Section of the Ministry of Economy and infrastructure.	In the case of requesting the authorization of objects in the area of the public road and / or its protection areas, the issuer is obliged to obtain the necessary opinion (location authorization) in accordance with the Law No. 509/1995 on roads, which is issued within 20 working days. The building permit issued in the absence of the notice (location authorization) is null.
Law no. 86/2014 on environmental impact assessment	Environmental Impact Assessment (environmental agreement)	Environment Agency	In terms of article 4 of Law on EIA a development with activities listed under Annex 1 or Annex 2 require an EIA or State Ecological expertise to be undertaken.

Act / Regulation	Permit / License	Implementing agent	Relevance to the project
Law No.209 /2016 on waste (Art.25); Law No. 160 /2011 on regulation by authorization of entrepreneurial activity. GD no. 682 OF 11.07.2018 on the approval of the concept of the automated Information System "Waste Management".	Environmental Impact Assessment (environmental agreement)	Environment Agency	Contractor may require a license to store and handle transport hazardous waste.
Law no. 1530/1993 on the protection of monuments. Regulation of organization and functioning of the National Council of historical monuments.	Consent/ Opinion on projects of interventions in buildings with protected monument status and projects of interventions in protected built areas.	National Council of Historical Monuments of the Ministry of Education, Culture and Research.	Approval of project documentation on interventions in buildings with protected monument status and projects of interventions in protected built areas.
Water law no. 272 /2011. Law no. 160/2011 on the regulation by authorization of the activity of Entrepreneur. Government decision no. 894 /2013 on the organization and operation of the one-stop shop in the field of environmental authorization for the special use of water; Government Decision No. 977/2016 on the approval of the regulation-type of exploitation of accumulation lakes / ponds. Government decision no. 950/2013 for the approval of the regulation on the requirements for collection, treatment and discharge of wastewater in the sewage system and/or in water emissaries for urban and rural localities.	Environmental authorization for the special use of water	Environmental Agency	It is the document certifying the right to use the waters for the following activity: a) water capture from surface and underground water sources for water supply for human consumption.

5.5 Overview of Social Requirements

5.5.1 Overview of Key National Social Legal Provisions

In the sphere of social protection and equality the following acts were adopted by the Parliament of the Republic of Moldova:

- **Law on Social Inclusion of Persons with Disabilities, no. 60 of 30.03.2012** - regulates the rights of persons with disabilities for their social inclusion, guaranteeing the possibility of their participation in all areas of life without discrimination, at a level identical to the other members of the society, having as a basis the respect of

fundamental human rights and freedoms.

- **Law regarding the promotion of employment and unemployment insurance, no. 105 from 14.06.2018** - the purpose of this law is to prevent and reduce unemployment and its social effects, reduce the risk of unemployment and ensure a high level of employment and adapting to the demands of the labor market.
- **Law on Social Services, no. 123 of 18.06.2010** - establishes the general framework for the creation and functioning of the integrated system of social services, with the determination of the tasks and responsibilities of the central and local public administration authorities, of other legal and natural persons empowered to provide social services, as well as the protection of the rights of the beneficiaries of social services.
- **Law on ensuring equal opportunities between women and men no. 5-XVI from 09.02.2006** - the purpose of this law is to ensure the exercise of their equal rights by women and men in the political, economic, social, cultural, other spheres of life, rights guaranteed by the Constitution of the Republic of Moldova, in order to prevent and eliminate all forms of discrimination according to the gender criteria. The law also introduces the notion of affirmative actions.

Gap Analysis

For the above-mentioned domains Laws, the legal framework is very well developed. The only problem is on application in practice which many times are very bureaucratic and need substantial efforts form beneficiaries to obtain their rights.

The Gap Analysis on social water supply and sanitation related legislation can be found in the table 14.

Table 14: Legal gaps analysis

Social risk	WB requirements	National legislation	Description	GAP in national legislation
a. Traffic flow disruption during construction	To develop measures in the TMP, ESMP. MAFP	Law No. 131 from 07-06-2007 On road safety	The TMP has to be coordinated with road police (National Public Security Inspectorate)	The focus is on scheme of diversion roads and installing the road temporary signs. There are no provisions related with pedestrian protection, public consultations, compensation procedures, etc.
b. Traffic accidents	To develop measures in the TMP, ESMP. MAFP, OHSP, ESIRT report (annex 7)	Law No. 131 from 07-06-2007 On road safety. Prosecutor Code Administrative Code	The TMP has to be coordinated with road police (National Public Security Inspectorate).	The prevention measures related with pedestrians are weakly described.
c. Disturbance to existing properties frontage, or public utilities	ESMP, MAFP	Law no. 163 of 09.07.2010 on authorization of construction works, Law 303, On Water supply services	As part of the construction of a water supply or sewerage project, there are likely to be impacts on existing property frontages or on public utilities such as electricity	Usually, the people have to informed about disturbance in advance and for the period of absence of services. Many time this is done just formally and there a delay in reconnections.

Social risk	WB requirements	National legislation	Description	GAP in national legislation
			supplies. This types of impacts involve costs, whether to individuals or to the community.	
d. Resettlement	RPF, RAP according to ESS5 requirements	The Law on Expropriation for Reasons of Public Use No. 488 of 7 August 1999 or Eminent Domain, Land Code No. 828-XII, 1991 with amendments	The basic principles of the Moldovan civil legislation are: recognition of equality among the parties to relationships regulated by it, inviolability of ownership, freedom of contract, prohibition to interfere with private affairs, free exercise of civil rights, guaranteed remedy of violated rights and judicial protection of the same	If the PAPs do not agree with the procedures and/or compensation packages the court procedures can take years till the final decision will be apply.

5.6 Relevant Institutional Framework

5.6.1 Environmental Assessment Administrative / Institutional Framework

For ensuring the cooperation and coordination at different levels and on different components are necessary to take in consideration the following institutional framework.

At central level the **Ministry of Agriculture, Regional Development and Environment** (GD nr. 695/2017 on MARDE regulation http://lex.justice.md/md/371190/) elaborates and implements public policies in the areas of competence (agriculture, food production; food safety; regional and rural development; spatial planning; environmental protection and climate change; natural resources). For the MWSS Project will play a role of Implementing Agency. The Public Institution Environmental Project Implementation Unit (EPIU), founded by the MARDE will be the Project Implementation Unit (PIU) accountable for the fiduciary, ESF, reporting and technical roles.

Environmental Agency (GD nr. 549 of 13.06.2018 on Environmental Agency Regulation http://lex.justice.md/md/375961/) is an administrative authority subordinated to the MARDE, responsible for the implementation of state policy in the following areas of activity:

- ⇒ prevention of environmental pollution.
- ⇒ protection of atmospheric air and climate change.
- ⇒ protection and regulation of the use of water resources.
- ⇒ the protection and regulation of the use of the animal and plant kingdom, of the aquatic biological resources.
- ⇒ conservation of biodiversity and management of natural areas protected by the state.
- ⇒ waste management.
- ⇒ biosecurity.

The role Environmental Agency in the implementation of the MWSS Project will be:

- ⇒ to review and approve the EIA or State Ecological Expertise, depending for the capacity of the infrastructure project.
- ⇒ to monitor implementation of the conditions and requirements from the Environmental Permit (Acord de Mediu) issued based on EIA procedure.
- ⇒ to issue the permits for water abstraction and wastewater treatment discharge into receiving bodies and on emission of pollutants in the atmosphere.
- ⇒ to monitor the quality of natural resources in the process of functionality of the pumping stations and wastewater treatment plants.
- ⇒ to collect / validate the environmental reports from the wastewater treatment plants (PRTR report and statistic reports (air, water, waste).

Agency "Apele Moldovei" (GD nr. 882 of 22.10.2014 on the approval of the Regulation on the organization and functioning of the "Apele Moldovei" Agency, its structure and staff *https://www.legis.md/cautare/getResults?doc_id=119264&lan*)**.** The Agency's mission is to implement state policy in the field of water management and water improvement, water supply and sewerage. The Agency's mandate is curently under review. It has the following basic functions: ensures the operation and maintenance of hydro-amelioration systems, water supply and sewerage, flood protection dams, that are public property of the state, through state enterprises in which the Agency exercises the quality of founder.

For the MWSS Project, Agency Apele Moldova will be involved at the stage of feasibility studies for the infrastructure system, at stage of conducting the EIA or SEE, at the stage of issuing permits etc.

Inspectorate on Environmental Protection (GD nr. 548 of 13.06.2018 on Environmental Protection Inspectorate Regulation http://lex.justice.md/md/375960/**)** - is organized and functions as an administrative authority under the MARDE empowered to carry out state supervision and control in the field of environmental protection and use of natural resources.

Under the MWSS Project will be involved at the stage of issuing permits and after that on implementation of the conditions from the environmental permits.

5.6.2 Social and Administrative/Institutional framework

Ministry of Health, Labor and Social Protection has the mission to analyze the situation and the problems in the areas of health, work, social protection and demographics. The Ministry elaborates efficient public policies in the fields, to monitor the quality of the policies and normative acts and to propose justified interventions that offers effective solutions in the areas of competence, ensuring the best ratio between the expected results and the expected costs.

The Ministry has under its subordination a range of agencies and institutions, that has an aim to implement the policy promoted by the Ministry. They are:

National Agency for Public Health The mandate of the institution is to monitor the public health status of the population, develop national guidelines, and provide methodological support to the public health service on disease prevention, health protection, health promotion and surveillance. Also, has an oversight role in surveillance and the responsibility to intervene in case of outbreaks or other public health emergencies.

National Agency for Employment is the administrative authority subordinated to MHLSP, ensures the implementation of the policy in the field of promoting employment, labor migration and unemployment insurance. Agency's mission is to increase the employment opportunities of people looking for a job and to support employers in identifying the skilled workforce and creating new jobs.

The National Social Assistance Agency is an administrative authority subordinated to MHLSP its mission is to increase

the quality of the social assistance granted to the population by implementing the state policy in the field of social assistance.

State Labor Inspectorate is an administrative authority, which is empowered with the right to exercise state control over compliance with legislative acts and other normative acts in the field of work, safety and health at work.

Social Inspection has the mission of inspecting the correct and unitary application of the laws and other normative acts that regulate the granting of the social aid, the aid for the cold period of the year and the social services.

The National Council for Accreditation of Social Service Providers is an administrative authority within the Ministry of Health, Labor and Social Protection, which has the mission to certify the capacity of social service providers, regardless of the type of property, the legal form of organization and administrative subordination and to provide qualitative social services.

The National Council for the Determination of Disability and Capacity of Work has the mission to ensure the fulfillment of the provisions of the normative acts in force regarding the determination of the disability and the capacity of work, having as final objectives the social inclusion of the persons with disabilities.

Temporary placement center for elderly, children and people with disabilities (from few localities), as well Center for assistance and protection of victims and potential victims of trafficking in human beings that represents institution of social assistance and rehabilitation / recovery under the management of the National Agency for Social Assistance.

6 ENVIRONMENTAL AND SOCIAL IMPACT AND RISKS

This chapter provides preliminary E&S risk assessment of activities that will be financed under the MWSS Project during the construction and operational phases.

Environmental and social risks are determined by a combination of the design and operational characteristics, together with exogenous factors, which:

(i) may adversely affect the ability of an operation to achieve and sustain its development objectives; and (ii) define the nature, scale and significance of direct and indirect environmental and social impacts.

Another type of risk includes adverse unintended consequences, such as the potential negative environmental impacts of the operation or operational effect on physical, biological and cultural resources, human health and safety. Thus, the assessment of environmental and social risks will take into consideration: the type, location, sensitivity, and scale of the project; the nature and magnitude of the potential environmental and social risks and impacts; and the capacity and commitment of the Borrower (including any other entity responsible for the implementation of the project) to manage the environmental and social risks and impacts in a manner consistent with the ESSs.

The WB ESF risk rating of a project on environment is presented in the table 11 in previous chapter. The proposed risk rating criteria (high risk, substantial risk, moderate risk and low risk) will be used for evaluating the MWSS project risks.

6.1 ESSs Relevant to the Project

The following (provided in table 15) is an overview of the WB E&S standards considered applicable to the MWSS Project at the time of the appraisal and a brief explanation of their relevance.

Table 15: ESSs considered relevant for the MWSS Project at the time of the appraisal.

ESS		Relevance to the MWSS project
ESS1	Assessment and Management of E&S Risks and Impacts	The environmental and social assessment will be based on current information, including a description and delineation of the project and any associated aspects, and environmental and social baseline data at an appropriate level of detail sufficient to inform characterization and identification of risks and impacts and mitigation measures. The assessment will evaluate the project's potential environmental and social risks and impacts, with a particular attention to those that may fall disproportionally on disadvantaged and/or vulnerable social groups; examine project alternatives; identify ways of improving project selection, sitting, planning, design and implementation in order to apply the mitigation hierarchy for adverse environmental and social impacts and seek opportunities to enhance the positive impacts of the project using EFS instruments – screening checklist, ESMF, ESMP, SEP, LMP, RAP, etc. annexes to this document.
ESS2	Labor and Working Conditions	This standard guides the creation of sound worker-management relationships. The primary labor risk is the risk of informal work. The risks of unpaid and underpaid work, work overload, poor terms and conditions of engagement, lack of occupational health and safety measures, and denied access to social security, pension or health insurance are associated with informal work. Labor Screening and Compliance Checklist, and Monitoring and Evaluation procedures have been developed to be included as mandatory in the tender documentation providing compliance of third parties i.e. different contractors to the ESS2 requirements. Conditions are indicated in annex 9 to this document.

ESS		Relevance to the MWSS project
ESS3	Resource Efficiency and Pollution Prevention and Management	This standard sets out the requirements to address resource efficiency and pollution prevention and management throughout the project life cycle. Considering that most of the activities involve construction works, the major risk is that Contractors will not be aware of best practices to avoid or minimize pollution from project activities or avoid or minimize adverse impacts on human health and the environment. The site-specific ESMP will guide contractors to implement adequate pollution prevention and management measures (Annex 2). The environmental condition for civil works contactors are included in annex 8 to this document.
ESS4	Community Health and Safety	This ESS sets out the requirements to avoid or minimize community exposure to project-related traffic and road safety risks, diseases and hazardous materials and to have in place effective measure to address emergency events. The works anticipated in this project will be carried out mostly in remote or publicly restricted areas and will not employ use or generation of hazardous substances and waste. The main risk associated with the project is related to workers health and safety that is addressed by ESS2.
ESS5	Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	ESS5 requirements cover the preparation and implementation of a resettlement framework or plan which will be developped and will set ground for: (i) general requirements such as eligibility classification, project design, compensation and benefits for affected persons, community engagement, grievance mechanism, planning and implementation; (ii) physical and economic displacement; (iii) collaboration with other responsible agencies or subnational jurisdictions; and (iv) technical and financial assistance.
ESS6	Biodiversity Conservation and Sustainable Management of Living Natural Resources	The objectives of ESS6 is to: (i) protect and conserve biodiversity and habitats; (ii) apply the mitigation hierarchy and the precautionary approach in the design and implementation of projects that could have an impact on biodiversity; (iii) promote the sustainable management of living natural resources; and (iv) support livelihoods of local communities through the adoption of practices that integrate conservation needs and development priorities. The applicability of ESS6 depends on the environmental and social assessment described in ESS1. ESS6 requirements cover: (i) general requirements including assessment of risks and impacts, conservation of biodiversity and habitats (modified, natural, and critical habitats), legally protected and internationally recognized areas of high biodiversity value, invasive alien species, and sustainable management of living natural resources; and (ii) primary suppliers. Environmental screening (Annex 1)will ensure that no activities with potential negative impacts are eligible for funding in natural or critical habitats. In case of activities to be funded by the project and to be implemented in modified habitats, the project-level will present requirements to avoid or minimize the respective impacts on biodiversity and implement mitigation measures as appropriate.
ESS10	Stakeholder Engagement and Information Disclosure	This ESS guides the inclusion of relevant stakeholders in the project lifecycle. In line with the requirements of this ESS, a Stakeholder Engagement Plan including a Grievance Mechanism has been developed for this project. The main risk is associated with appropriate implementation of SEP.

In addition, the ESS 8 – Cultural Heritage – even is **not** considered relevant for the project, and the information available at the project appraisal phase indicate that it is very unlikely any interaction of construction works with known cultural heritage sites, the ESMF and all subsequent site-specific ESMPs require to include specific and appropriate "chance find" procedures for all those activities which may involve excavation of earth, digging etc. In the event of "chance finds", the Borrower will deal with these by taking into account national legal requirements that are fully consistent with UNESCO and good international practice.

6.2 Preliminary Identification of Potential E&S Impacts

This chapter provides preliminary E&S risk assessment of activities that will be financed under the three project components.

Component 1 is focused on infrastructure investments for improving access, quality, and efficiency of WSS service which are likely to have negative environmental and social impacts. These include but are not limited to:

i. for water supply systems the (re)construction and protection measures for water intake facilities, drinking water quality treatment plant, transmission mains, distribution network, water meters and other operational equipment for water system operation, and for wastewater collection and treatment systems, including sludge treatment and disposal/reuse facilities, the construction of new wastewater treatment plants, construction and rehabilitation sewer collectors, mains, pumping stations and equipment for sewer system operations.

ii. to finance household grants/incentives to support eligible households to cover a share of:

   a. fees and costs associated with connecting to the drinking water systems,

   b. fees and costs associated with connecting to the sewer systems, and

   c. the costs associated with upgrading and/or new construction of an on-site household sanitation facility.

iii. the rehabilitation/construction of water supply connections to centralized networks or existing point sources, connection to sewer systems or on-site sanitation solutions, as well as the rehabilitation/construction of indoor toilet facilities with adequate hand hygiene facilities[68] in public institutions, including schools (primary, secondary), kindergartens and health care facilities.

In the pre-construction phase, thesocial impacts related to land acquisition and livelihood restoration may possibly occur. For this phase it is important that the principles of ESS5 (*Land Acquisition, Restrictions on Land Use, and Involuntary Resettlement*) set in the Resettlement Policy Framework (RPF) developed for this Project are implemented and if will be necessary the Resettlement Action Plans (RAPs) (the minimum elements of the resettlement plan are indicated into Annex 6 of ESMF). For large infrastructure subproject the full ESIA and OHSP may be necessary and ESMP to be part of bidding documents and consulted with affected parties (ESS1, ESS2). For all planning purposes, the protected and sensitive areas will be avoided, however, if this is not a possibility the relevant aspects of ESS6 *(Biodiversity Conservation and Sustainable Management of Living Natural Resources)* will be integrated into the design and due diligence documentation. A similar approach is to be used for cultural heritage and provisions of ESS8 (*Cultural Heritage*).

In the construction phase, the infrastructure investments envisioned within the project may have certain negative impacts on the environment during new construction/ reconstruction and removal of materials/ old equipment (e.g., old pumps, water meters, etc.). The common environmental and social impacts are those resulting from construction works and generation of construction and demolition waste and other types of special waste categories. These may include impacts such as dust and noise, waste management, potential finds of hazardous materials such as asbestos-cement pipes, chance finds for pipe network, Occupational Health and Safety (OHS) and labor issues. If it is known that reconstruction activities will include removal of asbestos-cement pipes, it will be necessary to conduct a hazard analysis to systematically identify the system and procedures to be implemented, requirements and measures applied during hundling asbestos are indicated in annexe 4 to this document. If the generated waste is considered hazardous, the

[68] WASH facilities will follow at least the minimum requirements for a basic service as per the Sustainable Development Goals targets for WASH facilities in schools and health care centers. See also: *https://washdata.org/monitoring/health-care-facilities* and *https://washdata.org/monitoring/schools*

Borrower will comply with existing national requirements for management of hazardous wastes (including storage, transportation and disposal) including national legislation. The provisions on pollution prevention and resource sustainability of ESS3 (*Resource Efficiency and Pollution Prevention and Management*) will be integrated here, and any aspects of Community Health and Safety from ESS4 (*Community Health and Safety*).

In the operational/maintenance phase environmental and social impacts may include procurement, use, management and disposal of chemicals for water supply treatment, odor and noise of the wastewater treatment plants, sludge management from such facilities, OHS and labor issues. One of the key concerns related to environmental sustainability is the management of sludge from wastewater treatment plants, as management of such wastes in already existing facilities is questionable and sometimes environmentally unsustainable. The Bank team will work with the Borrower to further advance management of such wastes in line with ESS3 (*Resource Efficiency and Pollution Prevention and Management*).

Component 2 supports technical assistance with the aim of institutional strengthening and capacity building activities at national and operational level on WSS system. All technical assistance and planning or design documents produced under components 2 and 3 will integrate environmental and social best practices in line with the ESSs and the ESF from a design standpoint, throughout the document.

Component 3 is mainly focused on financing technical assistance activities and work of PIU to successfully perform management project management-related activities. It is not expected that those activities will have any impact on environment since they involve mainly office-based desktop research activities and capacity building trainings. Considering the social aspect of these activities, it is possible to experience social issues related to labor aspects that are contrary to the requirements of ESS2 (*Labor and Working Conditions*) and ESS4 (*Community Health and Safety*). Therefore, it will be important that appropriate social instruments are implemented including the Labor Management Procedure (LMP) and the Stakeholder Engagement Plan (SEP) prepared for this Project, that reflect the principles and requirements of ESS2, ESS 4 and ESS 10 (*Stakeholder Engagement and Information Disclosure*).

A brief summary of the potential negative impacts, together with the proposed mitigation measures, is given in in the table 16 below.

Table 16: Preliminary identification of environmental and social impacts of proposed subprojects

Component / Sub-component	Component description	Activities	Preliminary E&S impact assessment
Component 1: Increasing access to safely managed water and sanitation services in selected rural areas and small towns			
Sub-component 1.1: Expanding access to WSS services	• This component will develop new and rehabilitate existing WSS infrastructure and facilities in rural areas and small towns, expanding access and quality of services for households, businesses and in public social institutions, namely health care centers and schools.	• Construct and modernize WSS infrastructure including water treatment and distribution, wastewater collection and treatment, and increase household connections • Pilot on-site sanitation solutions in project areas for vulnerable households	In the Construction phase: a) environmental impacts: construction specific impacts – leaks, exhaust emission, dust and noise generation, construction wastes, finds of hazardous materials (asbestos), etc. b) social impacts: OHS and labor issues relevant to construction workers; community health and safety during construction, setting up grievance mechanism and necessity to engage stakeholders in all project activities etc. In the Operational Phase: a) environmental impacts: mainly related to the maintenance of the systems works –emission, waste disposals, sludge disposal, chemicals management. b) social impacts: OHS and labor issues, community health and safety (inadequate waste and sludge management, odors, etc.)
Sub-component 1.2: Expanding access to WASH facilities in public institutions		• Construct and modernize WASH facilities in health care facilities and schools • Cleaning up, closure and landscaping of old, outside, non-sanitary latrines • Build capacity of beneficiary institutions for O&M • Develop and roll-out behavioral change campaigns on hygiene and handwashing	• Labor issues, occupational health and safety, setting up grievance mechanism and necessity to engage stakeholders in all project activities. • Construction specific impact: dust, noise, vibration, OHS.
Component 2: Strengthening institutional capacity at national and local levels for improved WSS service delivery			

Component / Sub-component	Component description	Activities	Preliminary E&S impact assessment
Sub-component 2.1.: Strengthening institutional capacity at the national level for improved WSS service delivery	• This component will focus on medium to long-term term WSS sector development and modernization by strengthening institutional capacities of national and sub-national entities for sector management, planning, regulation and reform implementation. • Sub-component 2.1. will focus on capacities for planning, financing, economic regulation, performance monitoring, professional development and the revision and development of new policies and normative documents.	• Prepare and implement National WSS Development Plan (NDP) and financing strategy • Develop capacity of lead entity for NDP • Prepare/revise legislation, policies and normative documents, including norms for rural sanitation • Operationalize regionalization through implementation plan and feasibility/institutional studies • Develop capacity of ANRE, LPAs and utilities • Develop and roll-out national MIS for WSS utilities • Design and implement professional development program	• No direct environmental and social impacts. Integration of Bank's environmental and social policies into the developed documents as needed.
Sub-component 2.2.: Strengthening capacity of utilities to deliver services at the local level	• Sub-component 2.2. will finance investments (goods, works) and technical assistance (consulting services, training) to increase capacity of WSS operators to improve service delivery, specifically on financial sustainability, efficiency, inclusion and resilience.	• Design Performance Improvement Program for participating utilities • Prepare and implement Performance Improvement Plans (PIPs) for participating utilities (goods, works, consulting services, and training) • TA to support tariff applications, service delegation contracts, licensing, & citizen engagement in project areas	• No direct environmental and social impacts. Integration of Bank's environmental and social policies into the developed documents as needed.
Component 3: Project Management and Coordination			
	• This component will finance capacity building for Project implementation, financial audits, implementation support consultants, training	• Operational costs, consulting services, non-consulting services, goods, and training to finance the overall Project management	• No environmental and social impacts.

Component / Sub-component	Component description	Activities	Preliminary E&S impact assessment
	and workshops, cost for Project communication and consultations, and monitoring and evaluation of Project results.		
Component 4: Contingent Emergency Response Component (CERC)			
	• A provisional zero-amount component is included to allow for rapid reallocation of credit/loan proceeds from other components during an emergency under streamlined procurement and disbursement procedures.	• CERC positive list of goods, services and works if CERC is activated. Conditions are included into Annex 10 to this document. • Preparation of CERC ESF related documents	• CERC environmental and social impacts will be assessed prior activation. • In case if will be necessary to conduct activities that are relevant for ESS1 should be conducted the rapid assessment of environmental and social elements or evaluation based on Checklist (Annex 2 to this ESMF)

6.3 Environmental and Social Requirements for the Project

Since the MWSS project involves a set of subprojects to be identified, prepared and implemented during the project, pursuant to the WB E&S requirements described in ESS 1 – Assessment and Management of E&S Risks and Impacts, the PIU will assess the E&S impacts of each sub-component and related subprojects using this ESMF.

For each individual sub-project, the PIU will prepare an ESIA or ESMP using guidance provided in this ESMF Annex 2 to this document. The selection of the E&S instrument will be based on the screening process and the determined subproject E&S risk (Annex 1), provided based on checklist from Annex 2 to this document .

In case of prolonged pandemic caused by coronavirus, the public consultation process within Component 1 and 2 will be organized in line with *Technical Note: Public Consultations and Stakeholder Engagement in WB-supported operations when there are constraints on conducting public meetings* (March 20, 2020).

In case the Borrower proposes other types of activities which are not mentioned in the table 17 below, the decision to finance such activities will be made through a dialogue with the Bank and based on project categorization and adequate due diligence.

In case of development of any strategic or other referent documents the Borrower will include any social and environmental risk management aspects in an integrated manner as part of the design.

Table 17: Environmental and social requirements for the Project

Type of activities	WB requirements			National requirements		
	Risk category pursuant to WB	Environmental assessment instrument	Social instrument	Environmental protection	Water management	Physical planning and construction
Sub-component 1.1: Expanding access to WSS services *Activities:* Construct and modernize WSS infrastructure including water treatment and distribution, wastewater collection and treatment, and increase household connections Pilot on-site sanitation solutions in project areas for vulnerable households	To determine the risk carry out the sub-project screening in line with the procedure in Chapter 6 / Annex 1	"High" risk projects are not eligible for financing. For "substantial" risk subprojects, ESIA with a site-specific ESMP will be prepared in line with this ESMF (Annex2) For "moderate" risk subprojects, a site-specific ESMP will be prepared in line with this ESMF. For "low" risk subprojects, a site-specific ESMP (Checklist will be prepared in line with this ESMF (Annex 3).	RPF/RAP (Annex 6), LMP (Annex 9), SEP	Following to the applied environmental appraisal practice, all projects/planned activities can be conventionally divided into 3 categories: **1st category** - projects which will have significant impacts on the environment. They are specified in Annex 1 to the Law on EIA– EIA mandatory, with obligatory transboundary consultation. **2nd category** - projects which will have less significant impact on environment as compared to the 1st category of the projects. These projects are listed in the i) Annex 2 to the law on EIA, yet, decision that full EIA is not needed is made by the Environmental Agency, and ii) Annex 1 to the Law on ecological expertise (EE). This category of the projects requires ecological justification of project activities to be presented in so called the Environmental Protection chapter of the project design documentation, and which have to contain information on potentially affected environment as well as outline main potential environmental impacts and mitigation measures. This Chapter is a subject to further examination under the process of the state ecological expertise to be made prior to the project commencement. **3rd category** - the rest of projects which are not listed in Annex 1 and Annex 2 to the Law on EIA, and Annex 1 to the Law on EE and which are expected to have minor impacts on environment and therefore, do not need to be passed through the formal procedures either EIA or EE.	Law on Water except in case of expansion or reconstruction of the water system that is in use, i.e. for which the water permit is issued in accordance with the Law, if this expansion does not involve the capture of new amounts of water	Construction related permits

Type of activities	WB requirements			National requirements		
	Risk category pursuant to WB	Environmental assessment instrument	Social instrument	Environmental protection	Water management	Physical planning and construction
				In case that the activity involves abstraction of groundwater in volume equivalent to or exceeding 10 million cubic meters Environmental Impact Assessment procedure carried out by the entity ministry of ecology and ultimately ending with issuing of ecological permit In case that the activity involves abstraction of groundwater in volume of less than 10 million cubic meters a preliminary impact assessment carried out by the entity ministry of ecology based on which a decision on the necessity to conduct a full EIA is made and ultimately ecological permit issued		
Sub-component 1.2: Expanding access to WASH facilities in public institutions ***Activities:*** Construct and modernize WASH facilities in health care facilities and schools Build capacity of beneficiary institutions for O&M Develop and roll-out behavioral change campaigns on hygiene and handwashing	To determine the risk, carry out the sub-project screening in line with the procedure in Chapter 6.5./ Annex 1	"High "risk projects are not eligible for financing. For "substantial" risk subprojects, ESIA with a site-specific ESMP (Annex 2) will be prepared in line with this ESMF. For "moderate" risk subprojects, a site-specific ESMP will be prepared in line with this ESMF. For "low" risk subprojects, a site-specific ESMP	RPF/RAP (Annex 6), LMP (Annex 9), SEP	Such activities are subject of 3rd category of projects mentioned above. Activities are expected to have minor impacts on environment and therefore, do not need to be passed through the formal procedures either EIA or EE.	Law on Water except in case of expansion or reconstruction of the water system that is in use, i.e. for which the water permit is issued in accordance with the Law, if this expansion does not involve the capture of new amounts of water	Notice from LPAs (Department of Architecture) that permits are not required, based on project design.

Type of activities	WB requirements			National requirements		
	Risk category pursuant to WB	Environmental assessment instrument	Social instrument	Environmental protection	Water management	Physical planning and construction
Cleaning up, closure and landscaping of old, outiside, non-sanitary latrines.		Checklist will be prepared in line with this ESMF (Annex 3).				
Sub-component 2.1.: Strengthening institutional capacity at the national level for improved WSS service delivery **Activities:** Prepare and implement National WSS Development Plan (NDP) and financing strategy Develop capacity of lead entity for NDP Prepare/revise legislation, policies and normative documents, including norms for rural sanitation Operationalize regionalization through implementation plan and feasibility/institutional	No risk		LMP, SEP	Activities are expected to have minor impacts on environment and therefore, do not need to be passed through the formal procedures either EIA or EE.		

Type of activities	WB requirements			National requirements		
	Risk category pursuant to WB	Environmental assessment instrument	Social instrument	Environmental protection	Water management	Physical planning and construction
studies Develop capacity of ANRE, LPAs and utilities Develop and roll-out national MIS for WSS utilities Design and implement professional development program Some small civil work foreseen.						
Sub-component 2.2.: Strengthening capacity of utilities to deliver services at the local level ***Activities:*** Design Performance Improvement Program for participating utilities Prepare and implement Performance Improvement Plans (PIPs) for participating utilities (goods, works, consulting services, and training)	No risk	-	LMP, SEP	Activities are expected to have minor impacts on environment and therefore, do not need to be passed through the formal procedures either EIA or EE.	-	-

Type of activities	WB requirements			National requirements		
	Risk category pursuant to WB	Environmental assessment instrument	Social instrument	Environmental protection	Water management	Physical planning and construction
TA to support tariff applications, service delegation contracts, licensing, & citizen engagement in project areas						
Component 3: Project Management and Coordination ***Activities:*** Operational costs, consulting services, non-consulting services, goods, and training to finance the overall Project management	No risk	-	LMP, SEP	-	-	-
Component 4: Contingent Emergency Response Component (CERC) ***Activities:*** CERC positive list of goods, services and works if CERC is activated	Risk assessment determined prior the activation of CERC. To determine the risk, carry out the activity/sub-project screening in line with the	High "risk projects are not eligible for financing. For "substantial" risk subprojects, ESIA with a site-specific ESMP will be prepared in line with this ESMF. For "moderate" risk subprojects, a site-specific ESMP will be prepared in line with this	LMP, SEP	Following to the applied environmental appraisal practice, all projects/planned activities can be conventionally divided into 3 categories: **1st category** - projects which will have significant impacts on the environment. They are specified in Annex 1 to the Law on EIA– EIA mandatory, with obligatory transboundary consultation. **2nd category** - projects which will have less significant impact on environment as compared to the 1st category of the projects. These projects are listed in the i) Annex 2 to the law on EIA, yet, decision that full EIA is not needed is made by the Environmental Agency, and ii) Annex 1 to the Law on ecological	Law on Water except in case of expansion or reconstruction of the water system that is in use, i.e. for which the water permit is issued in accordance with the Law, if this expansion does not involve the capture of new amounts of water	Construction related permits

Type of activities	WB requirements			National requirements		
	Risk category pursuant to WB	Environmental assessment instrument	Social instrument	Environmental protection	Water management	Physical planning and construction
	procedure in Annex 10 **Error! Reference source not found.**	ESMF. For "low" risk subprojects, a site-specific ESMP Checklist (Annex 3) will be prepared in line with this ESMF.		expertise (EE). This category of the projects requires ecological justification of project activities to be presented in so called the Environmental Protection chapter of the project design documentation, and which have to contain information on potentially affected environment as well as outline main potential environmental impacts and mitigation measures. This Chapter is a subject to further examination under the process of the state ecological expertise to be made prior to the project commencement. **3rd category** - the rest of projects which are not listed in Annex 1 and Annex 2 to the Law on EIA, and Annex 1 to the Law on EE and which are expected to have minor impacts on environment and therefore, do not need to be passed through the formal procedures either EIA or EE. Environmental Impact Assessment procedure carried out by the entity ministry of ecology and ultimately ending with issuing of ecological permit.		

6.4 Identified Risk category for MWSS Project

The environmental and social risk has been categorized as presented in the table 18 below followed by due explanations.

Table 18: Sub-project ratings

Sub-project	Subproject impact	Sensitivity Receiving Environment	Risk Category
Cahul / Gagauzia WS extension	Low-moderate	Low-moderate	Moderate
Costesti new Regional WS scheme	Moderate	High (treated volume of water, borders water affected – Romania)*	Substantial
Soroca MM collection and treatment	Moderate	High (borders' water affected - Ukraine)**	Substantial
Comrat WW collection and treatment	Low-Moderate	Moderate	Moderate

** - might need elaboration of the EIA in transboundary context (Espoo Convention)*

*** - might need elaboration of the EIA in transboundary context (Espoo Convention)*

According to the evaluation of the significance of impacts, the Risk category the MWSS Project falls into **Moderate to Substantial Risk** category. I.e. the project intervention would not produce any long term, irreversible, regional or national-wide adverse impact on natural and social environment. The anticipated adverse impact is going to be reversible, medium-to sort term of low magnitude and easy to mitigate. At the same time the amount of treated water (~50.000 person-equivalent) and the location of some of the sub-projects (Cahul, Costesti-Stanca, Soroca) puts the project into Espoo sensitive category (transboundary projects that might affect the interest of Moldova neighbors - Romania and Ukraine) raising the risk of them to the Substantial level.

Overall, according to the WB ESS requirements and in line with the general Precautionary Principle of Environmental Management the attributed category of project risk for the MWSS Project is **Substantial**, and this implies:

i. preliminary environmental assessment to decide whether a full ESIA is needed,

ii. preparation of Site Specific Environmental and Social Management Plan for all 4 sub-projects. The ESIA (if needed) and ESMP (Annex 2) will make an integral part of the Detailed Design Documents and will form the core of the environmental compartment of the Request For Proposals / tender dossier for works procurement.

MWSS Project **Environmental Risk** rating is "***Substantial***" as the physical works envisaged under the project subcomponent 1.1 might generate adverse environmental impacts, but these are expected to be temporary and reversible, moderate in magnitude, and site specific, without likelihood of impacts beyond the actual footprint of the project. At the same time, even though the subprojects are not located in environmentally sensitive areas, their transboundary character as well as the fact that two rivers affected by projects rivers represent the main and the only reliable sources of water in Moldova, the project must be implemented with special care.

Social risks directly inherent in project activities are deemed as **Substantial.** To address needs in this sector, the project will aim to support public, water users, operators, local public administrations, children, health institutuion beneficiares. Issues of social inclusion, especially vulnerable and disadvantaged groups, and inclusive public outreach would be considered in the project design to ensure that stakeholders have equal access to project benefits. The pandemic

situation, high level of poverty, minority inclusion etc. - all this factors which are present in the Project areas make the social risks to be Substantial and need special attention during Project planning/preparation and implementation.

Since the MWSS Project involves a set of subcomponents to be identified, prepared and implemented during the project, pursuant to the WB E&S requirements described in *ESS 1 – Assessment and Management of E&S Risks and Impacts,* PIU will assess the E&S impacts of each sub-component and related subprojects using this ESMF. The selection of the E&S instrument will be based on the screening process and the determined subproject E&S risk, according conditions and steps provided in annexes 1,2&3 to this document.

The Table 19 below provides a review of the activities that will be implemented in the framework of project components and measures that have to be taken for impact mitigation.

Table 19: Preliminary estimation of risks and impact mitigation measures.

Project Activities and Subprojects Impacts	Measures for Impact Mitigation	Responsible
DESIGN PHASE		
Subprojects with activities which cannot be financed under this Project may be selected, and this would impede on Project implementation	The PIU will screen each subproject for potential environmental and social risks per World Bank Group EHS Guidelines, WHO COVID-19 Guidelines, and the screening form provided in Annex 1. Screening will include: Determination of any needed design changes in the facility or its operation such as WASH subproject, isolation facilities, structural and equipment safety, universal access, nosocomial infection control, medical waste disposal, etc.; Identification of the scope of works expected (i.e. wards rehabilitated into WASH subproject , installation of box chambers, installation/augmentation of water supply and installation of sanitary stations, etc.); Determination that utilities (power, water, heat, etc.) are adequate for planned works; Identification of how such works might interfere with normal operation of the Subproject; Determination if works are eligible for financing - for example, activities excluded from financing under the project include those requiring the acquisition of land or works conducted in wards or areas where patients are being treated where asbestos instalation or pipe lagging was used in original construction. Determination as to whether external or additional security personnel are needed.	PIU
Neglect of environmental and social aspects during the preparation of construction/renovation design and bidding documents.	Technical/engineering design for subprojects is resource efficient, focused on preventing environmental pollution, envisages climate change adaptation measures, sustainable and environmentally-sounds, accessible and inclusive based on best available techniques/good industrial practices in the sector; considers location and technology alternatives; accounts for required setting up sanitary-protection zone (SPZ) Stakeholders are identified and consulted as per SEP requirements. ESMP is developed for each subproject prior tendering of civil works (Annex2); If the national legislate requires, the EIA should be developed for selected subprojects; Local departments of architecture and construction and territorial authorities of the Ministry of Energy and Environmental Protection are informed about the forthcoming works.	PIU
Protecting healthcare & educational workers	The PIU will conduct a review of the SUBPROJECT 's protocol's for protecting workers from infections disease based on current WHO Guidelines for COVID-19 and the Infection and Prevention Protocol contained in Annex The review will include: Determination if training given to healthcare workers and other Subproject employees is adequate. Determination if Subproject staff are trained on how to deal with the remains of those who might die from COVID-19, including those conducting autopsies; Determination if adequate stores of PPE are available on-site; and Identification of supply lines for required PPE.	PIU
Involuntary resettlement impacts / Land acquisition	Avoid or minimize the area of acquisition Preparation of adequate RAPs before implementation Identify need of land and provide a fair and prompt compensation to the affected people.	PIU

Project Activities and Subprojects Impacts	Measures for Impact Mitigation	Responsible
Pandemic situation (perpetuation of the Covid-19 pandemic)	Adapt the documents, working requirements and consultation processes accordingly	PIU
CONSTRUCTION		
ESS 1: Overall Management of Environmental and Social Risks		
ESS 2: Labor and Working Conditions		
Workers and visitors may be injured at the construction and demolition sites if necessary, safety and occupational health rules/standards are not followed.	PPE (Personal Protective Equipment) of all workers will meet the requirements of international standards (hard hats are always used, respirators and protective glasses, protection harnesses and special footwear are used where necessary). Where and when feasible unskilled or semi-skilled workers from local communities recruited to the extent possible, worker skills training, provided to enhance participation of local people. Raise awareness of workers on overall relationship management with local population, establish the code of conduct in line with international practice and strictly enforce them, including the dismissal of workers and financial penalties of adequate scale. Training is conducted on OHS standards, protective equipment use, etc.	Contractor
ESS 3: Resource Efficiency and Pollution Prevention and Management: Air Pollution Prevention		
Air pollution will be increased locally due to machinery used, handling of materials at the sites, and due to increased traffic connected with construction and demolition works. Negative impacts on atmospheric air quality take place mainly in the vicinity of the construction and demolition sites	During excavation works the methods of dust control are applied, e.g. water spraying or land wetting. Debris-chutes are used during interior demolition above the first floor. Construction waste (demolition debris), removed ground and non-metallic construction materials are stored at specially designed sites with timely wetting and dust control. During pneumatic drilling or removal of the surface layer of the pavement and foundation, dust is suppressed by constant irrigation and / or protective screens should be installed at the facility. The surrounding pavements (sidewalks) and roads are kept clean from dust and construction waste to reduce dust. All machinery undergoes timely technical inspections at maintenance stations with regard to CO emissions and smoke, idle construction equipment with engines turned on at the sites is not allowed. During pneumatic drilling or breaking of pavement and foundations dust is suppressed by ongoing water spraying and installing dust screen enclosures at the site. Dust and traffic emissions are minimized by good operation management and site supervision. The modern construction techniques and energy efficient technologies are applied.	Contractor
Resource Efficiency and Pollution Prevention and Management: Soil Pollution Prevention		
Spills of oil from heavy machinery, paint, other chemicals (during renovation works)	Technical compliance of machinery; compliance with operation instructions, wastewater stored properly and disposed at approved sites, etc.	Contractor

Project Activities and Subprojects Impacts	Measures for Impact Mitigation	Responsible
Resource Efficiency and Pollution Prevention and Management: Ground and Surface Water Pollution		
Surface water can be contaminated by accidental spills and leaks from the machinery, by debris during bridge's construction, and can be contaminated with suspended particles during the works on/near the river. Ground water can be polluted by accidental spillages, leakages from temporary oil and fuel storage and leakages from the machinery during a construction phase.	There is no unregulated extraction of groundwater, nor uncontrolled discharge of process waters, cement slurries, or any other contaminated waters into the ground or rivers. The contractor will receive necessary permits for water use and drainage. Sewerage systems are organized at the site and measures are taken to prevent pollution, blocking or other possible negative impacts on natural ecosystems by construction works at the facility. Measures are taken to prevent spills of fuels and lubricants and other toxic or hazardous substances. Cleaning of construction vehicles and machinery is carried out only in specially designated areas to prevent getting polluted wastewater into surface waters Proper management of all areas of the construction site to ensure contamination from all construction activities does not occur. Slope protection structures are regularly maintained. Drainage system and overflow pipes are provided. Disposal of excavated material into the nearest rivers is prohibited. Construction site chemicals such as oils, gasoline, degreasers, antifreeze, concrete and asphalt products, sealers, paints, and wash water associated with these products are stored, handled and disposed in a way that minimizes their entry into a runoff. Area of construction is regularly cleared from construction waste and temporary structures.	Contractor
Resource Efficiency and Pollution Prevention and Management: Noise and Vibration		
The primary sources of noise will be the work of demolition, construction equipment and trucks. The noise produced during construction will temporary and localized.	Construction works are carried out only at the time indicated in a permit/bidding documents/contract. Works are carried out strictly during regular weekday working hours. The works are not planned during weekends and holidays. In case there is a need for carrying out works causing higher noise levels, the residents living nearby are notified 10 days in advance. For the period of works, the engine covers of generators, air compressors and other similar devices will be closed, the equipment are at the maximum distance from the places of residence of the population. Adequate soundproofing of all vehicles and equipment is carried out by the use of foam, rubber, and other soundproofing materials. Noise barriers are installed where appropriate. Workers are provided with individual protective gear to be used when performing high-level noise works. Reducing project traffic routing through vulnerable areas, wherever possible, is applied. Modern equipment that fulfill noise reduction norms is used, or equipment is retrofitted to meet the required standards	
Resource Efficiency and Pollution Prevention and Management: Landslides and Erosion		
Improper supporting structures of deep	Borrow material is obtained from already existing and licensed borrow pits within Moldova and possibly close to	

Project Activities and Subprojects Impacts	Measures for Impact Mitigation	Responsible
excavations may lead to landslides thus causing risks to workers and nearby structures. Bare ground is prone to landslides in case of heavy rainfalls. There is also a potential for wind and water erosion during the construction phase.	the project area to reduce the transportation distance. Anti-erosion and anti-landslide measures are taken at the facility, in particular, the laying of the construction site, construction of storm sewers or reclamation to prevent the displacement of the settled soil outside the construction site. Walls of deep excavations are enforced / supported according to relevant technical requirements. Unnecessary removal of vegetation and pavement are avoided, and bare ground planted or paved as soon as possible after the closure of the construction site. Reinforcement of slopes for prevention of soil erosion is carried out. Storm water drainage is arranged before excavation works have commenced	
Resource Efficiency and Pollution Prevention and Management: Waste and Hazardous Materials		
During the construction phase some waste streams will be generated: - Inert mineral materials such as excavated earth, sand and gravel; - Potentially noxious or dangerous substances such as waste from construction camps and workshops, concrete slurries from washing plants, barrels, and containers from fuels, lubricants and construction chemicals, scrap metal, and spent welding electrodes; - Wood waste from felled trees and other organic matter from the clearing of the alignment. In case construction and demolition waste is not properly transported and disposed of, it may cause soil, surface and groundwater pollution at the disposal sites and health hazards along the transportation route.	For all major types of waste expected from the works on removal of fertile soil, dismantling and construction, collection sites and facilities for the use, neutralization and disposal of waste is identified. Construction waste is separated from municipal waste by collecting it in separate containers. Construction waste is collected and transferred to facilities for use, neutralization in accordance with the Register of objects for use, neutralization, storage and disposal of waste in Moldova. Waste management documentation is kept as evidence of proper waste management. Temporary storage of all hazardous or toxic substances and waste of Hazard Classes 1 and 2 at the facility is organized in separate premises in accordance with the legislation of Moldova (mercury-containing waste, lead batteries, intact with unused electrolyte batteries, etc.) without unauthorized access of people and with the respective marking/ labeling. The containers of hazardous materials are placed in a leak-proof container to prevent spillage. Waste is transported in accordance with the legislation of Moldova on transportation of hazardous waste. Waste collection and disposal pathways and sites are identified for all major waste types expected from excavation, demolition and construction activities. Mineral construction and demolition wastes are separated from general refuse, organic, liquid and chemical wastes by on-site sorting and stored in appropriate containers. Construction waste is collected and disposed of properly by licensed collectors. Temporary collection of waste is not taking place in flood-prone areas. Whenever feasible, there are reused and recycled appropriate and viable materials (except when containing asbestos). If asbestos is located on the project site, it is marked clearly as a hazardous material. When possible, the asbestos is appropriately contained and sealed to minimize exposure. Asbestos is handled and disposed of by skilled & experienced professionals. The removed asbestos is not reused. Temporarily storage on the site of all hazardous or toxic substances is in safe containers labeled with details of composition, properties and handling information.	

Project Activities and Subprojects Impacts	Measures for Impact Mitigation	Responsible
	Regular transportation of construction materials is carried out without stockpiling of large batches of materials at construction sites. Conditions of handling asbestos are included into Annex 4 to this document.	
ESS 4: Community Health and Safety: Transportation Roads, Traffic and accidents		
Health and Safety of communities will be impacted by proximity to construction activities, change traffic pattern, etc.	OHS protocols following the World Bank Group Environmental Health and Safety Guidelines are established to ensure community safety during the works. The local construction and environment inspectorates and communities are notified for the project activities. All work is carried out in a safe and disciplined manner designed to minimize impacts on workers, citizens and environment. Clear warning signs are displayed for the public and public transport about all potentially hazardous works. A traffic control system and staff training are organized, especially for providing access to the facility and nearby intensive traffic. Safe walkways and passages for pedestrians in places of public transport traffic and construction vehicles are provided.	Contractor
Incidences of diseases (such as tuberculosis, STI, HIV/AIDS)	Raise awareness and support mechanisms to prevent and control spread of transmitted diseases , including HIV/AIDS among the program workers and local communities. Implement disease awareness and management programme	PIU, Contractor
Livelihood affect, limitation of the access to property, public infrastructure &communal services disturbance	Procedure for informing local population about construction works. Construction schedule prepared minimum one month before starting the of the construction. Minimize impact on utilities such as electricity, gas, water supply and sewerage during construction. Inform local population at least two days in advance on services to be disrupted/cut and the duration of the disruptions, also comply to regulations of utility owners (service providers) Ensure minimal disconnections/disruptions of services such as electricity, gas, water etc. Inform local population on time and duration of planned disruption of services. Ensure that these services are not disrupted continuously and in accordance with regulations of utility owners (service providers) In case of prolonged disruption of supply of drinking water, the construction company or its subcontractors or water supply company will supply population with drinking water in specialized tanks. Ensure exchange of information between future Contractor and the local population	Contractor
GBV/SH	Raise awareness and support mechanisms to prevent and address GBV among the program workers and local communities. Implement awareness and training programme Ensure visibility and working of GRM mechanism (detailed information are provided in SEP)	
ESS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources		
Vegetation could be temporarily affected	Examination and inventory of large trees in the vicinity of construction works is carried out. Large trees should be	Contractor

Project Activities and Subprojects Impacts	Measures for Impact Mitigation	Responsible
by the pollution from construction works, which could lead to disruption of growth and development and can accelerate the aging process. No regular or seasonal strong movement of animals is observed in the area.	marked and fenced for protection, their root system is protected and any damage to the trees is prevented.	
ESS 8: Cultural and Historical Heritage		
Buildings of historical and cultural heritage and chance finds of artifacts	If construction works are carried out in a building of historical and cultural value, the Ministry /Local department is notified and all necessary permits are obtained from designated authorities, and all construction works are planned and carried out in accordance with the requirements of the legislation of Moldova. Rehabilitation of each such site is developed and managed in accordance with principles of good practice in the cultural heritage field. Chance Find Procedure for the artifacts or other possible "accidental finds" found during excavation or construction works is developed.	Contractor
Loss/damage to property	Determine the extent of property lost or destroyed and provide fair and prompt compensation to the effected people	Contractor/ supervision team/ PIU
OPERATIONAL PHASE		
Workers' employment conditions, occupational risks are worsened during operations of Subproject.	Adopted OHS protocols following the World Bank Group Environmental Health and Safety Guidelines for operations, requirement to provide protective equipment.	PIU
Protecting healthcare workers	Regular delivery and proper storage of goods, including samples, pharmaceuticals, disinfectant, reagents, other hazardous materials, PPEs, etc.; Ensure protocols for regular disinfection of public rooms, wards, WASH subproject , equipment, tools, and waste are in place and followed; Ensure handwashing and other sanitary stations are always supplied with clean water, soap, and disinfectant; Ensure equipment such as autoclaves are in working order; and Provide regular testing to healthcare workers routinely in contact with COVID-19 patients.	PIU and Implementing Agencies
Loss/damage to property	Determine the extent of property lost or destroyed and provide fair and prompt compensation to the effected people	Operator, PIU

6.5 Environmental and Social Screening Process (Step-by-Step)

This chapter describes the methodology to be followed by the PIU in identifying an managing environmental and social risks of each sub-project implemented under Components 1 and 2 (if the small civic work will be identified) of the Project. The review of the process is given in the following scheme (figure 12).

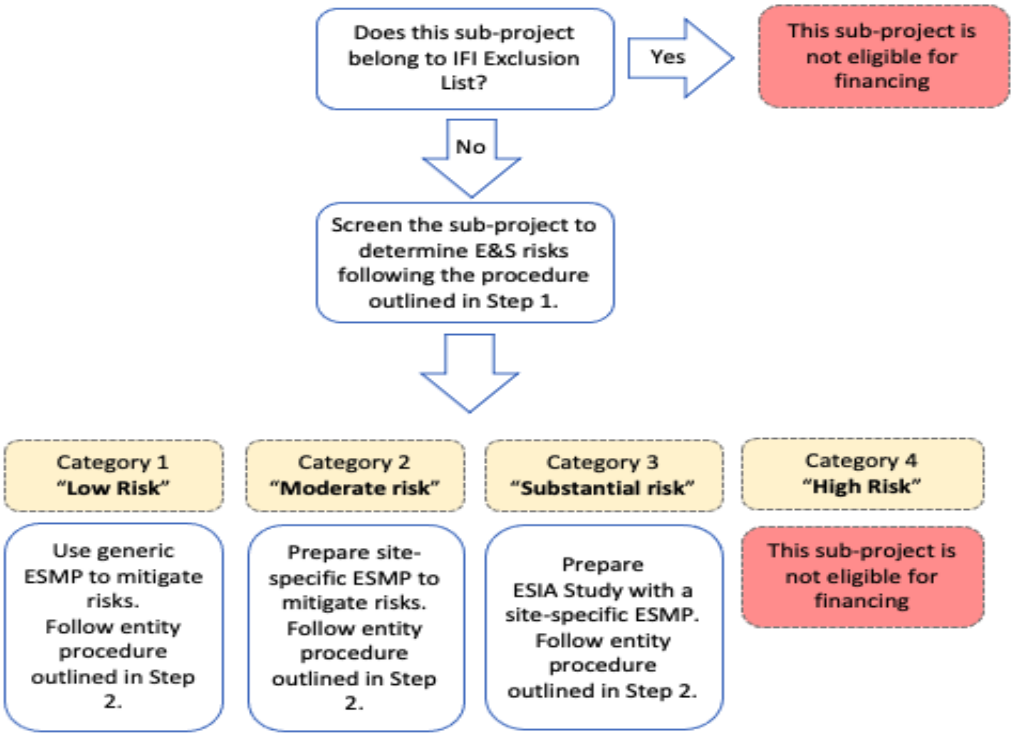


Figure 12: Schematic overview of the risk assessment process

6.5.1 Step 1: Carry out the rapid risk analysis and E&S assessment pursuant to the WB requirements

Rapid risk assessment of each sub-project will be done based on the rapid assessment (see the table 20) of project impacts and sensitivity of receiving environment. The steps to follow are described below.

1. Assessment of project impact based on:

- **Magnitude of the project**: depending on the project technical characteristics such as length of the pipeline, capacity of treatment plant, etc.
- **Scope of works**:

  New construction - when the proposed project constitutes a new investment, usually in new areas where, in most cases, land and/or households will be affected. The extension of pipeline/plant is also considered as a new project.

  Rehabilitation - When the existing structure requires specific work in order to recover its original characteristics, however, an increase in original design is not expected. No affectation of land or households.

Maintenance - periodic works that the WSS requires in order maintaining the project in optimal conditions.

Rapid assessment of impacts of water supply sub-project will be done using the following matrix:

Table 20: Matrix of rapid assessment of impacts of water supply sub-projects

Component	Magnitude	Scope	Impact
Water intake	[ ] Volume equivalent to or exceeding 3 million cubic meters	[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] Medium [ ] Medium [ ] Low
	[ ] Volume of between 1 - 3 million cubic meters	[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] Medium [ ] Low [ ] Low
	[ ] Volume of less than 1 million cubic meters	[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] Medium [ ] Low [ ] Minor or no impact
Water treatment plant	[ ] Volume equivalent to or exceeding 3 million cubic meters	[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] High [ ] Medium [ ] Low
	[ ] Volume of between 1 - 3 million cubic meters	[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] Medium [ ] Low [ ] Low
	[ ] Volume of less than 1 million cubic meters	[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] Medium [ ] Low [ ] Low
Pipeline/ distribution network (including rehabilitation as a part of NRW or EE measures)	[ ] Length more than 10 km	[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] Moderate [ ] Moderate [ ] Low
	[ ] Length between 1 and 10 km	[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] Moderate [ ] Low [ ] Minor or no impact
	[ ] Length less than 1 km	[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] Low [ ] Low [ ] Minor or no impact
Storage tank/Reservoir	[ ] Volume more than 5000m^3	[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] Moderate [ ] Moderate [ ] Low
	[ ] Volume between 500-5000m^3	[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] Moderate [ ] Low [ ] Minor or no impact
	[ ] Volume less than 500m^3	[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] Moderate [ ] Minor or no impact [ ] Minor or no impact
Pumping station	[ ] Capacity more than 100 kWh	[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] Moderate [ ] Moderate [ ] Low
	[ ] Capacity between 10-100 kWh	[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] Moderate [ ] Low [ ] Minor or no impact
	[ ] Capacity less than 10 kWh	[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] Low [ ] Minor or no impact [ ] Minor or no impact
Metering		[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] Low [ ] Low [ ] Minor or no impact
Other water components (soft measures)	-	-	[ ] No impact

Rapid assessment of impacts of water supply sub-project will be done using the following matrix - table 21.

Table 21: Matrix of rapid assessment of impacts of wastewater supply sub-project

Component	Magnitude	Scope	Impact
Sewage network	[ ] Length more than 10 km	[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] Moderate [ ] Moderate [ ] Low
	[ ] Length between 1 and 10 km	[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] Moderate [ ] Low [ ] Minor or no impact
	[ ] Length less than 1 km	[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] Low [ ] Low [ ] Minor or no impact
Pumping station	[ ] Capacity more than 100 kWh	[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] Moderate [ ] Moderate [ ] Low
	[ ] Capacity between 10-100 kWh	[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] Moderate [ ] Low [ ] Minor or no impact
	[ ] Capacity less than 10 kWh	[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] Low [ ] Minor or no impact [ ] Minor or no impact
Waste water treatment plant	[ ] Capacity more than 50.000 PE	[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] High [ ] Medium [ ] Low
	[ ] Capacity between 10.000 and 50.000 PE	[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] Medium [ ] Low [ ] Low
	[ ] Capacity less than 10.000 PE	[ ] New construction [ ] Rehabilitation [ ] Maintenance	[ ] Medium [ ] Low [ ] Low

In the context of the Moldova, social risks come from the authorities, stakeholders' conflict of interest among different parties and are typically associated with mass incidents, bureaucracy and socially vulnerable people. Its indicated that risks could be socially amplified when risk events interact with social perception, society, and culture. Improper handling of social problems will endanger social stability. Social risks cannot be fully eliminated, rather, it can be effectively managed to mitigate the negative impacts. To assess the social risks for MWSS Project and mitigate negative impacts correspondingly, social risk assessment framework needs to be established.

Table 22: Assessment of the social risk factors

	Probability of occurrence						
Social risk factors	Absolutely rare	Very rare	Occasional	Probable	Frequent	Very frequent	Absolutely certain
Unfair compensation for housing demolition and land aquisition		**x**					
Poor credibility of government			**x**				
Forced demolition	**x**						
Engineering quality problems			**x**				
Violation of laws and rules		**x**					
Disturbance of local residents				**x**			
Government's improper administration				**x**			

Social risk factors	Probability of occurrence						
	Absolutely rare	Very rare	Occasional	Probable	Frequent	Very frequent	Absolutely certain
Environment pollution (water, land, noise, etc.)			**x**				
Unreasonable relocation		**x**					
Security hidden danger				**x**			
Negative attitudes of local residents towards project			**x**				
Lack of funds				**x**			
Lack of information on key stakeholders' interests			**x**				
Variations in policies or compensation standards	**x**						
Unemployment problem					**x**		
Decision-maker competence				**x**			
Public opinion/rumor			**x**				
Unreasonable project design			**x**				
Insufficient protection for vulnerable groups			**x**				
Cost overrun				**x**			
Road occupancy/traffic disruption			**x**				
Improper drawing		**x**					
Enterprises losses caused by land acquisition		**x**					
Unreasonable feasibility studies			**x**				
Conflict of construction projects		**x**					
Error in construction site investigation				**x**			
Project schedule delays					**x**		
Lack of skill and experience of construction workers					**x**		
Cultural conflicts		**x**					
Financial crisis				**x**			
Rising consumer prices				**x**			
Ineffective waste disposal				**x**			
Uncertainties in weather and environment				**x**			

2. Assessment of sensitivity of receiving environment

The matrix presented as table 23 below describes the factors determining the sensitivity of the certain assessed project.

- *High sensitivity*: Areas with important ecological and sociocultural characteristics in the direct influence area. Commonly inside national parks or protected areas. High degree of biodiversity, endemism, and threat. Great danger of environmental degradation (deforestation, hunt), critical ecosystem (wetlands, forests, etc.), areas with a high index of natural disasters (floods, earthquake, etc.), and places of significant cultural and historical interest.
- *Moderate sensitivity*: Areas with important ecological and sociocultural characteristic in the indirect influence area. Commonly in "buffer" zones. Moderate decree of biodiversity, endemism, and threat, Moderate danger of environmental degradation (deforestation, hunt), critical ecosystem (wetlands, forests, etc.), areas with high index of natural disasters (floods, earthquake, etc.), and places of significant cultural and historical interest.
- *Low sensitivity:* Area previously affected or with no critical ecosystem and social aspects in the direct or indirect influence area. Low degree of biodiversity, endemism, and threat; low danger of environmental degradation (deforestation, hunt, etc.); low risk to natural disasters (floods, earthquake); and no presence of cultural/historical sites in the direct or indirect influence area.

Table 23: Matrix of assessment of sensitivity

Risk Sensitivity	Description
HIGH	[ ] Protected areas in the direct influence area [ ] High danger of environment degradation (deforestation, hunting, others) [ ] Sensitive or critical ecosystem in the direct influence area (wetlands, peatlands, primary or secondary forests, and others) [ ] Vulnerable areas to natural disasters (floods, earthquake, and others) [ ] Presence of places of significant cultural and historical interest in the direct influence area
MODERATE	[ ] Protected Areas in the indirect influence area or in buffer zones [ ] Moderate danger of environment degradation (deforestation, hunting, others) [ ] Sensitive or critical ecosystems in the indirect influence area (wetlands, peatlands, primary or secondary forests, and others) [ ] Wavy topography (15-35% of slope) where the construction of access road, pipelines, etc. is expected [ ] Moderate risk to natural disasters (floods, earthquake, and others) [ ] Presence of places of cultural and historical significance in the indirect influence area
LOW	[ ] Intervened areas out of protected areas (national parks, or buffer areas) [ ] Low danger of environmental degradation (deforestation, hunt, and so forth) [ ] Sensitive or critical ecosystem areas not in the direct influence area (wetlands, peatlands, primary or secondary forests, and others) [ ] Flat topography (<15% of slope), when the project expects the construction of access road, pipelines, etc. [ ] Zones at low risk to natural disasters (floods, earthquake, and others) [ ] Absence of places with cultural and historical significance

If at least one setting triggers the high variables, the evaluator can conclude that the project or component has a **HIGH** site sensitivity; if there is no setting in high, but at least one setting is triggered in the moderate variables, the evaluator can conclude that the project or component has a **MODERATE** site sensitivity; and if there are no triggers in the high or moderate settings, the evaluator can conclude that the project or component has a **LOW** site sensitivity.

3. Determine the category of risk

The table 24 is another matrix that will be used to determine the category of risk:

Table 24: Matrix to determine the category of risk

Project impact	Sensitivity of receiving environment		
	High	Moderate	Low
High	High	Substantial	Moderate
Moderate	Substantial	Moderate	Moderate
Low	Moderate	Moderate	Low
Minor or no impact	Moderate	Low	Low

Description of risk categories:

HIGH risk level: Project is likely to have a significant adverse impact on the environment

SUBSTANTIAL risk level: Project is likely to have a significant adverse impact on the environment, but the magnitude of that impact is not well known.

MODERATE risk level: Project is likely to have a significant adverse impact on the environment, and the magnitude of that impact is known

LOW risk level: Project is likely to have no significant adverse environmental and social negative impacts

If a project has more than one component, this process should be applied for each component. The final result of the environmental risk level for the project will be the higher classification obtained in each component. For example, if the project includes the construction of a new pipeline and the rehabilitation of a reservoir, and the first component was classified as ”low risk” and the second component was classified as “moderate risk”, the entire projects should be classified as “moderate risk”.

According to the rapid risk assessment the following actions as described in table 25 will be taken:

Table 25: Statement of Risk-Action-Results

Risk category	Action to be taken	Result of the action
High risk subprojects	High risk activities are not eligible for financing	Reconsider changing the design or siting characteristics and resubmit the sub-project.
Substantial risk subprojects	A preliminary environmental assessment is required to decide whether the project can proceed without a full environmental impact assessment. An assessment will be carried out in line with the national laws, this ESMP (Annex 2) and provisions set forth under ESS1 and the ESF.	WB requirements on E&S impacts mitigation and monitoring included in the tender dossier/bidding documents. Mitigation obligations assigned to the hired contractor. Monitoring assigned to contractor or supervisor, as relevant.
Moderate risk subprojects	A site-specific ESMP will be produced in line with this ESMF. Sections related to all applicable ESSs shall be included.	WB requirements on E&S impacts mitigation and monitoring included in the tender dossier/bidding documents. Mitigation obligations assigned to the hired contractor. Monitoring assigned to contractor or supervisor, as relevant.

Risk category	Action to be taken	Result of the action
Low risk subprojects	The implementation can start after inclusion of site-specific ESMP Checklist into construction works contract. A site-specific ESMP Checklist has been prepared for the purpose of this project and is provided in Annex 3 to this ESMF.	WB requirements on E&S impacts mitigation and monitoring included in the tender dossier/bidding documents. Mitigation obligations assigned to the hired contractor. Monitoring assigned to contractor or supervisor, as relevant.

Additionally, PIU will be required to:

- in case of any land acquisition issues identified, prepare a site-specific Resettlement Action Plan in line with the guidance given in the Resettlement Policy Framework developed for the MWSS Project,
- implement the developed Labor Management Procedure, and update it as necessary,
- undertake stakeholder engagement and disclose appropriate information in accordance with the Stakeholder Engagement Plan developed for the MWSS Project,
- conduct monitoring and reporting on the E&S performance of the for the MWSS Project against the program-specific ESMF, RPF, SEP and LMP.

6.5.2 Step 2: Carry out an environmental and social assessment in line with entity regulations

For the activities listed in the table 26 below, carry out an environmental assessment depending on the subproject location, as explained in Chapter 5.4.1.

Environmental Assessment ProcedureIf the assessment indicates that a subproject is high risk this activity is not eligible for financing.

For subprojects for which the Bank requires the development of a site-specific ESMP (Annex2), the ESMP requirements shall be integrated in the environmental documentation submitted to responsible authorities. The social documentation developed do not require special permitting procedure form the state authorities but need to be in line with WB ESS.

Table 26: Statement of Action-Action-Results

Type of activities	Action to be taken	Result of the action
Water intakes	*In case that the activity involves abstraction of groundwater in volume equivalent to or exceeding 10 million cubic meters* Environmental Impact Assessment procedure should be carried out by the Environmental Agency and ultimately ending with issuing Environmental Agreement. Submit the EIA study. *In case that the activity involves abstraction of groundwater in volume of less than 10 million cubic meters* Preliminary impact assessment should be conducted based on which Environmental Agency decides on the necessity to conduct a full EIA and ultimately issues the Environmental Agreement. *Underground mining operations: drilling for water supply (from 150 to 5000 cubic meters per day);* The ecological expertise (EE) should be conducted by Environmental Agency. The	Environmental Agreement (Acord de Mediu) Endorsement of the ecological expertise

Type of activities	Action to be taken	Result of the action
	endorsement of the ecological expertise will be issued.	
WTP	*Pipelines with pumping and treatment facilities (for an equivalent of less than 50,000 inhabitants);* The ecological expertise (EE) should be conducted by Environmental Agency. The endorsement of the ecological expertise will be issued.	Endorsement of the ecological expertise
WWTPs	*Capacity < 150.000 Population Equivalent (PE)* Environmental Impact Assessment procedure carried out by the Environmental Agency Submit the EIA study. *Capacity < 50.000 PE* Preliminary impact assessment should be conducted based on which the Environmental Agency decides on the necessity to conduct a full EIA and ultimately issues the Environmental Agreement. *Sewerage networks and wastewater treatment plants with a capacity greater than that provided for an equivalent of less than 50,000 inhabitants.* The ecological expertise (EE) should be conducted by Environmental Agency. The endorsement of the ecological expertise will be issued.	Environmental Agreement Endorsement of the ecological expertise
Sewers	No action needed	
Pipelines/pump stations/reservoirs	*Pipelines length< 5 km* Preliminary impact assessment should be conducted based on which the Environmental Agency decides on the necessity to conduct a full EIA and ultimately issues the Environmental Agreement.	Environmental Agreement
Other water components (soft measures	No action needed	-

6.5.3 Step 3: Organize consultations with stakeholders

Stakeholder consultations shall be organized at the location closest to the project implementation site in line with the requirements of the SEP developed for the MWSS Project. If the subprojects require the development of a nationally required and regulated EIA (ESIA), such process also includes public involvement, public hearings and a publicly disclosed study in the manner prescribed by the entity legislation (comments on public document recorded and responses provided by the institution/organization responsible for preparing the ESIA). Ensure such public consultations are also in line with the requirements of WB and the Stakeholder Engagement Plan prepared for the MWSS (Separate document to ESMF). For certain activities, a decision on the necessity to undertake an EIA procedure shall be requested by the relevant entity authority.

In case of prolonged pandemic caused by coronavirus, the stakeholder engagement will be organized in line with *Technical Note: Public Consultations and Stakeholder Engagement in WB-supported operations when there are constraints on conducting public meetings* (March 20, 2020). According to this Note, WB and PIU will need to review the project activities and should:

- Identify and review planned activities under the project requiring stakeholder engagement and public consultations.

- Assess the level of proposed direct engagement with stakeholders, including location and size of proposed gatherings, frequency of engagement, categories of stakeholders (international, national, local) etc.
- Assess the level of risks of the virus transmission for these engagements, and how restrictions that are in effect in the country / project area would affect these engagements.
- Identify project activities for which consultation/engagement is critical and cannot be postponed without having significant impact on project timelines. For example, selection of resettlement options by affected people during project implementation. Reflecting the specific activity, consider viable means of achieving the necessary input from stakeholders (see further below).
- Assess the level of ICT penetration among key stakeholder groups, to identify the type of communication channels that can be effectively used in the project context

The guidance in selecting channels of communication, in light of the current COVID-19 situation may be but not limited to:

- Avoid public gatherings (taking into account national restrictions), including public hearings, workshops and community meetings;
- If smaller meetings are permitted, conduct consultations in small-group sessions, such as focus group meetings If not permitted, make all reasonable efforts to conduct meetings through online channels, including webex, zoom and skype;
- Diversify means of communication and rely more on social media and online channels. Where possible and appropriate, create dedicated online platforms and chatgroups appropriate for the purpose, based on the type and category of stakeholders;
- Employ traditional channels of communications (TV, newspaper, radio, dedicated phone-lines, and mail) when stakeholders to do not have access to online channels or do not use them frequently. Traditional channels can also be highly effective in conveying relevant information to stakeholders, and allow them to provide their feedback and suggestions;
- Where direct engagement with project affected people or beneficiaries is necessary, such as would be the case for Resettlement Action Plans preparation and implementation, identify channels for direct communication with each affected household via a context specific combination of email messages, mail, online platforms, dedicated phone lines with knowledgeable operators;
- Each of the proposed channels of engagement should clearly specify how feedback and suggestions can be provided by stakeholders;
- An appropriate approach to conducting stakeholder engagement can be developed in most contexts and situations. However, in situations where none of the above means of communication are considered adequate for required consultations with stakeholders, the team should discuss with the PIU whether the project activity can be rescheduled to a later time, when meaningful stakeholder engagement is possible. Where it is not possible to postpone the activity (such as in the case of ongoing resettlement) or where the postponement is likely to be for more than a few weeks.

It is recommended in the WB Technical Note to employ online communication tools to design virtual workshops in situations where large meetings and workshops are essential, given the preparatory stage of the project. Webex, Skype, and in low ICT capacity situations, audio meetings, can be effective tools to design virtual workshops. The format of such workshops could include the following steps:

- Virtual registration of participants: Participants can register online through a dedicated platform.
- Distribution of workshop materials to participants, including agenda, project documents, presentations, questionnaires and discussion topics: These can be distributed online to participants.
- Review of distributed information materials: Participants are given a scheduled duration for this, prior to scheduling a discussion on the information provided.
- Discussion, feedback collection and sharing:

  - Participants can be organized and assigned to different topic groups, teams or virtual "tables" provided they agree to this.

  - Group, team and table discussions can be organized through social media means, such as webex, skype or zoom, or through written feedback in the form of an electronic questionnaire or feedback forms that can be emailed back.

- Conclusion and summary: The chair of the workshop will summarize the virtual workshop discussion, formulate conclusions and share electronically with all participants.
- In situations where online interaction is challenging, information can be disseminated through digital platform (where available) like Facebook, Twitter, WhatsApp groups, Project weblinks/ websites, and traditional means of communications (TV, newspaper, radio, phone calls and mails with clear description of mechanisms for providing feedback via mail and / or dedicated telephone lines. All channels of communication need to clearly specify how stakeholders can provide their feedback and suggestions.

6.5.4 Step 4. (If needed and where applicable) Obtain various permits and approvals

The relevant permits (environmental, construction and special use of water and for discharge of water) has been olreadt indicated in Table 13 of this ESMF.

6.6 Labor Management

Pursuant to WB requirements, a Labor Management Procedure (Annex 9 to this document) has been developed as a separate document. The procedure aims to ensure fair treatment of workers and provision of safe and healthy working conditions.

Contractors' labor management compliance with national legislation requirements related to labor and safety at work would be monitored based as described in this document. In case any irregularities are identified based on such reports or the project grievance redress mechanism, PIU would notify the responsible Labor Inspection.

6.7 Monitoring and Reporting

The PIU shall monitor the implementation of this Framework, both at overall Project level and individual subproject level. The PIU shall ensure that the requirements of the site-specific ESMPs and environmental permit are included in employer's requirements for the construction works. Within their usual monitoring activities, PIU will perform monitoring (including on-site monitoring) (Annex 5 to this document) to ensure that Contractors comply with their contractual obligations (Annex 8 to this document).

It is the responsibility of the Contractor to ensure the proper execution of works, according to prescribed measures and in line with entity and international standards. Therefore, the Contractor should appoint a person responsible for environment protection (for example environmental engineering / specialist or similar) and social consultant with

adequate experience to be responsible for the implementation of all environment protection requirements and ESMP implementation. The same for social specialist. The appointed persons shall ensure compliance with environmental and social standards and is responsible for environmental protection according to the ESMP, in line with clearly defined tasks and responsibilities, which include, among others: works are executed in line with good construction practices, waste is adequately managed at the construction site, environmental protection issues are communicated with the supervising body and the local community. The works are supervised by the nominated supervising body, which controls that the activities are taken in line with the environmental management plan.

Preparation of site-specific ESMPs for priority investments will be undertaken by PIU consultants. They will also be responsible for the initial screening of the Project to determine risk categorization and other environmentally related documentation during the project execution (according Annex 1). In the PIU, a dedicated environmental specialist will be in charge of this process, as well as environmental monitoring and reporting. Details of these arrangements will be fully specified in the Project Operational Manual.

Contractors' labor management compliance with national legislation requirements related to labor and safety at work would be monitored based on the basis of Reports on Compliance of Conditions of Work with the ESS 2, which the contractors shall submit to the PIU and Supervision Consultant (external consultant) on a semi-annual basis. The format of the report is provided in LMP's Annex 9.

The PIU shall establish and maintain records on information and engagement of all stakeholders including records of grievances in accordance with the SEP.

The PIU will report on regular basis to WB on subproject screening, approval and monitoring results.

7 GRIEVANCE REDRESS MECHANISM

Project-affected parties may submit complaints regarding the Bank-financed activities to the project grievance mechanism or the World Bank's corporate Grievance Redress Service.

The Project GRM will be established at 3 levels:

Level 1. Local level and on online platform. The technical supervisor will be responsible for collecting the grievance from local residents and Contractor`s employees. The channels for grievance submission will be disclosed near the construction site in big board format. For Contractor`s employee special grievance box and e-mail will be available for submitting grievances (including anonymous). The technical supervisor will responsible for collecting grievances from Contractor`s personnel.

The GRM will be also accessible on the online Platform and linked with the MARDE and RDAs websites.

Level 2. PIU. the complainant will be able to submit grievance to PIU on:
online Platform: - link **(TBD)**
e-mail: *mihail.beregoi@uipm.gov.md and larisa.cupcea@uipm.md*
postal address: Mihail Beregoi, Chisinau, Alexandru cel Bun 51A street, MD 2012
by telephone: 022226254

Level 3. MARDE. Complainants may fill in online form following the provided platform link or fill in the template and send to:
online Platform: - link **(TBD)**
e-mail: **cancelaria@madrm.gov.md**
postal address: Ministry of Agriculture, Regional Development and Environment, MD-2005 Chisinau, str. Constantin Tanase 9
by telephone: 022 204547.

The MWSSP will ensure equal and nondiscriminatory access to grievance mechanisms, but the special attention will be given to the most vulnerable groups: people less informed, with limited legal knowledge, the poorest community members, with limited or no access to internet; the Roma people that have the least access to education and the infrastructure required for proper understanding of how to file complaints through conventional channels. The project team will be working together with LPA, social assistances and community mediator (for Roma people) to provide access for complaints and ensure that the most vulnerable groups views are taken into account. Main findings from Feasibility studies and ESIA / ESMP will also be consulted with the public and the project team will ensure that all proposals, including those from disadvantaged groups are analyzed and if the suggestions, requirements are reasonable will be included in the project design. The representatives of the vulnerable groups (NGOs, community leaders) will be included in the communication channels for ensuring the dissemination of information to diver's communities about Project preparation activities and also about planned public consultations.

Due to COVID-19, the project has to provide the extend ways whereby grievances would be received. The suggestions/complaints can be submitted by e-mail, website, online platform, telephone, mail, grievance box on the site etc. The template for grievances will be provided. To make grievance mechanisms accessible to all stakeholders, it is helpful to make the procedures to submit grievances simple and easy to understand and provide an opportunity to submit a grievance anonymously. The channels for filing complaints will be listed communicated to the public during the consultations.

WB's Grievance Redress Service: Stakeholders may submit complaints to existing project-level grievance redress

mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Information on how to submit complaints to the WB's GRS is available at http://www.worldbank.org/GRS.

The mechanism of addressing the complaints will be the following:

Stage 1: Receiving the Complaints/proposal/suggestion (all together named future "complaint") does not matter what form of receiving: verbal, writing, online etc. An initial screening is done by the receiver - Social specialist and included obligatory in the GRM Log. All complaints that meet the admissibility criteria (related to the Project) are transmitted also to the concerned to obtain their views/proposals on the complaints or allegations of violations contained therein.

Stage 2: **The screening / reviewing of complaints.** The Social specialist together with other specialists investigates and decides on the complaint and assesses the case including whether the complaint alone or in combination with other complaints appear to reveal a consistent pattern of reliably attested future steps.

During its review, the Social specialist may propose to Project manager to decide to:

- dismiss a complaint if it is not admissible because is not related with Project directly or indirectly and inform the applicant;
- keep a complaint under review and request the other stakeholders concerned and/or the complainant to provide further information within a reasonable time;
- solve the grievance in 15 days and inform the applicant about the decision with explanations.
- If it is not in his competence to transmit a file containing all admissible communications as well as recommendations thereon to the MARDE and WB for further consideration.

Stage 3: **MARDE, PIU, WB**. The MADRE/PIU and WB may express their opinion to:

- discontinue its consideration of the situation;
- keep the situation under review for further consideration or additional information;
- transmit the situation to the other Moldova State institutions for their opinion or solving.

All the stages of solving grievances has to be documented and the resolution included in the GRM Log. More information about the GRM are available in the Project SEP. The SEP will be revised and updated, supplemented as needed with project-specific arrangements and will be publicly disclosed.

8 DISCLOSURE AND PUBLIC CONSULTATIONS

Disclosure of relevant project information helps stakeholders including those who may be negatively affected by the project to understand the Project environmental and social risks, impacts, opportunities, and mitigation measures. Target of the information disclosure and communication is:

- to provide a schedule and information on activities together with the mechanisms for gathering the feedback.
- to inform key stakeholders of environmental and social risks and impacts associated with project activities.
- to improve the knowledge about the MWSSP activities as well as associated risks and risk mitigation measures.
- to ensure the best practices in terms of environmental protection, health, and safety for project workers; and
- to make available to the public a grievance procedure, in order, to collect the feedback and to undertake corrective actions in cases that may lead to unnecessary risks or a negative opinion about project implementation.

The initial concept for the proposed Project was presented during several multi-stakeholder meetings, including the National Coordination Meeting for Regional Development (February 2019), as well as the External Assistance Coordination Working Group for the Integrated Water Resources Management Sector (June 2019). Consultation meetings were conducted as part of project scoping (October 2019) and subsequent identification (March 2020) and preparation (September 2020) including separate meetings with Regional Development Agencies and local public administrations, as well as other government stakeholders and development partners. Further consultations were held during project preparation, in November 2020, led by MARDE and PIU, in line with the SEP prepared for the ECAPDEV Project Preparation Grant.

During the ESMF project preparation the stakeholder consultation and engagement activities, including related to E&S planning process, were adjusted to ensure effective and meaningful consultations to meet project and stakeholder needs. The means of communication were diversified to rely more on online channels (online public consultations) and social media (Facebook, Viber etc.), but also traditional channels of communications (information note/ leaflets, phone-lines etc.) were used.

Both, English and Romanian versions of the MWSSP draft Environmental and Social Management Framework (ESMF) were published on the MARDE website. The information about the public consultations was shared on the MARDE's social networks, ADRs' website and on LPA's social medias.

On February 19, the online presentation for the Water and Sanitation Sector Community Practitioners, MWSS project was held. The information about the MWSS project, the technical details of the sub-projects, the cost-benefit analysis, the roles and responsibilities of the stakeholders, and project timeline were presented during the online meeting discussion. The participants pointed out the high importance of trainings and strengthening the institutional capacity building for delivering improved WSS services.

Between March 1st and 9th, invitation e-mails for public consultations on March 10th were sent to RDAs, LPAs, water and sanitation service providers, NGOs (local, environmental and those that have tangents with water and sanitation), social media etc. They were asked to share the information to the general population.

Another stakeholder meeting was held on March 10th, 2021 to present the project activities and relevant ESF documents. Among the participants were representatives from MARDE, MECR, MHLSP, MoF, LPA, service providers,

representatives of civil society and media. The participants were informed about description, objectives, components of MWSS project. Also, the ESMF, SEP and RPF documents were presented to highlight the importance of these documents in assessing and addressing environmental and social risks, and engaging the stakeholders.

The importance of this project for the improvement of water supply and sanitation services in public institutions (medical and educational) was reiterated, noting the need of prioritizing interventions in rural areas, where the water and sewerage infrastructure is less developed. Moreover, the risks associated with the political factors and how those could be minimized were discussed. The need of communication and outreach to the people, their engagement using different strategies were mentioned. Another aspect that was highlighted by participants refers to informing and raising awareness of the rational and efficient use of water resources.

The participants who attended the online consultations were encouraged by MARDE and PIU representatives to keep coming up with proposals and suggestions. Available feedback channels were presented to the participants. In addition, they were informed about the online platform, that will be soon available, where all the information about the project will be found, and also, that for now, they can use the MARDE and ADR websites for this purpose. More detailed information about the public consultations is available in the Annex 11 and in the SEP.

After the consultation, the draft ESMF was reviewed in order to consider the inputs from consulted parties, and the final version was published on the MARDE and RDAs websites. The documents can be accessed on the following link:

https://madrm.gov.md/ro/content/consult%C4%83ri-publice-0.

If the COVID-19 public health emergency situation continues, virtual consultations using online channels of communication and social media will continue to be used. All engagement actions would follow appropriate social distancing precautions. A precautionary approach will be taken in stakeholder engagement activities to minimize the risk of COVID-19 transmission, following the World Bank's Technical Note: Public Consultations and Stakeholder Engagement in World Bank-supported operations when there are constraints on conducting public meetings.

ANNEXES

Annex 1. Environmental and Social Screening Checklist

Note: *Applicable for sub-projects under components 1.2.; 2 and 4, in case if will be planned any small civil work*)

This form is to be used by the PIU for relevant small civil work to screen potential environmental and social risk levels of a proposed subproject of this nature. The screening will determine the relevance of Bank environmental and social safeguard policies and propose the instrument to be prepared for the sub project.

Name of the subcomponent:		
City/Municipality:		
Name of applicant (implementing unit):		
Contact:		
ENVIRONMENTAL AND SOCIAL CHECKLIST QUESTIONNAIRE **(must be filled out and filed for every application)**		
CRITERIA	**YES**	**NO**
Does the proposed activity require a FULL Environmental Impact Assessment as per the Moldova Law on Environmental Impact Assessment nr.86/2014 (list of Projects for which full EIA is mandatory)? *If yes, this activity cannot be financed.*		
Will the works financed include construction, reconstruction or demolition works?" *If yes, an ESMP needs to be prepared!*		
Does the existing enterprise / institution/ operator have valid operating permit, licenses, approvals etc.? If not, please explain. Permits to screen for include: construction permit, operational/use permit, urban permit, water management permit… *If not, will the financing be used to correct this condition?*		
Does the existing enterprises have a valid environmental permit (or is in the procedure of obtaining an environmental permit as per the Moldovan laws) and does the proposed activity fall under those for which this permit was issued?		
Does the existing enterprise have a valid water management permit that calls for special investments or measures for the enterprise's wastewater releases (or is in the procedure of obtaining this permit as per the Moldovan laws)?		
Does the existing enterprise / institution/ operator need to follow specific Moldovan environmental regulations regarding air emissions, water use or wastewater discharge and solid waste management?		
Are there any significant outstanding environmental fees, fines or penalties or any other environmental liabilities (e.g. pending legal proceedings involving environmental issues etc.) *If so, will the financing be used to correct this condition and please explain?*		

Have there been any complaints raised by local affected people or groups or NGOs regarding conditions at the facility? *If so, will the grant financing be used to remedy these complaints?*		
Proposed Activity		
Will the proposed activity require acquisition of land, e.g. Encroachment on private property Relocation of Project affected persons Loss of private lands or assets Impacts on livelihood incomes *If yes, a site-specific Resettlement/Livelihood restoration Action Plan or Abbreviated Resettlement/Livelihood restoration Action Plan shall be prepared*		
Will the proposed activity disrupt access to education?		
Will the proposed activity disrupt access to health services?		
Will the proposed activity disrupt daily /ordinary operation of the institution/operator?		
Will the project affect vulnerable[69] groups by any of impacts identified above?		
Will the activity generate water effluents (wastewater) that may require special treatment, control or the water management permit?		
Will the activity generate air emissions which would require special controls in order to ensure compliance with the Moldovan Laws?		
Will the activity generate noise levels that would require control measures to ensure compliance with the Moldovan Laws?		
Will the noise levels impact particularly sensitive receptors (natural habitats, hospitals, schools, local population centers)?		
Will the activity consume, use or store, produce hazardous materials that: • require special permits or licenses require licensed or trained personnel • are outlawed or banned in EU or Western countries are difficult, expensive, or hard to manage • may cause soil and water pollution or health hazards if adequate control measures are not in place		
Will the activity generate solid waste that may be considered hazardous, difficult to manage, or may be beyond the scope of regular household waste? *(This may include, but not be limited too, animal carcasses, toxic materials, pesticides, medical waste, cleaning materials, flammables etc.)*		

[69] For purposes of the Screening form and assessment vulnerable groups shall Refers to either people below the poverty line, the l

andless, the elderly, women and children, and those who by virtue of gender, ethnicity, age, physical or mental disability, economic disadvantage, or social status may be more adversely affected by resettlement or other adverse social impacts than others or who may be limited in their ability to claim or take advantage of resettlement assistance and related development benefits.

Will the activity be located within or close to natural habitats or areas under consideration by the State Natural Protection Areas? Will the activity potentially impact areas of known significance to local, regional or national natural and cultural heritage?		
Will the activity involve import of living organisms, e.g. saplings, insects, animals, etc. or works that can impact sensitive environmental receptors?		
Has the local population or any NGOs expressed concern about the proposed activity's environmental aspects or expressed opposition?		
Is there any other aspect of the activity that would – through normal operations or under special conditions – cause a risk or have an impact on the environment, the population or could be considered as a nuisance (e.g. use of pesticides)?		
Does the subproject follow national guidelines and protocols for COVID-19 on issues of accessibility in non-discriminatory manner (equal access to the facility irrespective of age, gender, pre-existing medical conditions etc.)		

Annex 2. Environmental and Social Management Plan (ESMP)

Environmental and Social Management Plan (ESMP) for subprojects should outline the mitigation, monitoring and administrative measures to be taken during project implementation to avoid or eliminate negative environmental impacts.

For projects of intermediate environmental risk (Substantial risk projects), ESMP may also be an effective way of summarizing the activities needed to achieve effective mitigation of negative environmental impacts.

Part 1 includes General information about the project that includes a descriptive part characterizing the project and specifying the institutional and legislative aspects, the technical project content, the potential need for capacity building program and description of the public consultation process.

Part 1: General Information about the subproject

INSTITUTIONAL AND ADMINISTRATIVE INFORMATION				
Country				
Title of the subproject				
Area and scope of application of the subproject				
Institutional arrangements (name and contacts)	World Bank (Project Team Leader)	Subproject management	Beneficiary of Investments	
Implementation arrangement (name and contact information)	Supervision of execution of ESSs	Local supervision by the district educational department	Supervision of construction works	Contractor

DESCRIPTION OF THE ACTIVITIE	
Describe location, include map of the location	
Who is the owner of the land plot?	
Description of geographical, physical, biological, geological, hydrographical and socio-economic background	
Description of geographical, physical, biological, geological, hydrographical and socio-economic impacts of project activities	
Indicative need of construction for raw produce and materials	
LEGISLATION	
Determine national and regional legislation & permits applicable to the subproject activities	
PUBLIC CONSULTATION	
Indicate when/ where did/will public discussions take place	

The Environmental and Social Management Plan (ESMP) identifies feasible and cost-effective measures that may reduce potentially significant adverse environmental impacts to acceptable levels. The ESMP outlines the mitigation, monitoring and institutional strengthening measures to be taken during project implementation and project operation phases to avoid or eliminate negative environmental/social impacts.

The format in this annex provides a model for development such an ESMP. The model divides the project cycle into two phases: *construction, and operation*. For each phase, the preparation team identifies any significant environmental and social impacts that are anticipated based on the analysis done in the context of conducting an environmental and social review or preparing an environmental assessment, including social aspects (if required). For each impact, mitigation measures are identified and listed. Estimates are made of the cost of mitigation actions broken down by estimates for implementation (investment cost) and operation (recurrent cost). The ESMP format also provides for the identification of institutional responsibilities for implementation and operation of mitigation devices and methods. The content of the ESMPs should be structured as follows:

General project and sub-project information
Project information
Types of investment envisioned
Timeline of the project
Socio-economic context of the areas of operation and area next to the selected location)
neighbours next to the building
Environmental and Social Risk and Mitigation Measures
Results of screening and permitting processes
Key environmental and social aspects
Table of risks/impacts and mitigation measures
Impact matrix (severity, occurrence)
Institutional arrangements
Definition of roles and responsibilities on each mitigation action (PMU/local authorities/Contractor)
Responsibilities within the sub-project team
Needs assessment and training plan (H&S, public outreach, environment, safeguards)
Monitoring plan for risks/mitigation measures
Grievance Redress Mechanism (project-based system in place, forms, registration, centralization, box)
Public consultations and disclosure
Stakeholder mapping (institutions, civil society, and citizens)
Consultation and other engagement actions plan
Project information disclosure

To keep track of the requirements, responsibilities and costs for monitoring the implementation of environmental/social mitigation identified in the analysis included in an environmental review or assessment for such "moderate" risk projects, a monitoring plan may be useful. A format is provided in this annex. Like the ESMP, the project cycle is broken down into two phases (construction and operation). The format also includes a row for baseline information that is needed to achieve reliable and credible monitoring. The key elements of the matrix are:

- What is being monitored?
- Where is monitoring done?
- How is the parameter to be monitored to ensure meaningful comparisons?
- When or how frequently is monitoring necessary or most effective?
- Why is the parameter being monitored (what does it tell us about environmental impact)?
- In addition to these questions, it is useful to identify the costs associated with monitoring (both investment and recurrent) and the institutional responsibilities.

ENVIRONMENTAL AND SOCIAL MANAGEMENT PLAN

(location, description)

Environmental and Social Elements	Impacts	Proposed mitigation measures[70]	Institutional responsibility for mitigation	Cost of mitigation activities[71]
Construction period				
Physical Environment				
Soils				
Water Resources				
Air Quality				
Biological Environment				
Fauna and Flora				
Social Environment				
Aesthetics and Landscape				
Human Communities				
Traffic				
Resettlement				
Income losses				
Health and safety				
Historical and Cultural Sites				
Safety and health of staff and population				

[70]Activities requiring financial expenses are to be included in BoQ.

[71] Cost of mitigation activities is defined by a contractor in relevant items in bidding documents.

Environmental and Social Elements	Impacts	Proposed mitigation measures[70]	Institutional responsibility for mitigation	Cost of mitigation activities[71]
Operation period				
Physical Environment				
Soils				
Water Resources				
Air Quality				
Biological Environment				
Fauna and Flora				
Social Environment				
Aesthetics and Landscape				
Human Communities				
Historical and Cultural Sites				
Safety and health of staff and population				

Note: *all these mentioned in the table below should be included in the ESMP table presented above*

Project Activities and Subprojects Impacts	Measures for Impact Mitigation	Responsible
DESIGN PHASE		
Without proper screening of proposed subprojects, subprojects with activities which cannot be financed under this Project may be selected which would impede on Project implementation	The PIU will screen each subproject for potential environmental and social risks per World Bank Group EHS Guidelines, WHO COVID-19 Guidelines, and the screening form provided in Annex 2. Screening will include: • Determination of any needed design changes in the facility or its operation such as WASH subproject, isolation facilities, structural and equipment safety, universal access etc; • Identification of the scope of works expected (i.e. wards rehabilitated into WASH subproject , installation of box chambers, installation/augmentation of water supply and installation of sanitary stations, etc.); • Determination that utilities (power, water, heat, etc.) are adequate for planned works; • Identification of how such works might interfere with normal operation of the Subproject; • Determination if works are eligible for financing - for example, activities excluded from	PIU

Project Activities and Subprojects Impacts	Measures for Impact Mitigation	Responsible
	financing under the project include those requiring the acquisition of land or works; • Determination as to whether external or additional security personnel are needed	
Neglect of environmental and social aspects during the preparation of piplines construction/ renovation design and bidding documents; Neglect of environmental and social aspects, and pest management during the preparation of the feasibility studies; Neglect of stakeholders; The overall design/technical plan on renovation/rehabilitation includes outdated techniques, engineering solutions and hazardous components in construction materials	Technical/engineering design for subprojects is resource efficient, focused on preventing environmental pollution, envisages climate change adaptation measures, sustainable and environmentally-sounds, accessible and inclusive based on best available techniques/good industrial practices in the sector; considers location and technology alternatives; accounts for required setting up sanitary-protection zone (SPZ). Stakeholders are identified and consulted as per SEP requirements; ESMP is developed for each subproject prior tendering of civil works; If the national legislate requires, the EIA should be developed for selected subprojects; Local departments of architecture and construction and territorial authorities of the Ministry of Energy and Environmental Protection are informed about the forthcoming works.	PIU
Protecting healthcare & educational workers	The PIU will conduct a review of the SUBPROJECT 's protocol's for protecting workers from infections disease based on current WHO Guidelines for COVID-19 and the Infection and Prevention Protocol contained in Annex 8. The review will include: • Determination if training given to healthcare workers and other Subproject employees is adequate; • Determination if Subproject staff are trained on how to deal with the remains of those who might die from COVID-19, including those conducting autopsies; • Determination if adequate stores of PPE are available on-site; and • Identification of supply lines for required PPE.	PIU
CONSTRUCTION		
Overall Management of Environmental and Social Risks		
Failure to follow requirements of national environmental and social legislation may result in project implementation delays, reputational risks etc.	All environmental and OHS permits, clearances, approvals (such as Approval etc.) and licenses (such as licenses for specific types of works etc.) are obtained in due time as per legislation requirements of Moldova.	Contractor
Labor and Working Conditions		
Workers and visitors may be injured at the construction and demolition sites if necessary, safety and occupational health rules/standards are not followed.	PPE (Personal Protective Equipment) of all workers will meet the requirements of international standards (hard hats are always used, respirators and protective glasses, protection harnesses and special footwear are used where necessary). Where and when feasible unskilled or semi-skilled workers from local communities recruited to the extent possible, worker skills training, provided to enhance participation of local people. Raise awareness of workers on overall relationship management with local population, establish the code of conduct in line with international practice and strictly enforce them, including the dismissal of workers and financial penalties of adequate scale. Training is conducted on OHS standards, protective equipment use, etc.	Contractor
Resource Efficiency and Pollution Prevention and Management: Air Pollution Prevention		

Project Activities and Subprojects Impacts	Measures for Impact Mitigation	Responsible
Air pollution will be increased locally due to machinery used, handling of materials at the sites, and due to increased traffic connected with construction and demolition works. Negative impacts on atmospheric air quality take place mainly in the vicinity of the construction and demolition sites	During excavation works the methods of dust control are applied, e.g. water spraying or land wetting. Debris-chutes are used during interior demolition above the first floor. Construction waste (demolition debris), removed ground and non-metallic construction materials are stored at specially designed sites with timely wetting and dust control. During pneumatic drilling or removal of the surface layer of the pavement and foundation, dust is suppressed by constant irrigation and / or protective screens should be installed at the facility. The surrounding pavements (sidewalks) and roads are kept clean from dust and construction waste to reduce dust. All machinery undergoes timely technical inspections at maintenance stations with regard to CO emissions and smoke, idle construction equipment with engines turned on at the sites is not allowed. During pneumatic drilling or breaking of pavement and foundations dust is suppressed by ongoing water spraying and installing dust screen enclosures at the site. Dust and traffic emissions are minimized by good operation management and site supervision. The modern construction techniques and energy efficient technologies are applied.	Contractor
Resource Efficiency and Pollution Prevention and Management: Soil Pollution Prevention		
Spills of oil from heavy machinery, paint, other chemicals (during renovation works)	Technical compliance of machinery; compliance with operation instructions, wastewater stored properly and disposed at approved sites, etc.	Contractor
Resource Efficiency and Pollution Prevention and Management: Ground and Surface Water Pollution		
Surface water can be contaminated by accidental spills and leaks from the machinery, by debris during bridge's construction, and can be contaminated with suspended particles during the works on/near the river. Ground water can be polluted by accidental spillages, leakages from temporary oil and fuel storage and leakages from the machinery during a construction phase.	There is no unregulated extraction of groundwater, nor uncontrolled discharge of process waters, cement slurries, or any other contaminated waters into the ground or rivers. The contractor will receive necessary permits for water use and drainage. Sewerage systems are organized at the site and measures are taken to prevent pollution, blocking or other possible negative impacts on natural ecosystems by construction works at the facility. Measures are taken to prevent spills of fuels and lubricants and other toxic or hazardous substances. Cleaning of construction vehicles and machinery is carried out only in specially designated areas to prevent getting polluted wastewater into surface waters Proper management of all areas of the construction site to ensure contamination from all construction activities does not occur. Slope protection structures are regularly maintained. Drainage system and overflow pipes are provided. Disposal of excavated material into the nearest rivers is prohibited. Construction site chemicals such as oils, gasoline, degreasers, antifreeze, concrete and asphalt products, sealers, paints, and wash water associated with these products are stored, handled and disposed in a way that minimizes their entry into a runoff. Area of construction is regularly cleared from construction waste and temporary structures.	Contractor
Resource Efficiency and Pollution Prevention and Management: Noise and Vibration		

Project Activities and Subprojects Impacts	Measures for Impact Mitigation	Responsible
The primary sources of noise will be the work of demolition, construction equipment and trucks. The noise produced during construction will temporary and localized.	Construction works are carried out only at the time indicated in a permit/bidding documents/contract. Works are carried out strictly during regular weekday working hours. The works are not planned during weekends and holidays. In case there is a need for carrying out works causing higher noise levels, the residents living nearby are notified 10 days in advance. For the period of works, the engine covers of generators, air compressors and other similar devices will be closed, the equipment are at the maximum distance from the places of residence of the population. Adequate soundproofing of all vehicles and equipment is carried out by the use of foam, rubber, and other soundproofing materials. Noise barriers are installed where appropriate. Workers are provided with individual protective gear to be used when performing high-level noise works. Reducing project traffic routing through vulnerable areas, wherever possible, is applied. Modern equipment that fulfil noise reduction norms is used, or equipment is retrofitted to meet the required standards	
Resource Efficiency and Pollution Prevention and Management: Landslides and Erosion		
Improper supporting structures of deep excavations may lead to landslides thus causing risks to workers and nearby structures. Bare ground is prone to landslides in case of heavy rainfalls. There is also a potential for wind and water erosion during the construction phase.	Borrow material is obtained from already existing and licensed borrow pits within Moldova and possibly close to the project area to reduce the transportation distance. Anti-erosion and anti-landslide measures are taken at the facility, in particular, the laying of the construction site, construction of storm sewers or reclamation to prevent the displacement of the settled soil outside the construction site. Walls of deep excavations are enforced / supported according to relevant technical requirements. Unnecessary removal of vegetation and pavement are avoided, and bare ground planted or paved as soon as possible after the closure of the construction site. Reinforcement of slopes for prevention of soil erosion is carried out. Storm water drainage is arranged before excavation works have commenced	
Resource Efficiency and Pollution Prevention and Management: Waste and Hazardous Materials		
During the construction phase some waste streams will be generated: - Inert mineral materials such as excavated earth, sand and gravel; - Potentially noxious or dangerous substances such as waste from construction camps and workshops, concrete slurries from washing plants, barrels, and containers from fuels, lubricants and construction chemicals, scrap metal, and spent welding electrodes; - Wood waste from felled trees and other organic matter from the clearing of the alignment. In case construction and demolition waste is not properly transported and disposed of, it	For all major types of waste expected from the works on removal of fertile soil, dismantling and construction, collection sites and facilities for the use, neutralization and disposal of waste is identified. Construction waste is separated from municipal waste by collecting it in separate containers. Construction waste is collected and transferred to facilities for use, neutralization in accordance with the Register of objects for use, neutralization, storage and disposal of waste in Moldova. Waste management documentation is kept as evidence of proper waste management. Temporary storage of all hazardous or toxic substances and waste of Hazard Classes 1 and 2 at the facility is organized in separate premises in accordance with the legislation of Moldova (mercury-containing waste, lead batteries, intact with unused electrolyte batteries, etc.) without unauthorized access of people and with the respective marking/ labelling. The containers of hazardous materials are placed in a leak-proof container to prevent spillage. Waste is transported in accordance with the legislation of Moldova on transportation of hazardous waste. Waste collection and disposal pathways and sites are identified for all major waste types expected	

Project Activities and Subprojects Impacts	Measures for Impact Mitigation	Responsible
may cause soil, surface and groundwater pollution at the disposal sites and health hazards along the transportation route.	from excavation, demolition and construction activities. Mineral construction and demolition wastes are separated from general refuse, organic, liquid and chemical wastes by on-site sorting and stored in appropriate containers. Construction waste is collected and disposed of properly by licensed collectors. Temporary collection of waste is not taking place in flood-prone areas. Whenever feasible, there is reused and recycled appropriate and viable materials (except when containing asbestos). If asbestos is located on the project site, it is marked clearly as a hazardous material. When possible, the asbestos is appropriately contained and sealed to minimize exposure. Asbestos is handled and disposed of by skilled & experienced professionals. The removed asbestos is not reused. Temporarily storage on the site of all hazardous or toxic substances is in safe containers labelled with details of composition, properties and handling information. Regular transportation of construction materials is carried out without stockpiling of large batches of materials at construction sites.	
Community Health and Safety: Transportation Roads, Traffic and accidents		
Health and Safety of communities will be impacted by proximity to construction activities, change traffic pattern, etc.	OHS protocols following the World Bank Group Environmental Health and Safety Guidelines are established to ensure community safety during the works. The local construction and environment inspectorates and communities are notified for the project activities. All work is carried out in a safe and disciplined manner designed to minimize impacts on workers, citizens and environment. Clear warning signs are displayed for the public and public transport about all potentially hazardous works. A traffic control system and staff training are organized, especially for providing access to the facility and nearby intensive traffic. Safe walkways and passages for pedestrians in places of public transport traffic and construction vehicles are provided.	Contractor
Biodiversity Conservation and Sustainable Management of Living Natural Resources		
Vegetation could be temporarily affected by the pollution from construction works, which could lead to disruption of growth and development and can accelerate the aging process. No regular or seasonal strong movement of animals is observed in the area.	Examination and inventory of large trees in the vicinity of construction works is carried out. Large trees should be marked and fenced for protection, their root system is protected and any damage to the trees is prevented.	Contractor
Cultural and Historical Heritage		
Buildings of historical and cultural heritage and chance finds of artifacts	If construction works are carried out in a building of historical and cultural value, the Ministry /Local department is notified and all necessary permits are obtained from designated authorities, and all construction works are planned and carried out in accordance with the requirements of the legislation of Moldova.	Contractor

Project Activities and Subprojects Impacts	Measures for Impact Mitigation	Responsible
	Rehabilitation of each such site is developed and managed in accordance with principles of good practice in the cultural heritage field. Chance Find Procedure for the artefacts or other possible "accidental finds" found during excavation or construction works is developed.	
OPERATIONAL PHASE		
Workers' employment conditions, occupational risks are worsened during operations of Subproject .	Adopted OHS protocols following the World Bank Group Environmental Health and Safety Guidelines for operations, requirement to provide protective equipment.	PIU
Protecting healthcare workers	Regular delivery and proper storage of goods, including samples, pharmaceuticals, disinfectant, reagents, other hazardous materials, PPEs, etc; Ensure protocols for regular disinfection of public rooms, wards, WASH subproject , equipment, tools, and waste are in place and followed; Ensure handwashing and other sanitary stations are always supplied with clean water, soap, and disinfectant; Ensure equipment such as autoclaves are in working order; and Provide regular testing to healthcare workers routinely in contact with COVID-19 patients.	PIU and Implementing Agencies

ENVIRONMENTAL AND SOCIAL MONITORING PLAN

_____

_____

(location, description)

Project implementation stage	**What** /parameter is subject to monitoring? /	**Where** /will monitoring of parameter be carried out? /	**How** /will monitoring of parameter be carried out/type of monitoring equipment/	**When** /will monitoring of parameter be carried out-frequency/	**Monitoring cost** /What cost of equipment or expenses of contractor required to conduct monitoring?/	**Institutional responsibility for monitoring**	**Date of commencement**	**Date of completion**
Construction								
Operation								

Annex 3. ESMP Checklist for Construction and Rehabilitation Activities

Part A: General Project and Site Information

INSTITUTIONAL & ADMINISTRATIVE				
Country	**MOLDOVA**			
Project title				
Scope of project and activity	Small-scale construction works for buildings/facilities rehabilitation			
Institutional arrangements (Name and contacts)	WB (Project Team Leader)	Project Management	Local Counterpart and/or Recipient	
Implementation arrangements (Name and contacts)	Safeguard Supervision	Local Counterpart Supervision	Local Inspectorate Supervision	Contactor
SITE DESCRIPTION				
Name of site				
Describe site location			Attachment 1: Site Map [ ]Y [ ] N	
Who owns the land?				
Description of geographic, physical, biological, geological, hydrographic and socio-economic context				
Description of Labor needs: % local hire, estimate labor influx – from where				
Locations and distance for material sourcing, especially aggregates, water, stones?				
LEGISLATION				
Identify national & local legislation & permits that apply to project activity				
PUBLIC CONSULTATION				
Identify when / where the public consultation process took place and what were the remarks from the consulted stakeholders	The draft Environmental and Social Management Plan (ESMP) Checklist (for the projects with low risk) will be available for the public for 14 days on web site of the respective Municipality and the web site of the MARDE PIU. All relevant comments and suggestions received will be included into the final ESMP checklist and will be submitted for the approval of the WB Environmental Specialist. Approved Final version of ESMP Checklist should be included in the bidding documents and construction contracts.			

INSTITUTIONAL CAPACITY BUILDING	
Will there be any capacity building?	[ ] N or [ ]Y if Yes, Attachment 2 includes the capacity building program

Part B: Screening Form Environemntal and Social

Environmental /social screening			
	Activity	**Status**	**Triggered Actions**
Will the site activity include/involve any of the following??	A. Building rehabilitation	[] Yes [ ] No	See Section **A** below
	B. Minor new construction	[ ] Yes [] No	See Section **A** below
	C. Individual wastewater treatment system	[ ] Yes [] No	See Section **B** below
	D. Historic building(s) and districts	[ ] Yes [] No	See Section **C** below
	E. Acquisition of land	[ ] Yes [] No	See Section **D** below
	F. Hazardous or toxic materials[72]	[] Yes [ ] No	See Section **E** below
	G. Impacts on forests and/or protected areas	[ ] Yes [] No	See Section **F** below
	H. Handling / management of waste	[ ] Yes [] No	See Section **G** below
	I. Traffic and Pedestrian Safety	[] Yes [ ] No	See Section **H** below

Part C: Mitigation measures

Activity	Parameter	Mitigation measures checklist
General Conditions Without proper screening of proposed subprojects, subprojects with activities which cannot be financed under this Project may be selected which would impede on Project implementation	Screening of environmental and social risks	The PIU will screen each subproject for potential environmental and social risks per World Bank Group EHS Guidelines, WHO COVID-19 Guidelines, and the screening form provided in Part B. Screening will include: a) Determination of any needed design changes in the facility or its operation such as structural and equipment safety, infection control, medical waste disposal, etc.; b) Identification of the scope of works expected; c) Determination that utilities (power, water, heat, etc.) are adequate for planned works; d) Identification of how such works might interfere with normal operation of the subproject facility; e) Determination if works are eligible for financing - for example, activities excluded from financing under the project include those requiring the acquisition of land or works conducted in wards or areas where patients are being treated where asbestos insulation or pipe lagging was used in original construction.
General	Notification and	(a) The local construction and environment inspectorates and communities have been notified of upcoming activities

[72] Toxic / hazardous material includes but is not limited to asbestos, toxic paints, noxious solvents, removal of lead paint, etc.

Activity	Parameter	Mitigation measures checklist
Conditions	Worker Safety	(b) The public has been notified of the works through appropriate notification in the media and/or at publicly accessible sites (including the site of the works) (c) All legally required permits have been acquired for construction and/or rehabilitation (d) The Contractor formally agrees that all work will be carried out in a safe and disciplined manner designed to minimize impacts on neighboring residents and environment. That the contractor will establish a Code of Conduct to be signed and followed by employees. The Contractor will also agree to follow strict measures to prevent transmission of COVID-19, or other diseases. (e) Workers' PPE will comply with international good practice (always hardhats, as needed masks and safety glasses, harnesses and safety boots) (f) Appropriate signposting of the sites will inform workers of key rules and regulations to follow.
General Conditions	Protection of healthcare workers	The PIU will conduct a review of the sub protocol's for protecting healthcare workers from infections disease based on current WHO Guidelines for COVID-19 and the Infection and Prevention Protocol.The review will include: (a) Determination if training given to healthcare workers and other HCF employees is adequate; (b) (c) Determination if adequate stores of PPE are available on-site; and (d) Identification of supply lines for required PPE.
General Rehabilitation and /or Construction Activities	Air Quality	(a) During interior demolition debris-chutes shall be used above the first floor (b) Demolition debris shall be kept in controlled area and sprayed with water mist to reduce debris dust (c) During pneumatic drilling/wall destruction dust shall be suppressed by ongoing water spraying and/or installing dust screen enclosures at site (d) The surrounding environment (side walks, roads) shall be kept free of debris to minimize dust (e) There will be no open burning of construction / waste material at the site (f) There will be no excessive idling of construction vehicles at sites
	Noise	(a) Construction noise will be limited to restricted times agreed to in the permit (b) During operations the engine covers of generators, air compressors and other powered mechanical equipment shall be closed, and equipment placed as far away from residential areas as possible
	Water Quality	(a) The site will establish appropriate erosion and sediment control measures such as e.g. hay bales and / or silt fences to prevent sediment from moving off site and causing excessive turbidity in nearby streams and rivers.
	Waste management	(a) Waste collection and disposal pathways and sites will be identified for all major waste types expected from demolition and construction activities. (b) Mineral construction and demolition wastes will be separated from general refuse, organic, liquid and chemical wastes by on-site sorting and stored in appropriate containers. (c) Construction waste will be collected and disposed properly by licensed collectors (d) The records of waste disposal will be maintained as proof for proper management as designed.

Activity	Parameter	Mitigation measures checklist
		(e) Whenever feasible the contractor will reuse and recycle appropriate and viable materials (except asbestos)
Individual wastewater treatment system	Water Quality	(a) The approach to handling sanitary wastes and wastewater from building sites (installation or reconstruction) must be approved by the local authorities (b) Before being discharged into receiving waters, effluents from individual wastewater systems must be treated in order to meet the minimal quality criteria set out by national guidelines on effluent quality and wastewater treatment (c) Monitoring of new wastewater systems (before/after) will be carried out (d) Construction vehicles and machinery will be washed only in designated areas where runoff will not pollute natural surface water bodies.
Historic building(s)	Cultural Heritage	There will be no interventions at or related to historic buildings

Activity	Parameter	Mitigation measures checklist
Acquisition of land	Land Acquisition Plan/Framework	There will be no land acquisition and therefore no mitigation needed.
Toxic Materials	Asbestos management	(a) If asbestos is located on the project site, it shall be marked clearly as hazardous material (b) When possible the asbestos will be appropriately contained and sealed to minimize exposure (c) The asbestos prior to removal (if removal is necessary) will be treated with a wetting agent to minimize asbestos dust (d) Asbestos will be handled and disposed by skilled & experienced professionals (e) If asbestos material is be stored temporarily, the wastes should be securely enclosed inside closed containments and marked appropriately. Security measures will be taken against unauthorized removal from the site. The removed asbestos will not be reused
Toxic Materials	Toxic / hazardous waste management	(a) Temporarily storage on site of all hazardous or toxic substances will be in safe containers labeled with details of composition, properties and handling information (b) The containers of hazardous substances shall be placed in an leak-proof container to prevent spillage and leaching (c) The wastes shall be transported by specially licensed carriers and disposed in a licensed facility. (f) Paints with toxic ingredients or solvents or lead-based paints will not be used
Impacts on forests and/or protected areas	Protection	(a) All recognized natural habitats, wetlands and protected areas in the immediate vicinity of the activity will not be damaged or exploited, all staff will be strictly prohibited from hunting, foraging, logging or other damaging activities. (b) A survey and an inventory shall be made of large trees in the vicinity of the construction activity, large trees shall be marked and cordoned off with fencing, their root system protected, and any damage to the trees avoided

Activity	Parameter	Mitigation measures checklist
		(c) Adjacent wetlands and streams shall be protected from construction site run-off with appropriate erosion and sediment control feature to include by not limited to hay bales and silt fences (d) There will be no unlicensed borrow pits, quarries or waste dumps in adjacent areas, especially not in protected areas.
Disposal of waste	Direct or indirect hazards to surrounding communities	OHS protocols following the World Bank Group Environmental Health and Safety Guidelines are established to ensure community safety during the works. a) The local construction and environment inspectorates and communities are notified for the project activities. b) All work is carried out in a safe and disciplined manner designed to minimize impacts on workers and citizens in the vicinity, with additional measures in place to protect nearby hospital units that are in operation and treating patients. c) Clear warning signs are displayed for the public and public transport about all potentially hazardous works. d) A traffic control system and staff training are organized, especially for providing access to the facility and nearby intensive traffic. e) Safe walkways and passages for pedestrians in places of public transport traffic and construction vehicles are provided. f) Adjustment of working hours to local traffic patterns, e.g. avoiding major transport activities during rush hours or times of livestock movement g) Active traffic management by trained and visible staff at the site, if required for safe and convenient passage for the public. h) Ensuring safe and continuous access to office facilities, shops and residences during renovation activities, if the buildings stay open for the public. (d) Measures in place to prevent transmission of COVID-19, or spread of other diseases.
Traffic and Pedestrian Safety	Direct or indirect hazards to public traffic and pedestrians by rehabilitation activities	The construction site including the regulation of the traffic will be accordingly secured by the Contractor. This includes but is not limited to: (a) The Traffic Management Plan will be prepared with the municipal staff in order to provide proper traffic flow within the project area (and beyond) and to prevent possible traffic accidents; (b) The neighboring communities (located along/near the project site) need to be timely informed of the upcoming works; (c) In an event where the traffic will be interrupted the contractor in cooperation with the Municipality need to organize alternative routes; (d) Placing of sign posts, warning signs, barriers and traffic diversions signs (vertical signalization and signs at the beginning of the rehabilitation site): the passing citizens will be warned about the potential hazards; (e) Installed boards and signs must not interfere with traffic safety and visibility; (f) Adequate warning tapes and signage need to be provided and placed; (g) Forbidden of entrance of unemployed persons within the fence; (h) Traffic management system and staff training should be executed, especially for site access and near-site heavy traffic. Provision of safe passages and crossings for pedestrians where construction traffic interferes;

Activity	Parameter	Mitigation measures checklist
		(i) Active traffic management should be conducted by trained and visible staff at the site, if required for safe and convenient passage for the public; (j) Set up a special traffic regime for the vehicles of the contractor during the period of rehabilitation (together with the municipal staff and police department) and installation of signs to ensure safety, traffic flow and access to land and facilities; (k) Announce timely alternative traffic regulation during the rehabilitation works to the local communities (if there will be one); (l) Ensure pedestrian safety. Special focus for safety of children if the school is in the vicinity (fence off the site, install safe corridors, regulate traffic manually in the peak hours, etc.); (m) Ensuring safe and continuous access to office facilities, shops and residences during rehabilitation activities;

Annex 4. Requirements and measures when handling asbestos (ESMP)

Asbestos is a group of naturally occurring fibrous silicate minerals. It was once used widely in the production of many industrial and household products because of its useful properties, including fire retardation, electrical and thermal insulation, chemical and thermal stability, and high tensile strength.

Today, however, asbestos is recognized as a cause of various diseases and cancers and is considered a health hazard if inhaled. Because the health risks associated with exposure to asbestos area now widely recognized, global health and worker organizations, research institutes, and some governments have enacted bans on the commercial use of asbestos.

In the European Union the use of asbestos is banned since January 1, 2005, and products containing asbestos and which have been installed or were in operation before the date 1 January 2005 can be used until the end of their lifecycle. In Republic of Moldova through Law on protection of the atmospheric air, nr. 1422/1997, sins modification of 19.01.2017 this was banned only for a) actinolit (CAS nr.77536-66-4);b) amosit (CAS nr.12172-73-5);c) antofilit (CAS nr.77536-67-5);d) crocidolit (CAS nr.12001-28-4);e) tremolit (CAS nr.77536-68-6).

Good practice is to minimize the health risks associated with ACM by avoiding their use in new construction and renovation, and, if installed asbestos-containing materials are encountered, by using internationally recognized standards and best practices to mitigate their impact. In all cases, the World Bank expects borrowers and other clients to use alternative materials wherever feasible. ACM must be avoided in new construction.

In reconstruction, demolition, and removal of damaged infrastructure, asbestos hazards must be identified and a risk management plan adopted that includes disposal techniques and end-of-life sites. Asbestos-containing (AC) products include flat panels, corrugated panels used for roofing, water storage tanks, water, and sewer pipes etc.. Thermal insulation containing asbestos and sprayed asbestos for insulation and acoustic damping were widely used through the 1970s and should be looked for in any project involving boilers and insulated pipes.

As asbestos is often used in construction (mainly for roofing) in many countries including Romania, it can present a risk for the health of workers and population, who live near buildings that need capital repair with replacement of roofing or demolition.

PMU specialists must inform beneficiaries on potential risk for their health and instruct not using asbestos as construction material during construction/rehabilitation works.

Any asbestos product or material that is ready for disposal is defined as asbestos waste. Asbestos waste also includes contaminated building materials, tools that cannot be decontaminated, personal protective equipment and damp rags used for cleaning. Always this type of waste must be treated as ‘Hazardous Waste’.

In this regards, ACM and asbestos waste must be properly removed, stored in a separate closed area and disposed (with the consent of local administration and environmental inspectors) on a landfill on the special area for disposal of that type of waste.

PMU must require the contractors that the removal, repair, and disposal of ACM shall be carried out in a way that minimizes worker and community asbestos exposure. During reconstruction works, workers must avoid destroying asbestos sheets and properly dispose them at construction sites until final disposal happens. Workers must wear protective over garment, gloves and respirators during work with asbestos sheets. Proper disposal of ACM is important not only to protect the community and environment but also to prevent scavenging and reuse of removed material. ACM must be transported in leak tight containers to a secure landfill operated in a manner that precludes air and water contamination that could result from ruptured containers. The removal and disposal of ACM and asbestos waste as well as all other ESMP measures have to be included in both the technical specifications and bill of quantities (BoQs). Contractor shall develop site-specific ESMP where requirements to ACM and asbestos waste will be contained.

Annex 5. Project Activity Report Template

Name of the subproject *brief description of activity*	**Status of preparation of design documentation** *In progress/ Completed/Cleared by State Expertise*	**Status of ESMP / /public consultations**	**Grievances received during reporting period, subject of grievances, resolution status** (*pending / in process / resolved)*	**Current status of works** *(timeline for design work and start / completion of construction works, outstanding issues)*	**Site visits or other actions by government agencies (ecological, labor safety, fire safety etc.)** *(dates, findings, corrective action requests issued, follow-up actions)*	**Site visits during reporting period** *(dates, findings, corrective action requests issued, follow-up actions)*	**Next site visit planned** *(dates, specific issues to be checked)*

Annex 6. Minimum elements of a Resettlement Action Plan (RAP)

RESETTLEMENT ACTION PLAN

I.Executive Summary

This shall include the statement of objectives, legal framework, main impacts, and the mitigation measures, and the budget.

II.Description of the Project, including the following

- Key objectives of project
- Key activities
- Description of the project areas

III.Resettlement Impacts:

To provide details (or best estimates) on categories and amounts of significant adverse impact, and the number of persons to be affected by each. The text should indicate how these data were obtained. As relevant in each case, this should include: land to be acquired (by category of use; permanent and temporary acquisition); housing or other structures to be demolished; fixed assets taken (e.g., wells, fences, tombs); crop losses; businesses (and employees) affected by temporary or permanent displacement disruptions to community facilities or services.

To provide details (or best estimates) regarding identification of any groups who may be particularly vulnerable to hardship. The text should indicate how these data were obtained. As relevant, this should include: Those occupying or utilizing land or structures without legal title or permit; Households vulnerable to hardship because of poverty, age, infirmity, or other limitations to responsiveness.

IV.Socio-economic survey

This section will be the summary of the results and findings of the socio-economic studies and surveys, including:

- The results of a census survey covering:
- The current occupants of the affected area to establish a basis for the design of the resettlement program and to exclude subsequent inflows of people for eligibility for compensation and resettlement assistance;
- Standard characteristics of displaced households;
- The magnitude of the expected loss - total or partial – of assets, and the extent of displacement, physical or economic;
- Information on vulnerable groups or persons, for whom special provisions may have to be made; and
- Provisions to update information on the displaced peoples livelihoods and standards of living at regular intervals;
- The results of other studies describing the following:

- Land tenure and transfer systems, including an inventory of common property natural resources from which people derive their livelihoods and sustenance, non-title-based usufruct systems, and any issues raised by different tenure systems in the project area;
- The patterns of social interaction in the affected communities, including social networks and social support systems, and how they will be affected by the project;
- Public infrastructure and social services that will be affected, and Social and cultural characteristics of displaced communities including a description of formal and informal institutions that may be relevant to the consultation strategy and to designing and implementing the resettlement activities.

V.Policy Objectives, Legal Framework, and Definitions

This section normally would consist of standardized text outlining key objectives, principles and definitions to be employed in resettlement planning. This would include reference to Sint Maarten enabling legislation and major regulations, as well as to World Bank OP 4.12, Involuntary Resettlement, and provides essential guidance on objectives and principles that are applicable in projects generating land acquisition and resettlement related impacts.

- Key policy objectives include: Avoidance or minimization of land acquisition and other adverse impacts. Those adversely affected ("displaced persons," as defined below) are compensated at replacement cost for lost assets, and otherwise receive any assistance necessary to provide them with sufficient opportunity to improve, or at least restore, incomes and living standards
- Legal framework, including:
- The scope of the power of eminent domain and the nature of compensation associated with it in terms of both the valuation methodology and the timing of payment;
- The applicable legal and administrative procedures;
- Relevant laws governing land tenure, valuation of assets and losses, compensation and natural resource usage rights customary personal law related to displacement, laws and regulations relating to the agencies responsible for implementing resettlement activities, and gaps, if any, between local laws in the country covering eminent domain and resettlement and the World Banks resettlement policy, and the mechanisms to bridge such gaps and any legal steps necessary to ensure the effective implementation of resettlement activities under the project.

VI. Valuation and Compensation

This section provides the following information:

- Eligibility criteria (including cut-off dates if necessary) establishing who is entitled to receive compensation (or other forms of assistance in lieu of compensation);
- Description of valuation procedures used to establish compensation rates for land, structures or other fixed assets; description of arrangements for delivery of compensation to displaced persons;
- Compensation rates for all categories of land acquisition, for all affected areas;
- Compensation rates for all categories of affected structures, for all affected areas;
- Compensation rates for all categories of other fixed assets, for all affected areas;

- Transitional support (e.g., moving expenses, temporary living allowances, payment of fees or other transaction costs) to be provided;
- Arrangements for recalculation of compensation rates in case of prolonged delay in delivery of compensation.

VII. Income and Livelihood Rehabilitation Measures

This section provides the following information:

- Arrangements (in addition to compensation) providing sufficient opportunity for those losing land to improve, or at least restore, incomes;
- Arrangements, timing and availability for replacement housing, including site preparation and access to facilities and services as needed to improve, or at least restore, living standards;
- Relocation or other arrangements necessary for shops and enterprises to resume profitable operation;
- Arrangements (e.g., alternative employment, temporary wage support, other) necessary to maintain or restore incomes of workers in affected enterprises;
- Relocation assistance to renters or leaseholders losing access to land or structures;
- Special assistance to be provided to vulnerable groups (e.g., the poor, elderly, disabled);
- Restoration or replacement of community infrastructure and services.

VIII. Institutional Arrangements

This section identifies organizations or agencies primarily responsible for resettlement implementation. It describes these entities' capacity for effective implementation by reference to links to authority, prior experience with resettlement, and number and training of personnel. This section also briefly describes the implementation timetable, establishing that key implementation measures precede adverse impacts.

IX. Budget and Funding Arrangements

This section includes a budget breakdown estimating all resettlement-related costs, including an allocation for contingencies. It also establishes financial responsibility for meeting resettlement commitments, and describes funding flow arrangements.

X. Timeline and Execution Schedule

This section shall detail the timeline and work schedule for implementation of all RAP activities.

XI. Consultation, Disclosure and Grievance Procedures

This section provides information on the following:

- Measures taken to consult with displaced persons regarding proposed resettlement arrangements, and to foster their participation in activities essential to improvement or restoration of incomes and living standards;

- Disclosure arrangements for the resettlement plan, ensuring that it is made available in a language and location accessible to displaced persons and the general public
- Administrative and legal steps displaced persons can take to pursue questions or grievances they may have regarding resettlement implementation.

XII. Monitoring Arrangements

This section briefly describes arrangements for monitoring implementation, for both internal project purposes and external monitoring to be conducted by a qualified agency independent of the project office. The scope and frequency of monitoring activities should be described.

Entitlement Matrix

Annex 7. ESIRT reporting requirements

1. Incident Management and Reporting Process

A. Step 1 – Initial Communication

B. Step 2 – Classification (done by the Bank Team)

Incident Calcification Guide:

C. Step 3 – Investigation – What happened?

PIU and Implementing Agencies will:

D. Step 4 – Response

E. Step 5 – Follow up

2. Responses and Remedies

Health and Safety Examples

E&S Examples

Incident Management and Reporting Process

Step 1 – Initial Communication

In case of the accident on any of the project sites, the Contractors will inform the PIU and/or the Bank Team; inform appropriate authorities in compliance with local regulations; secure the safety of workers, public, and provide immediate care.

As soon as any member of the Contractor's or PIU team member becomes aware of an alleged or actual incident, the team member will notify the PIU and/or the Bank Team. This initial communication will be sent regardless of the severity of the incident. The most crucial element of this communication is speed. When an incident is reported, the following questions are a guide to the type of information to be gathered quickly:

What was the incident? What happened? To what or to whom?

Where and when did the incident occur?

What is the information source? How did you find out about the incident?

Are the basic facts of the incident clear and uncontested, or are there conflicting versions?

What were the conditions or circumstances under which the incident occurred?

Is the incident still ongoing or is it contained?

Is loss of life or severe harm involved?

How serious was the incident? How is it being addressed? How are the PIU and Implementing Agencies responding?

What, if any, additional follow up action is required, and what are the associated timelines?

Are any Bank staff involved in the incident?

The requirement to report will be defined in the Project's POM. As required by the contracts, the Contractor will report incidents to the PIU – the MARDE and MoF/PIU and Implementing Agencies will ensure that reporting obligations on compliance with ESHS requirements are incorporated into works and other relevant

contracts. The PIU and Implementing Agencies will monitor the reports for incidents.

Step 2 – Classification (done by the Bank Team)

Based on information received, the Bank Team will classify the incident based on several factors, including the nature and scope of the incident, as well as the urgency in which a response may be required. There are three levels of classification: Indicative, Serious and Severe. Overview of different levels is provided in the box below.

Incident Calcification Guide:

Indicative
Relatively minor and small-scale localized incident that negatively impacts small geographical areas or small number of people
Does not result in significant or irreparable harm
Failure to implement agreed E&S measures with limited immediate impacts
Serious
An incident that caused or may potentially cause significant harm to the environment, workers, communities, or natural or cultural resources
Failure to implement E&S measures with significant impacts or repeated non-compliance with E&S policies incidents
Failure to remedy indicative non-compliance that may potentially cause significant impacts
Is complex and/or costly to reverse
May result in some level of lasting damage or injury
Requires an urgent response
Could pose a significant reputational risk for the Bank
Severe
Any fatality
Incidents that cased or may cause or may cause great harm to the environment, workers, communities, or natural or cultural resources
Failure to remedy serious non-compliance that may potentially cause severe impacts complex and/or costly to reverse
May result in high levels of lasting damage or injury
Requires an urgent and immediate response
Poses a significant reputational risk to the Bank

Step 3 – Investigation – What happened?

PIU and Implementing Agencies will:

Promptly provide information requested by the Bank and facilitates incident site visits.

Undertake or cause the Contractor to undertake a Root Cause Analysis (RCA) to understand and document the root cause(s) of the incident. The RCA will be based on existing country processes. The extent of the investigation (RCA) carried out by the PIU and Implementing Agencies' Contractor will be proportionate to the

severity of the incident. The PIU and Implementing Agencies or Contractor will be responsible for funding the preparation of the RCA.

An RCA will be completed as soon as possible, ideally within 10 days of the incident. The findings of the RCA will be used by the Contractor and PIU and Implementing Agencies to develop measures to be included in a Standards Corrective Action Plan (SCAP) as a complement to existing project safeguards instruments.

Share the RCA with the Bank and provide complete information about the incident; facilitate additional site visit(s) if needed.

PIU and Implementing Agencies will ensure that incidents are investigated to determine what happened and why, so that processes and measures can be put in place to avoid reoccurrences and so that appropriate remedies are applied. The Bank Team may support the PIU and Implementing Agencies in ensuring an appropriate RCA is conducted by the Contractor or the PIU and Implementing Agencies.

Step 4 – Response

PIU and Implementing Agencies will design the SCAP and discuss with the Bank, including actions, responsibilities and timelines for implementation, and PIU and Implementing Agencies monitoring program.

For *Indicative* incidents, documentation of the incident and the PIU and Implementing Agencies/Contractor response may be the only action required. For serious and severe incidents, where an RCA or other investigation is conducted by the PIU and Implementing Agencies/Contractor, the Bank and the PIU and Implementing Agencies will agree on a set of measures as appropriate to address the root causes to help prevent any recurrence of the incident. The measures determined as appropriate by the Task Team will be captured in a Standards Corrective Action Plan (SCAP).

Box 2 – Example of a PIU and Implementing Agencies's Action Plan Following a Project Related Fatality

1) Monthly site meetings attended by PIU and covering safeguards updates

2) The supervision consultant monthly progress report will provide details on ESMP implementation status as well as accidents and grievances

3) PIU will send to the Bank monthly progress reports within 1 week of receipt from the supervision consultants

4) Accidents and grievance log books are placed in all construction sites

5) Any severe injury (requiring off-site medical care) or fatality incident shall be reported to the Bank within 48 hours with basic information and a detailed incident report including the following will be submitted as soon as possible, ideally within 10 working days:

a) root cause analysis and

b) corrective action plan on:

i) immediate mitigation measures in case of continuing danger (e.g. fencing, signboard, guards)

ii) compensation to the affected family based on a clear rationale

iii) risk assessment and correct application of ESHS management procedures, and

iv) medium- and long-term mitigation measures including enhancement of safety measures, audits, and additional training.

c) Progress monitoring and reporting

The SCAP will specify the actions, responsibilities, and timelines to be implemented by PIU and Implementing Agencies. PIU and Implementing Agencies will be responsible for implementation of the SCAP. The SCAP may include, for example, PIU and Implementing Agencies actions such as the design or upgrading and implementation of Environmental, Social, Health and Safety management systems, processes and training to support consistent safe performance, compensation for injuries or a fatality, pollution prevention and control remedies to be implemented over a few weeks or a multi-year period, according to the specific project circumstances. The SCAP might include requirements for community consultation, compensation payments relating to a resettlement program, or remediation of farmland damaged by contractors. The SCAP also may include or request Bank actions such as provision of technical assistance by the Bank, and/or loan restructuring, including additional financing, if necessary.

Step 5 – Follow up

PIU and Implementing Agencies will implement SCAP; monitor progress; report on implementation to the Bank.

If the Bank considers that the SCAP measures will not be effective, or where PIU and Implementing Agencies has shown itself unwilling or unable to put corrective measures in place, the Bank may consider a decision to fully or partially suspend disbursements until such actions are in place, or, in some circumstances, may consider cancelling all or part of the project following the suspension.

Responses and Remedies

Illustrative examples of responses and remedies available for different types of incidents prior to and during project implementation are set out in this section for guidance of task teams and management.

Health and Safety Examples

Examples of **potential responses** by the Bank and PIU and Implementing Agencies to worker occupational health and safety incidents of varying severity are presented in Table 1.

Table 1 Potential Responses to Health & Safety Incidents of Different Severity

Health & Safety Issues	Potential PIU and Implementing Agencies actions
Severe Any fatality, permanent disability, or outbreak of life-threatening project-related communicable disease	• Improve barriers, alarms, signage, training, work processes and procedures • Address gaps in competence, expertise, numbers of project OHS team and/or project management team • Ensure that Health and Safety risk assessment has been conducted and appropriate management plans are put in place, implemented and enforced
Serious Major (non-fatal) accident or near-miss	• Review relevant sections of health and safety risk assessment for adequacy • Improve barriers, signage, training, working methods • Enforce use of personal protective equipment • Complement Project Implementation Unit (PIU) with adequate competencies and expertise with OHS specialist
Serious Repeated observations of dangerous behavior or clear violations of safety	• Improve use of grievance redress mechanism • Review relevant sections of health and safety risk assessment for adequacy • Implement (revised) OHS management plan, including training

Health & Safety Issues	Potential PIU and Implementing Agencies actions
protocols	
Indicative Repeated failure to respond to notification to remedy safeguards issues (e.g., safety kit incomplete or not present)	• Remedy the outstanding issues • Repeat awareness training and messaging • Improve work process or procedure

E&S Examples

Examples of **potential responses** by the Bank and the PIU and Implementing Agencies to Environmental and Social incidents of varying severity are presented in Table 2.

Table 2 Potential Responses to Environmental and Social Incidents of Different Severity

Environmental/Social	Potential PIU and Implementing Agencies actions
Severe (Social) Forced resettlement without due process or compensation	• Identify evicted people and provide compensation and support for identification of new housing/other facilities as relevant, in line with Bank safeguards requirements, including appropriate consultation • Clear instructions to project implementer(s) with respect to resettlement process, including sanctions for non-compliance with PIU and Implementing Agencies, as well as Bank requirements; • Implement all measures identified in SCAP
Severe (Environmental) Poaching or trafficking in endangered species	• Engage with law enforcement to halt the poaching • Anti-poaching training for project workers and community members to make clear incentives and penalties • Include sanctions for inappropriate worker behavior, including poaching, in Contractors' contracts • Develop an alternative livelihoods program for communities around protected areas
Serious (Social) GRM not functioning	• Review GRM and address issues (upgrade, improve access, publicize GRM in community/ies, better organize response process) • Train PIU staff on GRM management and monitoring • Assign responsibility to qualified PIU staff
Indicative (Environmental) Hydrocarbon or chemical spills with low to medium environmental impact	• Improve work process or procedures as necessary • Train project staff on spills and associated procedures • Increase on-site monitoring if necessary • Review contract language for appropriate sanctions language

- Contractors will be obliged to apply environmentally sound construction standards and procedures. All civil works contracts will have the following environment-protecting provisions:
- Take precautions against negative influence on environment, any environmental damage or loss through prevention or suppression measures (where it is possible) instead of liquidation or mitigation of negative consequences.
- Observe all national and local laws and rules on environmental protection. Identify officers responsible for the implementation of activities on environmental protection conforming to instructions and directions received from the construction and design or environmental protection agencies.
- Store and dispose of construction waste consistent with national regulations and the subproject (site-specific) EMP.
- Minimize dust emission to avoid or minimize negative consequences influencing air quality.
- Provide pedestrian crossing and roads and access to the public places.
- Provide markets with light and transient roundabout connections to assure safety and convenience.
- Prevent or minimize vibration and noise from vehicles during explosive activities.
- Minimize damages and assure vegetation recovery.
- Protect surface and underground water from soil pollution.

Annex 9. Labor Management Procedure (LMP)

Republic of Moldova

Labor Management Procedure (LMP)

for

Moldova Water Security and Sanitation Project

February 2021

Table of Contents

Acronyms and abbreviations

CERC	Contingent Emergency Response Component.
EPIU	"Environmental Projects Implementation Unit" (P.I. EPIU)
ESF	Environmental and Social Framework
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental and Social Management Framework
ESHS	Environmental, Social, Health and Safety
ESS	Environmental and Social Standard
FS	Feasibility Study
PIU	Environment Project Implementation Unit
GBV	Gender Based Violence
GRM	Grievance Redress Mechanism
GN	Guidance Note to ESS2
M&E	Monitoring & Evaluation
MoF	Ministry of Finance
MARDE	Minister of Agriculture, Regional Development and Environment
MECR	Ministry of Education, Culture and Research
MHLSP	Ministry of Health, Labour and Social Protection
MWSSP	Moldova Water Security and Sanitation Project
LMP	labor-Management Procedures
NGO	Non-Governmental Organization
OHS	Occupational Health and Safety
PIU	Project Implementation Unit
PDO	Project Development Objective
PPE	Personal protective equipment
PAPs	Project affected peoples (persons)
RDAs	Regional Development Agency (s)
SEP	Stakeholder Engagement Plan
WASH	water, sanitation and hygiene
WB	World Bank
WSS	Water Supply and Sanitation
WWTP	Wastewater treatment plant

1 Introduction

1.1 Project Background

The Project is being prepared under the World Bank's new Environment and Social Framework (ESF), which came into effect on October 1, 2018, replacing the Bank's Environmental and Social Safeguard Policies. Under the ESF, all World Bank Borrowers have agreed to comply with ten Environmental and Social Standards (ESSs) applied to investment project lending financed by the Bank. The project recognizes the significance of, and adopts the ESSs, for identifying and assessing as well as managing the environmental and social risks and impacts associated with this investment project. One of the Standards – ESS2 relates to Labor and Working Conditions and expects the Borrowers to develop labor-management procedures (LMP). The LMP identifies the main labor requirements and risks associated with the project and help the Borrower to determine the resources necessary to address labor issues. The LMP is a living document, which is initiated early in project preparation stage and is reviewed and updated throughout the development and implementation of the project. The LMP identifies key aspects of labor planning and management.

The LMP will enable different project-related parties, staff of the project implementing unit, contractors and sub-contractors and project workers, to have a clear understanding of what is required on a specific labor issue. Where relevant information is not available, this should be noted and the LMP should be updated as soon as possible. In preparing and updating this LMP, PIU refer to the requirements of national law and ESS2 and the Guidance Note to ESS2 (GN).

1.2 Project Objectives and labor management procedures

The Project Development Objective (PDO) of the Moldova Water Security and Sanitation Project (MWSS Project) is to increase access to safely managed water supply and sanitation services in selected rural areas and small towns, and to strengthen local and national institutional capacities for water supply and sanitation service delivery**.** The Project's objectives are aligned with the recovery from the COVID-19 pandemic and will increase future resilience.

The purpose of the LMP, outlined in the World Bank's ESS2, will help MWWSP to facilitate planning for the project and will help to identify the resources necessary to address the labor issues associated with the project. The labor management procedures will help to identify the different types of project workers that are likely to be involved in the project and set out the ways of meeting the requirements of ESS2 that apply to the different types of workers. The LMP will set out a systematic approach to the management of labor issues in the project and reflect the requirements of national law and requirements of ESS2.

The LMP will:

- Review of national Laws and Policies related to labor environment in the Republic of Moldova.
- Promote fair and equitable labor practices for fair treatment, non-discrimination and equal opportunity of workers.
- Protect workers' rights and promote healthy, safe and secure work conditions.
- Ensure the management and control of activities that may pose labor-related risks at workplaces.

1.3 About the Project

The project development objective is to increase access to improved water supply and sanitation services in selected rural areas and small towns, and to strengthen institutional capacity for delivery of water supply and sanitation services.

The **Moldova Water Security and Sanitation Project** includes four components, as described below:

Component 1: Access and quality of WSS in small towns and rural areas. This component focuses on the short- and medium-term delivery of critical WSS infrastructure and services in small towns and rural areas. It focuses on both delivery of services to households, businesses, as well as improving WASH in social institutions. This component will support the medium-term recovery and future resilience to COVID-19 outbreaks by focusing targeted investments in WASH facilities in public institutions such as in rural schools, health care facilities as well as hand hygiene campaigns. This component and the targeting of institutions will be done in close coordination with the Ministry of Education, Culture and Research, and the Ministry of Health, Labor and Social Protection.

Component 2: Strengthening of capacities for Water Sector Modernization. This component will focus on:

i) WSS sector development planning, financing, institutional implementation capacities, regulatory aspects, monitoring and sustainability support functions.
ii) Improving performance and financial sustainability of service providers.
iii) Strengthening planning and capacity development of Moldova's water agencies.

Component 3: Project Management. This component will finance project management costs of a central Project Implementation Unit (PIU), as well as implementation support needs at the regional level. It will finance capacity building, financial audits, and implementation support consultants as required (such as for ESF requirements), as well as training, workshops, and costs for monitoring and evaluation, including verification of results.

Component 4: Contingent Emergency Response Component (CERC).

A provisional zero amount component is included, which will allow for rapid reallocation of loan proceeds from other Project components during an emergency, under streamlined procurement and disbursement procedures.

2 Overview of labor use on the project

2.1 Number of Project Workers

Direct Workers. The estimated number of direct workers from MWSSP PIU fiduciary team would be 6 staff members.

Additionally, at least total number of 11 consultants will be hired to support the implementation, coordination, supervision and reporting on vary activities of the project.

Contracted Workers. The exact number of project contracted workers, to be employed, is not defined at this stage. However, it is estimated that the total number of contracted workers to be involved would be less than 500 persons.

Considering the nature of the project works, it is not expected that the number of *female workers* will be high. It is estimated that women would represent less than 10 percent of the workforce, and those would likely be technical (engineer-technician) and/or staff working in the operation offices. Based on national experience, all workers will be over 18 years old. The unskilled laborers may be expected to be involved in the project works /the construction works (linear water projects). The local population may be hired temporary as *the skilled or unskilled laborers* in their regions (Soroca, Râșcani, Cahul, Vulcanești, Comrat).

2.2 Characteristics of Project Workers

The project activities sort four types of employment categories, these include:

i. *Direct workers* such as PIU staff who will be directly engaged in the project activities throughout the project life.

ii. *Contracted workers* through third parties such as contractors, construction workers and consultancy firms for technical assistance in project management. Roles and responsibilities of some of workers in this category maybe corresponding to direct worker.
iii. *Primary supply workers* – people engaged by the borrower or construction / water supply companies and consultancy's primary suppliers.
iv. *Community Workers* - the involvement of community workers not expected.

Migrant international workers are not expected to be employed. This information results from the experience of other water and sanitation projects implementation. Some local migrants coming seasonal from abroad may be hired locally.

Primary supply workers will not be involved directly in the project. They can be hired by the Construction companies who will perform the construction works.

Thus, it is expected that project will engage the following categories of project workers as defined by ESS2:

Direct workers: In this category are included beneficiary entity- MARDE (the beneficiary of the project) Additionally, the MARDE will delegate the project implementation and fiduciary responsibilities to the Public Institution "Environmental Projects Implementation Unit" (P.I. EPIU) under MARDE, acting as the MWSSP Project Implementation Unit (PIU) .

PIU will be involved in all stages of project design and implementation: procurement design, preparation of bidding documents (especially technical specifications and ToRs), evaluation of bids and selection of contractors, engineering design, construction, installation, testing, commissioning, and quality control.

To facilitate the project implementation, the Beneficiary will create a Group for coordination of the MWSSP implementation, consisting of delegated specialists from both Ministries and other institutions with a role of monitoring the Project implementation.

The technical supervision activities and M&E aspects are in the process of determining of roles to be supported by RDAs.
Contracted Workers: Contracted workers would be hired under the design, supply, installation, and technical supervision contracts. Each contractor might need engagement of multiple subcontractors. The subcontractors' workforce will be also considered as contracted workers.

2.3 Timing of Labor Requirements

The ESS2 applies to project workers including full-time, part-time, temporary, seasonal, and migrant workers.

In addition to the basic tasks and assignments within the MoF, MARDE, the activities related to the implementation of the project will be part of the work program that these employees have within the Ministries.

The direct workers (PIU staff) will be hired on a full-time basis for the entire project period. Other experts/consultants will be hired on demand basis throughout the project implementation period. The time input of contracted workers will be defined at a later stage, and they will be engaged depending on the implementation of various project components and sub-components on specific time slots.

The labor timing and sequencing of the contracted workers is under determination. This section can be filled once the sequencing of labor of the contracted workers, the implementation and procurement plans are finalized.

Construction season typically lasts from March-April to October-November but can be somewhat longer or shorter depending on weather conditions. The Contractor can work on some water and sanitation works (earth works) even during winter period. The work hours should not exceed 8 hours a day, with the provision of at least 1 hour for the rest.

Timing and duration of the employment of contracted workers will be known at later stages, however they will only be engaged for the duration of respective sub-components which will unlikely extend more than 24 months. For WWTP construction this can be longer. This will be determining at the later stage of the Project when FS and technical design will be ready. The works contracts with employees need to be according to Moldova labor legislation.

2.4 Contracted Workers

Each Sub-Project will be subject to a competitive open tendering procedure both for works and supervision services (although the scope of one supervision service contract may cover multiple construction contracts.) Due to the size of the contract, their scattered locations, required qualification to carry out design activities, it is expected that contracts will be awarded to well-known reputable predominantly national companies or international companies who have already established their operation in Moldova or obey by and operate under the Moldova regulatory framework including Labor and Occupational Health and Safety (OHS) laws. Should Contracts be awarded to multiple entities forming a Joint Venture or association alike each company shall be bound by these LMP.

3 Assessment of key potential labor risks

3.1 Project activities

Component 1 – Access and Quality of Water Supply and Sanitation (WSS) services in Small Towns and Rural Areas. This component will develop new and rehabilitate existing WSS infrastructure and facilities in rural areas and small towns, herewith expanding access and quality of services for households, businesses and in public social institutions. It consists of two sub-components:

- Subcomponent 1.1: Expanding access and quality of WSS services: Subcomponent 1.1 will finance investments in small towns and rural areas prioritized by the MARDE in line with the National Water Supply and Sanitation Strategy 2014-2028. This includes: i) expansion and improvement water supply services in Cahul, Vulcanesti[73] and Riscani district, ii) expansion and improvements of wastewater services in Soroca and Comrat municipalities, and iii) improvements in on-site sanitation services for rural villages. Activities will include, but are not limited to, the (re)construction and protection measures for water intake facilities, drinking water quality treatment, transmission mains, distribution network, household connections, construction and rehabilitation of sewer networks, wastewater treatment plants including sludge treatment and disposal, sewer connections for households, and a household grant incentive scheme to improve on-site sanitation services in rural villages where sewer solutions are not financially feasible. It finances feasibility, design and preparation studies, independent technical supervision services, capacity building for citizen engagement activities in sub-project locations, and advisory support to prepare necessary tariff applications and service delegation arrangements between district and local government administrations and licensed WSS operators.
- Subcomponent 1.2: Improving WASH[74] facilities in public institutions within health care centers in sub-project locations under component 1.1 and within primary and secondary schools in sub-project

[73] Vulcanesti district is part of the Autonomous Territorial Administration of Gagauzia. Its autonomy is ethnically motivated by the predominance of the Gagauz people. On 23 December 1994, the Parliament of the Republic of Moldova accepted the "Law on the Special Legal Status of Gagauzia".

[74] WASH (Water Supply, Sanitation and Hygiene) facilities will follow at least the minimum requirements for a basic service as per the Sustainable Development Goals targets for WASH facilities in schools and health care centers. See also: *https://washdata.org/monitoring/health-care-facilities* and *https://washdata.org/monitoring/schools*

locations under component 1.1 and other locations based on an inventory of WASH investments needs. This includes the rehabilitation/construction of water supply connections to centralized networks or existing point sources, connection to sewer systems or construction of on-site sanitation facilities, and the rehabilitation or new construction of indoor toilet facilities with adequate handwashing and hygiene facilities. The sub-component will finance capacity development to ensure adequate O&M of the facilities, as well as education and behavior change campaigns for school staff, students and health workers on hygiene and handwashing.

Component 2 – WSS Sector Development and Modernization. This component will focus on medium to long-term term WSS sector development and modernization by strengthening institutional capacities of national and sub-national entities for sector management, planning, regulation and reform implementation, and increasing capacities of WSS operators to improve service delivery performance. It includes two sub-components:

- Subcomponent 2.1: National WSS Institutional Capacity Development &Reform. and will finance activities to strengthen institutional capacities at national level for resilient, inclusive, sustainable and efficient sector development and modernization. The sub-component will focus on capacities for planning, financing, economic regulation, performance monitoring, professional development and the revision and development of new policies and normative documents. This sub-component will finance goods, consulting services, non-consulting services, and training for the following: i) the preparation of a National WSS Development Plan[75], investment program and financing strategy and capacity development of its lead entity ii) the aggregation process of WSS operators into regional licensed service providers under this Plan, iii) the development and roll-out of a national WSS information system for performance benchmarking, iv) the preparation of revisions and/or new legislation, policies and normative documents, and new design & construction norms for sanitation, v) the capacity development of ANRE, the WSS regulator, Operators and Local Administrations to comply with tariff procedures, and vi) the implementation of a professional development program, in collaboration with AMAC[76] and Moldovan education institutions[77] to upskill existing and attract new human resources, specifically women, to the sector.
- Subcomponent 2.2: Performance Improvement Program for WSS Operators will finance investments (goods, works) and technical assistance (consulting services, training) to support a prioritized multi-annual Performance Improvement Plan (PIP) to lift the performance of five WSS operators[78] involved under component 1.1, specifically for related to financial sustainability, efficiency, inclusion, and resilience. Investments and measures include but are not limited to increasing connection rates, improving commercial practices and accounting systems, asset management, water metering programs, non-revenue water (NRW) reduction programs, energy efficiency, improved customer orientation, water safety and resilience/continuity plans. Customer feedback and engagement will be a part of the annual performance assessments.

[75] The National WSS Development Plan will form the WSS Section, of the National Territorial Development Plan, in line with Law 835/1996 and as per the guidance through Ministerial decree of MARDE, approved June 25, 2020.

[76] AMAC is the National Associations for Water and Sanitation utilities.

[77] Including but not limited to the Technical University of Moldova and its departments and technical colleges.

[78] These include Cahul Apacanal, Vulcanesti Apacanal, Riscani/Costesti Apacanal, Soroca Apacanal, Comrat Apacanal.

Component 3 - Project Management and Coordination component will finance operational costs, consulting services, non-consulting services, goods, and training to finance the overall project management cost, including the core project team for the Project Implementation Unit (PIU), implementation support needs at regional level within Regional Development Agencies (RDAs) and at central level for MARDE, as Project Implementing Entity (PIE). It will finance capacity building for project implementation, financial audits, implementation support consultants, training and workshops, cost for project communication and citizen consultations, and monitoring and evaluation of project results.

Component 4 – Contingent Emergency Response Component (CERC). A provisional zero-amount component is included, which will allow for rapid reallocation of credit/loan proceeds from other components during an emergency under streamlined procurement and disbursement procedures. This component allows the Government to request the Bank to re-categorize and reallocate financing from other project components to cover emergency response and recovery costs. The CERC will be established and managed in accordance with the provisions of the Bank Policy and Bank Directive on Investment Project Financing.

3.2 Key Labor Risks

Labor risks for ***Contracted workers*** includes tripping and falling, accidents during pipe replacement, exposure to hazard materials, exposure to noise and dust, exposure to risk to electrical hazards from the use of tools and machinery, risk from operating heavy machinery. Taking in consideration the presence of possible hazardous work, persons under the age of 18 will not be employed by the Project.

The project will be mainly related to civil works on water supply, sewage systems and construction of WWTPs infrastructure. The project will comprise the following:

- Laying of pipes
- Construction of valve chambers
- Construction of storage reservoirs
- Construction of booster pump station
- Construction of sanitary facilities
- Concrete works

There will be a site specific ESMP, OHSP, prepared by the environmental and social, H&S consultants, which the contractor must comply with and it will indicate all risk and mitigation measure to all the identified social and labor risks. The main labor risks associated with the project are assessed to be related to the potentially hazardous work environment, the associated risk of accidents for workers engaged on the project and the community and labor influx.

Many workers will be exposed to occupational health and safety hazards, primarily including, but not limited to:

- Lack of awareness on occupational health and safety requirements such as the use of personal protective equipment (PPE) and safe workplace practices.
- Electrical works.
- Exposure to chemicals (as paints, solvents, lubricants, and fuels);
- Traffic accidents.
- Excavations hazards.
- Lifting of heavy structures.
- Exposure to construction airborne agents (dust, silica and asbestos);

- Welding hazards (fumes, burns and radiation).

No other labor risks are considered to be significant. The project is assessed as Low on gender-based violence (GBV) risk. However, the ESMPs for of the project components will be developed and will include GBV risks assessment and mitigation measures to prevent and respond to GBV risks.

Therefore, the GBV aspect in MWSSP implementation will focus socially vulnerable groups protection and on prevention of GBV (physical violence - such as slapping, kicking, hitting, or the use of weapons; emotional abuse - such as systematic humiliation, controlling behavior, degrading treatment, insults, and threats; sexual violence etc.) between the project workers, between the project workers and the community.

The PIU will ensure that GBV risks are adequately prevented and mitigated. The prevention measures will include but will not limited to: Code of Conduct for all employees, GBV-sensitized grievance mechanism, awareness raising of all employees and community members on GBV risks and mitigation measures.

However, if other labor risks arise during project implementation, the implementing entities will develop relevant procedures to prevent potential impacts.

Based on current conditions in the sector it is assessed that the risk of child or forced labor is negligible, and already managed through national legislation and WB requirement. However, child labor will be mitigated through certification of labors' age. This will be done using national identification documents, passports, birth certificates. The Contractors will report periodical the lists and number of staff.

There are three mains categories of risk:

- **Community health and safety.** The risk is associated with the potential for unprotected worksites, management of traffic and labor management. While a substantial number of jobs will be created, it is not expected that the Project area will experience substantial labor influx as most of the skills required by contractors can be sourced locally in Moldova. External workers, expat and national, will be accommodated at existing housing in the area, such as Soroca, Costesti/Riscani, Cahul, Vulcanest, Comrati towns houses that are normally rented out for such purposes, which has been prior practice by Construction companies in similar projects. There will be no encouraged dedicated camps established for worker accommodation in the project. Specific requirements to manage risks associated with labor influx, related to interaction between project workers and local communities, such as communicable diseases and gender-based violence, are managed through contractual requirements, code of conduct and training set out in Project documents. These procedures are guided by national legislation and ESS2 and ESS4. These requirements will be dealt with through the PIU and workers codes of conduct for contractor staff.
- **Occupational health and safety.** The risk may be accidents of falling into ditches or heights, as there will be reservoir construction that will be more than 5m high, collapsing of deep excavations like deep trenching, etc. The risks assessment will be developed for the each subproject and be updated during the implementation of the project. Mitigation measures will be placed for all identified risks in the OHS Plan. Specific requirements to manage health risks associated with interaction of project workers and local communities, such as communicable diseases and gender-based violence, are managed through contractual requirements, code of conduct, awareness raising, and training set out in this document. These procedures are guided by national legislation and ESS2 and ESS4.
- **Labor influx.** Construction activities under component 1 will result in job creation but it is not expected that the Moldova and subprojects areas will experience any substantial labor influx. Thus, PIU will minimize the risk of labor influx by requesting contractors to prioritize recruitment of

unskilled local labor in the project areas consequently, no labor camps will be established. However, the project Contractors will recruit external workers with specialized skills, who will accommodated in local hotels or houses. This has been a practice by other Contractors in previous and similar projects (water, sanitation, roads). Labor risks including labor influx and associated Gender-Based Violence (GBV), and child labor are considered low given the small size of subproject construction works and the adherence to the national labor code which prohibits forced labor (article 10, Labor Code). Since civil works to be supported under the project will be very small in scale and prioritized by Project and together with local communities themselves, the risk of forced labor is expected to be small. Nonetheless, the contractor will be required in the contract to commit against the use of child and forced labor, introduce mitigation measures against GBV, and Project staff in charge of contractor supervision will monitor and report the absence of forced labor.

In the event an employee is injured at work, the incident will be handled according to the applicable laws including the Labor Code (inform Police and Labor Inspection, create a Company group of inspection etc.). All contractors will be required to have a written contract with their workers materially consistent with objective of ESS2 and in compliance of this LMP, in particular about child and forced labor, following the requirement in the Bank's Standard Procurement Document (SPD). A major accident/incident has to be reported to PIU by Contractor and to ESIT to the WB.

It is expected that the labor risks associated with the direct workers will be low, given the fact that project implementing entities have high awareness of national labor legislation and the provisions of the national Labor Code. Moreover, the type of work to be carried out by the direct workers does not entail high vulnerability to abuse of labor rights or OHS risks.

4 Brief overview of labor legislation: Terms and Conditions

This section sets out the key aspects of national labor legislation, regarding the working terms and conditions.

The provisions provided in Labor Code of Republic of Moldova is harmonized with ILO policies so no gaps were discovered.

The overview focuses on legislation, which relates to the items set out in ESS2, paragraph 11 (i.e. wages, deductions and benefits). The Labor Code of the Republic of Moldova will be applied in relation to all project workers.

A brief overview of the legislation in terms of wages, deductions and benefits is summarized below:

Salary wages and deductions

The amount and form of remuneration in Moldova is determined by the individual labor contract. The wage is paid at least monthly.

The amount of the average monthly salary per economy, forecasted for 2021, will be 8716 lei (~US$ 500). A decision in this regard was approved, at the end of December 2020, by the Cabinet of Ministers.

That amount is used to determine the ceiling for the calculation of social security benefits and the monthly insured income of employees.

The average monthly salary per economy was calculated in accordance with the forecast of macroeconomic indicators for the years 2021-2023, estimated by the Ministry of Economy and Infrastructure.

In 2020 the average salary in the economy was 7953 lei (US$ 450).

At the same time, the minimum guaranteed amount of salary in the real sector was increased from 2775 lei (US$ 160) to 2935 lei (~US$ 170) per month. The government is re-examining the guaranteed minimum wage in the

real sector on the basis of the annual summary increase in the consumer price index and the rate of increase in labor productivity at national level.

The employers usually deduct the income tax and the health and social insurance contributions automatically from the wages and transfer them to the fiscal authorities. The total amount of deductions cannot exceed 50 percent from the wage to be paid to the employee.

Working Hours

The Moldovan Labor Code envisages a regular 40-hours work week (Art. 95 of the Moldovan Labor Code). The work is set at up to 25 hours per week for individuals aged up to 16 and 35 hours per week for those aged 16-18, as well as for individual working in hazardous sectors of the economy. The daily duration of the working time for the individuals with severe disabilities is established according to the medical certificate, within the limits of the normal daily working time (art. 100). However, this category of individuals is entitled to benefit of a working time reduced up to 30-hours per week (Art. 96).

Rest Breaks

Employees are entitled to a lunch break of at least half an hour each workday. The exact duration of the lunch break rest is stipulated in the collective labor agreement or the internal regulations of the entity. Meal breaks, with the exceptions specified in the collective labor contract or entity internal regulations, shall not be included in the working time. The duration of the daily break, that is the time between the end of the working program and the start of the work program the following workday cannot be less than the double duration of the daily working time (Article 107). Weekly rest is granted for 2 consecutive days, usually Saturday and Sunday.

Leaves (annual, played, unpaid)

The right to annual leave is guaranteed to all employees. Any employee who works based on an individual labor contract shall benefit from the right for annual rest leave which can be used after the first six months of employment. All the employees are entitled to be paid annual rest leave, with duration of minimum 28 calendar days. The leave does not include a period of temporary disability, and maternity leave. In addition, employees may request up to 120 calendar days of unpaid leave with a justification and agreement from the employer. Short-term and seasonal contracts are not clearly covered in the Moldovan Labor Code and practically, those employees do not benefit from annual leaves.

Overtime Work

An employer can order overtime work in case that is related to national defense or emergencies. Normally, at employer's request, employees can perform overtime work up to 120 hours during the calendar year. In exceptional cases, this limit can be extended to 240 hours with the agreement of both parties (Article 104). Employers must keep a record of the work performed outside the normal working hours. The overtime work is paid at 1.5 the amount of the regular hourly rate for the first two hours of overtime work and at 2 times the regular rate for the subsequent hours.

Labor Disputes

The Labor Code of Moldova includes provisions that allow workers to resolve individual and collective disputes between the employer and the employee(s) over the terms and conditions of a labor agreement or other aspects of work, including occupational and labor safety (Articles 288, 357-361). The disagreements and disputes may be solved through conciliation. A conciliation commission should be set not later than three days from the registration of the labor dispute and conflict. The commission should notify the parties in writing within five days from reaching an agreement on how to settle the dispute. If the parties do not agree with the recommendations of this commission, the conflict shall be settled in court.

5 Brief overview of labor legislation: Occupational Health and Safety

The Moldovan Labor Code as well as the Law on Occupational Health and Safety (OHS) (2008) set the framework for occupational health and safety in Moldova. Several Government orders and decisions detail how these are to be implemented and outline the list of hazardous industries and occupations in the country. Overall, the Moldovan OHS legislation is extensive, and generally, in line with the provisions set out in ESS2, paragraphs 24 to 30, the main challenge being the implementation and enforcement of these provisions.

Employers' Obligations

Article 198 of the Labor Code envisages that each business entity or organization should have internal regulations that outline, among other things, the occupational health and safety provisions of the organization. Articles 9 and 10 of the Law on OHS makes the employers responsible for ensuring the health and safety of the employees, for identifying and preventing work-related risks, for informing and training staff on the risks and organizational OHS provisions. The employer must provide the necessary means and equipment and adapt the working environment to prevent and minimize the occupational risks. Article 11 mandates the employer to assign at least one trained individual within the organization responsible to ensure the compliance with the OHS provisions. The employer may set a collective OHS committee made up of both employee and employer's representatives to supervise the OHS arrangements in the work place. In case of emergencies, the employer must take immediate action to provide emergency response and evacuation of workers from the premises/site (Article 12 of the OHS law)[79].

Employees' Rights and Obligations

Employees have the right and obligation to inform the employer of any emerging hazard or malfunctioning equipment as well as make suggestions on how to improve the OHS rules at the workplace. Employees have the right to refuse to work if the working place does not meet the OHS requirements. They are entitled to be informed and trained about the occupational risks and be provided the required protective gear by the employer at the employer's expense.

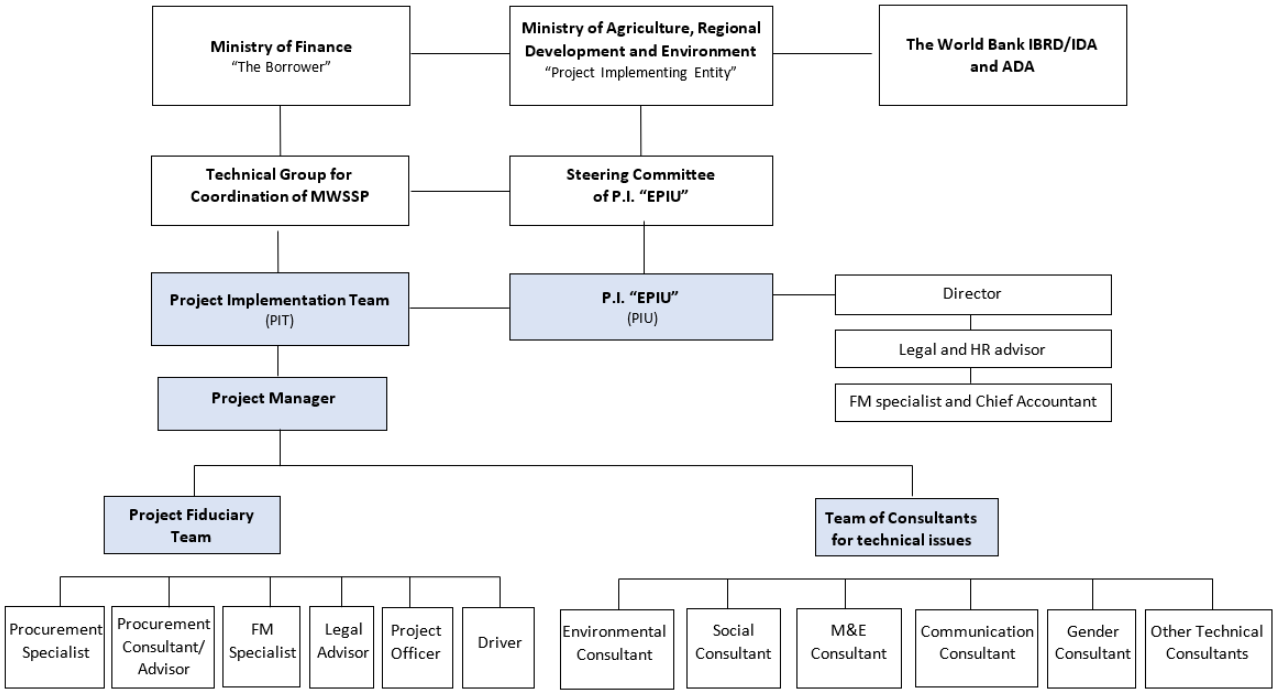
6 Responsible Staff

The MWSSP will be implemented by the Public Institution "Environmental Projects Implementation Unit" (P.I. EPIU) under MARDE, acting as the MWSSP Project Implementation Unit (PIU). A contract among the MARDE and the P.I. EPIU will be signed before the project effectiveness to delegate the implementation and fiduciary responsibilities for the MWSSP.

The organizational chart of the project implementation unit will be as follows:

[79] https ://mepiu.md/

Moldova Water Supply and Sanitation Project Implementation Chart



The PIU staff will be formed of **three permanent staff**, Director, Legal advisor and Expert on financial management and chief accountant hired in the public institution and paid from budgetary sources. Additionally, the PIU will have a **team of consultants as main fiduciary team** supporting the PIU on the MWSSP: Project Manager, the Financial Specialist, the Financial Specialist Assistance, Procurement Specialist, Procurement Specialist Assistance and Driver. Also for the purpose of project implementation the PIU will engage one environmental Specialist, one Social Specialist, one Communication expert, one M&E consultant, one citizen Engagement Consultant, one engineer consultant for Cahul and Riscani sub-project, one engineer for Soroca and Comrat subproject, one engineer for WASH component, one energy efficiency consultant for subcomponent 2.2, Civil engineer Consultant for sub-component 2.2 and a consultant to provide support to the MARDE for sub-component 2.1.

According to the *Government Decision 1249 dated December 19, 2018* on organization and operation of the P.I. EPIU, the Director of the PIU, among others, will supervise the MWSSP implementation and report to the Group for coordination of the MWSSP implementation under the P.I. EPIU Steering Committee and will act as employer for all the contracts signed by PIU under the project, including with the team of consultants.

The Legal Advisor of the PIU will provide among other tasks, legal advice on issues concerning the national and international legal framework, interpretation and compatibility between national and bi- or multilateral treaties in the field; legal assistance in negotiating contracts on behalf of the PIU; Legal advice in preparing Steering Committee meetings; legal advice on the elaboration, review, interpretation and application of the regulatory framework of the PIU, including staff regulation, rules, instructions and other administrative issues; will coordinate and manage the recruitment activities in the PIU; will provide legal assistance in negotiating contracts on behalf of the I.P. UIPM,

Expert on financial management, including chief accountant is responsible for coordinating and controlling the budget process, the management of I.P. UIPM's material and financial resources, and its documentation; ensuring that effective financial management and internal control procedures are in place, reviewing existing procedures related to financial management and developing and proposing to the Director management

procedures adapted to the specific needs and tasks; providing accurate and reliable advice and support to the Director and I.P. UIPM in all aspects of financial management; maintaining efficient financial functions (especially budget planning and control, accounting, reporting and treasury) which are compliant with the financial rules and regulations of the state and donors; ensuring close co-operation with other areas of the I.P UIPM and other stakeholders, in particular with Ministry of Finance, MARDE, the Procurement Agency and other financial institutions, to ensure efficient management of financial resources; preparing periodic financial reports for internal use and for submission to the leadership of the institution and for external use (donors, internal and external auditors);

PIU will be directly supervised by the MARDE and/or will report to responsible staff within MARDE appointed by the minister. PIU will coordinate the project activities on daily basis, including the relations with the direct employees, contractors, and suppliers. The RDAs role will be to support PIU on technical supervision on site.

PIU is headed by the PIU director, who will be managing, directing and leading the PIU and will ensure efficient and effective development, implementation, monitoring, and evaluation of the projects under the responsibility of the I.P. UIPM. The PIU Director will hire the team of consultants who will be implementing the MWSSP, including the Project Manager, the Financial Specialist, the Financial Specialist Assistance, Procurement Specialist, Procurement Specialist Assistance and Driver as main fiduciary team. In context of this LMP implementation, the staff assigned by PIU's Environmental, Social and Health and Safety Consultants will be responsible for the following:

- Implementing the LMP;
- Ensuring that the contractors comply with the LMP;
- Monitoring that the contractors meet the labor and OHS obligations toward the contracted and subcontracted workers, as required by the Moldovan le legislation in force and ESS2;
- Monitoring contractors and sub-contractors' implementation of labor management procedures and ESMPs;
- Monitoring compliance with occupational health and safety norms at all workplaces in line with the national occupational health and safety legislation;
- Monitoring and implement training on LMP and OHS for project workers;
- Ensuring that the grievance redress mechanism for project workers is established and implemented and that workers are informed of its purpose and how to use it;
- Have in place a system for regular monitoring and reporting on labor and occupational safety and health performance.

The Contractors (Consultants) will be responsible for the following:

- To obey the requirements of the national legislation and the LPM;
- To develop "Occupational Health and Safety Plan", which will apply to contracted and sub-contracted workers. These procedures and plans will be submitted for review and approval to PIU.
- To maintain the records of recruitment and employment process for the contracted workers;
- To communicate clearly the job description and the employment conditions to all contracted workers;
- To have a system for regular review and reporting on labor, and occupational safety and health performance.
- A Grievance Redress Mechanism (GRM) has been detailed within this LMP in line with SEP. The Contractors will be required to comply with the GRM provisions.

- The Contractors will be fully responsible to ensure that their workers know and are trained on their obligations with respect to GBV, safe disposal of wastes and reporting of communicable diseases, if they contract any.
- The contractor will develop and implement a Code of Conduct. The construction contractor should also submit a Code of Conduct for review and approval to PIU. The Code of Conduct will reflect the company's core values and overall working culture including prohibition of any type of harassment and will include provisions related to gender-based violence (GBV).
- The Contractors are required to ensure that the assigned workers are adequately trained and briefed with overall safety arrangement, use of equipment, GRM procedures, and the working conditions under the project.

When the contractor(s) are known, these labor management procedures can be updated, to include additional details about the companies, hired workforce and other, as necessary.

7 Policies and Procedures

As set out in the Labor Code, project workers' jobs will be based on non-discrimination laws and equal opportunities. There will be no discrimination regarding any aspects of the employment relationship including recruitment, working conditions compensation, and terms of employment, access to training, promotion or termination of employment. PIU will incorporate such standardized social clauses in the tender documentation and contract documents so that the potential bidders are aware of the social / labor performance requirement. No major gaps can be found in local legislation because is harmonized mostly with ILO policies.

No forced and under-aged labor will be engaged by PIU, Contractors, Suppliers, sub-contractor or any stakeholder in any circumstance. Forced labor includes bonded labor, excessive notice period, retaining worker's identity, limitations of freedom of movement and substantial fines, physical punishment, under high unpayable debt or any other condition where the project worker is compelled to work in a non-voluntary basis.

Occupational Safety and Health

All the contractors under the project will have to comply with the Moldovan OHS legislation and the Labor Code, as well as the provisions set under the World Bank's ESS2. The contractors will have to prepare or adjust their internal regulations, in case they do not comply with the current legislation. They will also make them known and available to their staff and workers. According to national legislation, the obligations of the employer are to provide a healthy work environment; the obligation to assign an individual who will be responsible for the OHS arrangements at work and on site; describe and explain the main risks of the work involved to the employee; train the employees and workers on the OHS arrangements at the enterprise; provide appropriate protective equipment, clothing and gear to mitigate the potential risks; record and report the work incidents on site; ensure that first-aid help is available on site and have emergency and evacuation protocols in place and explained to the staff and workers for emergency cases. The PIU will guide to:

- Comply with OHS related legislation and other, related applicable requirement.
- Ensure transparent recruitment process that is open with respect to ethnicity, religion, disability or gender.
- Enable active involvement in OHS risk elimination by promoting adequate hazard skills, knowledge and attitudes.
- Continuously improving the process and efficiency of OHS implementation.
- Make this policy statement available to all interested parties at all MWSSP sites and facilities.
- Under current rules of Moldova, the contractors are required to have at least one occupational health and safety representative for the worksite.
  The representative must:

- Conduct regular OHS training to workers.
- Identify any potential hazard.
- In case of an accident, investigate the cause and report the PIU.
- Ensure that all the workers are taking the required safety measures during workhours.
- Ensure availability of first aid box at worksite.

PIU will conduct regular monitoring to ensure proper OHS implementation. The OHS representative will be responsible to provide regular reports to ESS unit of PIU.

Gender Based Violence

The contractor is required to address the risk of gender-based violence by providing training and awareness raising sessions for the workers to refrain from any unacceptable conduct towards local community members, particularly women. Moreover, the contractor is obliged to inform their workers about the legal consequences and punishment by law of sexual harassment and gender-based violence.

In addition, the above statement, each of the contractor and construction companies shall include GBV prevention to their labor management plans.

Non-discriminatory Nature of Employment

All the workers hired under the project, whether direct, contracted or sub-contracted, will be employed based on the principles of non-discrimination. As per Article 8 of the Moldovan Labor Code, any discrimination based on gender, age, race, ethnicity, political option, social origin, residence, handicap, status or trade union activity, as well as other criteria not related to his/her professional qualities, shall be prohibited.

Terms of Employment

All workers will have written contracts describing terms and conditions of work. Workers will sign the employment contract in two originals. The terms and conditions of employment will be available at the work sites. Every worker, when employed, will be briefed on the contents of the contract; the internal regulations of the institution; the work safety and OHS arrangements at the work place. All employees will be informed about the possibility to request a copy and to study these internal documents in more detail.

Employee Rights and Obligations

The Moldovan legislation specify, among others, that the employees have the right to a safe working environment; lunch breaks and rest days; timely payment of wages and salaries; the right to appeal to employers, trade unions and authorities in case of labor disputes; the right to associate freely.

General requirements at workplaces

According to the Government Decision of the Republic of Moldova no. 80 of February 09, 2012 regarding the minimum safety and health requirements for temporary or mobile sites, the Contractor must provide workers with good hygiene standards, with fresh drinking water, clean beds, enough blankets, restrooms and showers, clean bedrooms, good illumination, lockers, proper ventilation, safe electrical installation, fire and lightening protection, separate cooking and eating areas. The recreation and / or accommodation rooms must be equipped with a sufficient number of tables and chairs, corresponding to the number of workers. If there is no room for recreation and / or accommodation, other facilities must be made available to workers so that they can use them during work interruption.

Useful References

A complete labor guide for employers and contractors is available on the website of Moldovan Labor Inspectorate at: https://ism.gov.md/ro/content/ghid-pentru-angajatori. Article 199 of the Labor Code provides

the minimum structure of the internal regulations of an enterprise. Sample internal regulations for contractors can be found by following the link:

http://editurastatistica.md/sites/default/files/2019/Regulament%20intern%20I.S.%20Editura%20de%20Imprimate%20STATISTICA.pdf

The protection of employees during Covid-19 pandemic

https://msmps.gov.md/sites/default/files/ghid_practic_print.pdf

8 Age of Employment

The minimum age for employment under the project is 18 years. Therefore, the Contractors will not hire individuals less than 18 years. They will be required to verify the age of all workers. If a child under the minimum age is discovered working under the project, the relevant supervisor will take the required actions to terminate responsibly the employment of the child, considering the best interest of the child.

9 Terms and Conditions

The terms and conditions of employment applied to all the types of project workers shall be governed by the internal regulations of contractors and suppliers in line with the Moldovan Labor Code and other national labor-related legislation. These terms and conditions will be clearly mentioned in the written contracts for all type of workers, whether full-time or part-time, and be made known to project workers prior to contract signature.

The working hours are 40 per week for all workers. The number of weekly overtime hours and the payment of overtime shall be governed by the provisions of the Moldovan Labor Code, which is in line with the ESS2.

There is no project-wide collective labor agreement.

10 Grievance Mechanism

PIU will provide an effective grievance mechanism for workers to raise workplace problems and concerns. The grievance mechanism will be established by the beginning of the project implementation and will be maintained over the project life. PIU will be the main body for receiving, recording and tracking resolution of grievances.

Information about the existence of the grievance mechanism will be readily available to all project workers (direct and contracted) through notice boards and other means, as needed. Also, the GRM will be described in workers' induction trainings, which will be provided to all project workers.

GRM at the Project level is applicable to PIU, Contractors, workers, people living in Project area and will be maintained during the entire period of Project implementation. The GRM will ensure that the all stakeholders can effectively be engaged in the Project design, implementation, provide project staff with practical suggestions/feedback on Project activities allowing them to be more accountable, transparent, and responsive.

This mechanism will follow the following principles:

- Grievances will be treated confidentially, assessed impartially, and handled transparently.
- The submitting and readdressing of the grievances will be free of charge for complainants.
- The MARDE/ PIU will ensure that all project-affected parties will have equal opportunity to submit their grievance in accessible way. The Project beneficiaries may use a range of contact options (telephone number, e-mail address and postal address, etc.). The GRM is accessible to all stakeholders.
- The channels for filling in grievance form should be disclosed on official sources;
- The MARDE/PIU will provide an opportunity to submit a grievance anonymously;
- Affected persons may raise a complain at any time of project related activity.
- The GRM is designed to be responsive to the needs of all complainants, including anonymous ones.

- All grievances, simple or complex, will be addressed and resolved as quickly as possible. The action taken on the grievance will be swift, decisive, and constructive.
- In cases where the aggrieved individuals or group is not satisfied with the outcome of the amicable mechanism, they will always be able to file to the court at any stage in the resolution process;
- All grievances will be registered and documented, and each grievance resolution process and communication will be systematically tracked;
- The channels for filing complaints will be listed in SEP and communicated to the public during the consultations.

The MWSSP will ensure equal and nondiscriminatory access to grievance mechanisms, but the special attention will be given to the local population and most vulnerable groups: people less informed, with limited legal knowledge, the poorest community members, with limited or no access to internet; the Roma people that have the least access to education and the infrastructure required for proper understanding of how to file complaints through conventional channels. The project team will be working together with LPA, social assistances and community mediator (for Roma people) to provide access for complaints and ensure that the most vulnerable groups views are taken into account. Main findings from Feasibility studies and ESIA / ESMP will also be consulted with the public and the project team will ensure that all proposals, including those from disadvantaged groups are analyzed and if the suggestions, requirements are reasonable will be included in the project design. The representatives of the vulnerable groups (NGOs, community leaders) will be included in the communication channels for ensuring the dissemination of information to diver's communities about Project preparation activities and also about planned public consultations.

The Social Specialist will serve as Grievance Focal Point(s) who will register the submitted grievances in the Grievance Log (database) and review within 15 (fifteen) calendar days, including the information verification, cross-checking, and analysis, and follow-up with the applicant as needed. As necessary, the Grievance Focal Point will involve the other relevant units' specialists in this activity.

Channels to Make Complaints: Due to COVID-19, the project has to provide the extend ways whereby grievances would be received. The suggestions/complaints can be submitted by e-mail, website, online platform, telephone, mail, grievance box on the site etc. The template for grievances will be provided. To make grievance mechanisms accessible to all stakeholders, it is helpful to make the procedures to submit grievances simple and easy to understand and provide an opportunity to submit a grievance anonymously. The channels for filing complaints will be listed communicated to the public during the consultations. The MARDE/PIU intends to establish the following channels through which citizens/beneficiaries/ PAPs can make complaints/suggestions/compliments regarding MWSSP activities:

a) In writing:

- by email: MARDE/ PIU
- letters: MARDE/ PIU address /post box where the letters should be sent

b) oral/verbal (which should be recorded in writing by the receiver):

- by phone
- verbal complaints addressed to the LPA, , RDA, PIU/ MARDE

c) Both audio and written forms on online Platform.

For GBV, and particularly for SHE complaints, there are risks of stigmatization, rejection and reprisals against survivors. The GRM therefore have multiple channels through which complaints can be registered in a safe and confidential manner.

The GRM will be established at 3 levels:

Level 1. Local level and on online platform. The technical supervisor will be responsible for collecting the grievance from local residents and Contractor`s employees. The channels for grievance submission will be disclosed near the construction site in big board format. For Contractor`s employee special grievance box and e-mail will be available for submitting grievances (including anonymous). The technical supervisor will responsible for collecting grievances from Contractor`s personnel.

The GRM will be also accessible on the online Platform and linked with the MARDE and RDAs websites - link **(TBD)**

Level 2. PIU. the complainant will be able to submit grievance to PIU on:

online Platform: - link **(TBD)**

e-mail: *mihail.beregoi@uipm.gov.md and larisa.cupcea@uipm.md*

postal address: Mihail Beregoi, Chisinau, Alexandru cel Bun 51A street, MD 2012

by telephone: 022 226-254

Level 3. MARDE. Complainants may fill in online form following the provided platform link or fill in the template (Annex 4) and send to:

online Platform: - link **(TBD)**

e-mail: ***cancelaria@madrm.gov.md***

postal address: Ministry of Agriculture, Regional Development and Environment, MD-2005 Chisinau, str. Constantin Tanase 9

by telephone: 022 204-547.

All the responsible personnel for GRM (local and regional focal points and MARDE/PIU) have to fill the Grievance/inquiry template record (Annex 1) for GRM Log.

The term of response will not exceed 10 working days. PIU will coordinate and monitor the responses to all complaints The MARDE will be able to extend the term of addressing grievance up to 20 working days (the complainant will be informed about extension).

The GRM will assist GBV survivors by referring them to GBV Services Provider(s) for support immediately after receiving a complaint directly from a survivor. The list of GBV service providers/ NGOs is available www.stopviolenta.md[80]. The Trust Line for Women - 0 8008 8008 for appropriate GBV and SHE support, will be disclosure during the public consultations and on the Project online platform.

10.1 Grievance Log

It is important that all complaints, including the anonymous ones, to be recorded in writing and stored in a database. Complaints received should be assigned a number that will help the assigned specialist to track progress via the database. The database should at least contain relevant information on the date of submission, sphere of issue, responsible party, deadline for the problem solving and feedback (positive or negative). The Grievance log will be submitted to the Bank of quarterly basis for review.

WB's Grievance Redress Service: Employees may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are

[80] https://stopviolenta.md/index.php?do=feedback

promptly reviewed in order to address project-related concerns. Information on how to submit complaints to the WB's GRS is available at http://www.worldbank.org/GRS.

The mechanism of addressing the complaints will be the following:

Stage 1: Receiving the Complaints/proposal/suggestion (all together named future "complaint") do not matter what form of receiving: verbal, writing, online etc. An initial screening is done by the receiver - Social specialist and included obligatory in the GRM Log. All complaints that meet the admissibility criteria (related to the Project) are transmitted also to the concerned to obtain their views/proposals on the complaints or allegations of violations contained therein.

Stage 2: ***The screening / reviewing of complaints.*** The Social specialist together with other specialists investigates and decides on the complaint and assesses the case including whether the complaint alone or in combination with other complaints appear to reveal a consistent pattern of reliably attested future steps.
During its review, the Social specialist may propose to Project manager to decide to:

- dismiss a complaint if it is not admissible because is not related with Project directly or indirectly and inform the applicant;
- keep a complaint under review and request the other stakeholders concerned and/or the complainant to provide further information within a reasonable time;
- solve the grievance in 15 days and inform the applicant about the decision with explanations.
- If it is not in his competence to transmit a file containing all admissible communications as well as recommendations thereon to the MARDE and WB for further consideration.

Stage 3: ***MARDE, PIU, WB***. The Ministries and WB may express their opinion to:

- discontinue its consideration of the situation;
- keep the situation under review for further consideration or additional information;
- transmit the situation to the other Moldova State institutions for their opinion or solving.

All the stages of solving grievances have to be documented and the resolution included in the GRM Log.

The GRM log will be regularly (monthly base) sent to MARDE and WB for information.

10.2 Roles and Responsibilities for GRM

The responsibilities for the management of the GRM system include the following and may be updated from time to time in consultation with PIU, MARDE and the World Bank task teams.

- Overall management of the GRM system
- Developing and maintaining awareness-building
- Collection of complaints
- Recording complaints
- Notification to the complainant on the receipt and timeline to review a complaint
- Sorting/categorization of complaints
- Thorough review of the issues, including the causal link between project activities and alleged damage/harm/nuisance
- Decision-making based on such examination
- Processing appeals or continuous communication with complainants with the purpose to resolve issues amicably
- Publishing responses to complaints, unless otherwise is requested by complainants due to privacy or other concerns.

- Organization and implementation of information materials and awareness campaigns
- Reporting and feedback on GRM results.

10.3 Monitoring and reporting on the GRM implementation.

Policies, procedures and regular updates on the GRM system will be made available for all stakeholders. The PIU will regularly track and monitor the status of complaints to ensure that all grievances are resolved within the established time-frame. The PIU will also provide and publish reports available to the World Bank team, and all stakeholders that would contain the following information:

- Status of establishment of the GRM (procedures, staffing, awareness building, etc.);
- Quantitative data on the number of complaints received, the number that were relevant, and the number resolved;
- Qualitative data on the type of complaints and answers provided, issues that are unresolved;
- Time taken to resolve complaints;
- Any issues faced with the procedures/staffing or use;
- Factors that may be affecting the use of the GRM/beneficiary feedback system;
- Any corrective measures suggested/adopted.

11 Contractor Management

The project will use the Bank's 2019 Standard Procurement Document for Request for Bids (WWTP or water supply) or other WB Procurement Rules and Procedures for small scale procurement, both will include provisions referring to labor and occupational, health and safety requirements that must comply with the Moldovan national legislation and ESS2.

As part of selection process for the design and construction contractors, who will engage contracted workers, PIU may review the following information:

- Information in public records, for example, corporate registers and public documents related to violations of applicable labor law, including reports from labor inspectorates and other enforcement bodies;
- Business licenses, registrations, permits, and approvals;
- Documents related to a labor management system, including OHS issues, for example, labor management procedures;
- Identification of labor management, safety, and health personnel, their qualifications, and certifications;
- Workers' certifications/permits/training to perform required work;
- Records of safety and health violations, and responses;
- Accident and fatality records and notifications to authorities;
- Records of legally required worker benefits and proof of workers' enrollment in the related programs;
- Worker payroll records, including hours worked and payment received;
- Identification of safety committee members and records of meetings; and
- Copies of previous contracts with the contractors and suppliers, showing the provisions and terms reflecting ESS2.

PIU and RDA's assigned staff will monitor the performance of Contractor(s) in relation to the contracted workers. This may include periodic audits, inspections, and/or spot checks of project locations or work sites and/or of labor management records and reports compiled by contractors.

Contractors' labor management records and reports may include: (a) a representative sample of employment contracts or arrangements between third parties and contracted workers; (b) records related to grievances received and their resolution; (c) reports related to safety inspections, including fatalities and incidents and implementation of corrective actions; (d) records related to incidents of non-compliance with the national law; and (e) records of training provided for contracted workers to explain labor and working conditions and OHS provisions under the project.

12. Primary Supply Workers

The POM is not yet ready to ensure the entire role of the PIU. At this moment PIU will not directly procure any primary supply contracts. This may appear on subcomponent 2.2 during the project implementation. The Contractor who subcontracts the supply of materials and equipment for the implementation of project works will be responsible to include the same conditions and specifications on ESHS aspects into its subcontracting agreements.

Annex: Grievance Registration Form

Reference No:

Note: you can remain anonymous if you prefer or request not to disclose your identity to the third parties without your consent. In case of anonymous grievances, the decision will be disclosed at the online ***Platform***

First Name _____

Last Name _____

❑ I wish to raise my grievance anonymously

❑ I request not to disclose my identity without my consent

❑ Contact Information

Please mark how you wish to be contacted (telephone, e-mail).

❑ By Telephone: _____

❑ By E-mail _____

❑ I will follow up the resolution at the website as I want to remain anonymous

Preferred Language for communication: ❑ Romanian ❑ Other *(indicate)*

Description of Incident or Grievance (*What happened? Where did it happen? Who did it happen to? What is the result of the problem? Date of Incident/ Grievance)*

❑ One-time incident/grievance (date _____)

❑ Happened more than once (how many times? _____)

Signature: _____ Date: _____

Please return this form to: PIU, Mihail Beregoi, Chisinau, Alexandru cel Bun 51A street, MD 2012

Annex 10. Contingent Emergency Response Component (CERC) ESMF – Environmental and Social procedures

MOLDOVA WATER SECURITY AND SANITATION PROJECT

(P173076)

Contingency Emergency Response Component Environmental and Social Management Framework (CERC-ESMF)

Note:

1. This Annex is representing a model CERC-ESMF

2. The CERC-ESMF will be updated and finalized at the time when the activation of emergency response component is requested by the Borrower.

3. All parts highlighted in yellow should be completed/updated accordingly

ABBREVIATIONS

E&S	Environmental and Social
ECP	Environmental Commitment Plan
EIA	Environmental Impact Assessment
ESCP	Environmental and Social Commitment Plan
ESF	Environmental and Social Framework
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
ESS	Environmental and Social Standards
CERC	Contingency Emergency Response Component
RM	Republic of Moldova
GoM	Government of Moldova
GRM	Grievance Redress Mechanism
GRS	Grievance Redress Service
LESIA	Limited Environmental Social Impact Assessment
WSSP	Water Security and Sanitation Project
RDA	Regional Development Agency
MoF	Ministry of Finance
MARDE	Ministry of Agriculture, Regional Development and Environment
NGO	Non-Governmental organization
OH&S	Occupational Health and Safety
PIU	Project Implementation Unit
SEP	Stakeholder Engagement Plan
WB	World Bank

EXECUTIVE SUMMARY

This document presents Environmental and Social Management Framework (ESMF) to address environmental and social issues relating to Contingency Emergency Response Component (CERC), Component 4 of the Moldova Water Security and Sanitation Project.

This document responds to requirement to address Paragraphs 12-14 "Projects in Situations of Urgent Need of Assistance or Capacity Constraints" apply to CERCs when they are triggered. In this case CERC supports implementation of Parliament of Moldova's Decree on declaring the emergency situationaccording to Law no. 212 dated 24-06-2004 or of any other legal act issued according to the Republic of Moldova legislation.

In order to ensure that CERC subproject activities comply with the requirements of the Bank's Environmental and Social Framework (ESF) and inherent standards (Environmental and Social Standards - ESSs), a negative list of activities, not eligible for financing, was developed to provide guidance on critical productions and services which may be eligible for financing.

CERC negative activities include the WB Group general exclusion list, including, but not limited to: activities causing Significant conversion or degradation of critical forest area, dealing with Environmental hazardous goods, Tobacco production, processing or marketing, Manufacturing of firearms and production or trade in alcoholic beverages, excluding beer and wine production as well as hospitality industry. In addition, companies, causing significant impact to waterways, significant OHS issues, impact to cultural heritage and protected areas will also not be eligible for financing. Based on the negative list, the Client developed a questionnaire that will be used for screening supported entities and activities. Entities covered under the questionnaire will not receive support from the Bank credit line, separate from other credit lines created for the same purpose.

The WSS project is financing investments and activities to increase access to safely managed water supply and sanitation services in selected rural areas and small towns, and to strengthen national and local institutional capacity for water supply and sanitation delivery, however, given the limited time in which the CERC component was prepared and consulted with stakeholders, and the equally limited time in which it needs to be implemented, the risk rating for this CERC component is also considered **substantial**.

Upon non-objection by the Bank, the CERC-ESMF will be considered an annex to the Project Operation Manual (POM) of the MWSSP (P173076) and will be used by the Borrower's Implementing Agency, namely Ministry for Internal Affairs (MIA) through the General Inspectorate for Emergency Situations (GIES) as they relate to:

a. Triggering the CERC;
b. Identifying indicative CERC-related activities.
c. Compliance with the Project's environmental and social standards and policies;
d. Defining procedures to assess the environmental and social impacts of these activities.
e. Setting out measures/plans to reduce, mitigate and/or offset adverse impacts
f. Monitoring and evaluation (M&E) of the emergency activities.

The specific activities to be financed by the funds reallocated to CERC are event and demand driven. The activities selected should be consistent with the CERC's purpose to provide short-term bridge financing exclusively for the immediate recovery needs related to an eligible emergency. There is no limit to the number of times the CERC may be activated, but the framework described in this ESMF should be followed for each activation.

1 Introduction

1.1 Background

The GoM has received financing from the Bank/IDA for the MWSSP, whose project development objective (PDO) is to increase access to safely managed water supply and sanitation services in selected rural areas and small towns, and to strengthen local and national institutional capacities for water supply and sanitation service delivery.. The Project's total cost is US$ 52 million, of which IDA is financing US$ 18.2million, IBRD is financing US$ 31.8 million and a proposed Donor Trust Fund of $US 2 million.

This Environmental and Social Management Framework ("ESMF") addresses Environmental and Social instruments relating to Component 4 of MWSSP - the CERC.

1.2 Scope

The CERC Technical Annex for MWSSP is designed to assist implementation of emergency response support scheme established by the GoM and the modalities of funding of the scheme by the World Bank under the Contingency Emergency Response Component (CERC).

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1.3 Project Description

The MWSSP has 4 components and is characterized by a two-fold approach that i) delivers critical and comprehensive improvements in WSS services in selected subproject areas and ii) positions Moldova for a scaled-up programmatic delivery of a National WSS Program in the future. Investments in WSS services and WASH infrastructure for households and in social institutions under component 1 are synergistically combined with investments measures and technical assistance under component 2.2 to sustainably elevate the performance of the WSS operators. Under component 2.1 the Project will help put in place a National WSS programmatic approach for financing of infrastructure and service improvements, support sector modernization and reform, address performance and implementation bottlenecks, and develop human resources for the future. The prioritization of WSS subprojects under component 1.1 is aligned with the National WSS strategy of MARDA aiming to: i) close the urban-rural access gap for water supply in areas with high poverty incidence, low access and poor groundwater quality, ii) develop wastewater systems and treatment in small towns with national priority due to pollution impacts, and iii) demonstrate safely managed on-site sanitation solutions in rural villages as alternative to costly wastewater solutions. The total envelope of the project is US$ 51.8 million, of which US$ 50 million IDA/IBRD financing, and a US$ 1.8 million grant from the Austrian Development Corporation Agency (ADA), administered by the World Bank.

Component 4 - Contingent Emergency Response Component (CERC) (US$ 0 million). A provisional zero-amount component is included, which will allow for rapid reallocation of credit/loan proceeds from other components during an emergency under streamlined procurement and disbursement procedures. This component allows the Government to request the Bank to re-categorize and reallocate financing from other Project components to cover emergency response and recovery costs. The CERC will be established and managed in accordance with the provisions of the Bank Policy and Bank Directive on Investment Project Financing. The CERC, if activated, will be able to finance eligible activities included in the positive list, stipulated in the Project Operations Manual (dedicated CERC Annex).

The CERC will support the immediate response to an eligible crisis or emergency, as needed. Eligible expenditures may include critical goods, services and works to quickly restore livelihoods and lifeline infrastructure.

In an event of eligible crisis or emergency, the GoM may submit a request to reallocate uncommitted and undisbursed funds from the MWSSP to the CERC. The use of such resources will be subject to Bank non-objection and would be implemented in accordance with the Bank's Policy on Investment Project Financing, Projects in Situations of Urgent Need of Assistance or Capacity Constraints. Details on activating the CERC are included below under Section B - Mechanism for Activating CERC.

The CERC will support the immediate response to an eligible crisis or emergency, as needed. Eligible expenditures may include critical goods, services and works to quickly restore livelihoods and lifeline infrastructure.

In an event of eligible crisis or emergency, the GoM may submit a request to reallocate uncommitted and undisbursed funds from the MWSSP to the CERC. The use of such resources will be subject to Bank non-objection and would be implemented in accordance with the Bank's Policy on Investment Project Financing, Projects in Situations of Urgent Need of Assistance or Capacity Constraints.

2 Implementation Arrangements

In the event of an eligible emergency situation response as specified in the CERC Emergency Response Manual (ERM) , the implementation of CERC will be carried out by the General Inspectorate for Emergency Situations (GIES) under the Ministry of Internal Affairs (MIA). GIES is responsible for the implementation of all activities under the CERC based on its mandate for emergency response efforts in Moldova. The MIA has delegated the procurement, financial management, safeguard compliance and M&E functions related to the CERC to the established Project Implementation Unit (PIU) under the MWSSP.

In case an Emergency Situation has occurred or is imminent, the Republican Commission for Emergency Situations (RCES) will coordinate among the Government bodies to decide and determine the Eligible Crisis or Emergency and the Government recommendation to trigger the CERC to MoF. MoF will make the decision to request to the Bank to activate the CERC.

The E&S capacity of the MARDE PIU has been evaluated against the World Bank safeguards requirements and assessed as acceptable:

- The CERC E&S due diligence will be supported by the PIU which successfully implementing the MWSSP financed by the Bank. Current performance rating of the project is Moderately Satisfactory for Environment Management and Satisfactory for Social Management.

In relation to activation of the CERC, the MIA, with support of the RCES should:

a. Carry out an initial assessment serving as basis for the official letter requesting to trigger CERC; and

b. Compare and prioritize immediate disaster relief requirements

In relation to implementation of activities under the CERC, the MIA will be responsible for:

a. Ensuring the delivery of the emergency activities outputs and the attainments of outcomes by facilitating coordination amongst the governmental agencies and institutions participating in the implementation and by addressing coordination issues as they arise;

b. Reviewing progress reports as submitted by the PIU and take action thereon if needed; and

g. Providing guidance as needed.

Other relevant line agencies may provide technical assistance to MIA as related to the finalization of CERC activities, procurement documents and the technical supervision of the CERC. The GoM may strengthen its implementation and supervision capacity through the engagement of technical consultants

to support the governmental agencies in the finalization of procurement documents and site supervision of works. The technical consultants shall work closely with the governmental agencies but report to the MIA.

3 Objective of this Document

The objective of this document is to guide environmental and social due diligence of CERC activities (including screening, environmental review and other procedures) and organize environmental and social management of the CERC component in compliance with the Bank's Environmental and Social Framework (ESF).

Under the ESF, the Environmental and social management framework (ESMF) is defined as:

- An instrument that examines the risks and impacts when a project consists of a program and/or series of subprojects, and the risks and impacts cannot be determined until the program or subproject details have been identified.
- The ESMF sets out the principles, rules, guidelines and procedures to assess the environmental and social risks and impacts. It contains measures and plans to reduce, mitigate and/or offset adverse risks and impacts, provisions for estimating and budgeting the costs of such measures, and information on the agency or agencies responsible for addressing project risks and impacts, including on its capacity to manage environmental and social risks and impacts. It includes adequate information on the area in which subprojects are expected to be sited, including any potential environmental and social vulnerabilities of the area; and on the potential impacts that may occur and mitigation measures that might be expected to be used.

In particular, this ESMF:

- Identifies indicative CERC-related activities.
- Assesses the environmental and social impacts of these activities.
- Defines eligibility for the support.
- Defines procedures for screening the proposed activities to be supported.

4 Categorization

The original MWSS Project carries substantial environmental and social risk, the risk for its CERC component is **substantial** as well, given the very short time period in which the CERC component was prepared and consulted with stakeholders, and the equally limited time in which it needs to be implemented. As per the negative list in the CERC ERM, activities of any type classifiable as High-Risk pursuant to the new ESF are prohibited. As such, these should not include land acquisition, production activities, or any other type of activity that can possibly produce signifcant adverse environmental or social impacts. Implementation of the CERC activities will be positive and urgently needed. Consequently, no Environmental and Social Standards, other than ESS1, ESS2, ESS3, ESS4, ESS5, ESS7 and ESS10, of the ESF are relevant for project's CERC activities.

World Bank Environmental and Social Standards (ESS) Relevance to the Project

World Bank Environmental and Social Standards Relevance to the Project		
ESS	**Relevance**	**CERC Activities**
ESS1- Assessment and Management of Environmental	Relevant	

and Social Risks and Impacts		
ESS10- Stakeholder Engagement and Information Disclosure	Relevant	
ESS2- Labor and Working Conditions	Relevant	
ESS3- Resource Efficiency and Pollution Prevention and Management	Relevant	
ESS4- Community Health and Safety	Relevant	
ESS5- Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Not Relevant	
ESS6- Biodiversity Conservation and Sustainable Management of Living Natural Resources	Relevant	
ESS7- Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Not Relevant	
ESS8- Cultural Heritage	Relevant	
ESS9- Financial Intermediaries	Not Relevant	

The CERC's potential adverse risks and impacts on human populations and/or the environment are likely to be negligible.

The purpose of this ESMF is to provide guidance and set procedures for screening the eligible activities under the CERC.

5 Contingent Emergency Response Component (CERC)

5.1 General

The CERC is designed to provide swift response in the event of an Eligible Crisis or Emergency[81] through a portion of the undisbursed project envelope to address immediate post-crisis and emergency financing needs. The CERC may be used in a following natural disasters or other crises and emergencies allowing funds to be reallocated from other components of the project. In the event of an emergency event, it is not anticipated that a reallocation of project funds will cause serious disruption to project implementation.

Activities under MWSSP Component 4 will be governed by the World Bank Directive *Contingent Emergency Response Components (CERC)* (October 2017). Disbursement of emergency financing under the CERC will be contingent upon:

a) the recipient establishing a nexus between the disaster event and the need to access funds to support recovery and reconstruction activities (an "eligible event"); and

[81] Defined as "an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact associated with natural or man-made crises or disasters", OP/BP 8.00, Rapid Response to Crises and Emergencies.

b) submission to and no objection granted by the World Bank of an Emergency Action Plan (EAP).

The EAP will include a list of activities, procurement methodology and environmental and social management under the ESF procedures.

The EAP will require consideration of environmental and social implications for any proposed emergency activities. The World Bank, through the no objection process, will closely examine the nature of the proposed activities, to ensure:

- that they are not prohibited under the negative list,
- screening, review and supervision procedures are satisfactory to the WB and
- that the recipient is aware of the non- compliance implications before initiating the process by which the proposed activities will be implemented.

. The World Bank and the government will evaluate the status of the crisis, the demand and discuss the use of this possible additional funding in May 2020.

5.2 Identification of potential activities that CERC could finance

The activities to be carried if the CERC Component is activated include: services, goods, works and training as identified in Table 1.

It is important to mention that the activities that will be financed by the CERC Component, should avoid activities with complex environmental and social aspects (for example resettlement), because the CERC objective is to support immediate priority activities (less than 18 months). The activities with more environmental and social complexity, could be financed with other sources of financing.

Table 1: Activities to be Carried out if CERC is Activated

Item
Goods
• Medical equipment and supplies • Non-perishable foods, bottled water and containers • Tents for advanced medical posts, temporary housing, and classroom/daycare substitution • Equipment and supplies for temporary housing/living (gas stoves, utensils, tents, beds, sleeping bags, mattresses, blankets, hammocks, mosquito nets, kit of personal and family hygiene, etc.) and school • Gasoline and diesel (for air, land and sea transport) and engine lubricants • Spare parts, equipment and supplies for engines, transport, construction vehicles • Lease of vehicles (Vans, trucks and SUVs) • Equipment, tools, materials and supplies for search and rescue (including light motor boats and engines for transport and rescue) • Tools and construction supplies (roofing, cement, iron, stone, blocks, etc.) • Equipment and supplies for communications and broadcasting (radios, antennas, batteries) • Water pumps and tanks for water storage • Equipment, materials and supplies for disinfection of drinking water and repair/rehabilitate of black water collection systems • Equipment, tools and supplies for agricultural, forestry, and fisheries • Feed and veterinary inputs (vaccines, vitamin tablets, etc.) • Construction materials, equipment and industrial machinery • Water, air, and land transport equipment, including spare parts

• Any other item agreed to between the World Bank and the Recipient (as documented in an Aide-Memoire or other appropriate formal Project document) • Temporary toilets • Groundwater boreholes, cargos, equipment to allow access to site, storage units • Any other item agreed on between the World Bank and the Recipient (as documented in an Aide-Memoire or other appropriate formal Project document)
Services
• Consulting services related to emergency response including, but not limited to urgent studies and surveys necessary to determine the impact of the disaster and to serve as a baseline for the recovery and reconstruction process, and support to the implementation of emergency response activities • Feasibility study and technical design; • Works supervision • Technical Assistance in developing TORs, preparing Technical Specifications and drafting tendering documents (Bidding Documents, ITQ, RFP). • Non-consultant services including, but not limited to: drilling, aerial photographs, satellite images, maps and other similar operations, information and awareness campaigns • Non-consultant services to deliver the activities described in the "Goods" section of this table (e.g., debris removal, dump trucks, drones survey)
Works
• Repair of damaged infrastructure including, but not limited to: water supply and sanitation systems, canals, roads, bridges and transportation systems, energy and power supply, telecommunication, and other infrastructure damaged by the event • Re-establishment of the urban and rural solid waste system, water supply and sanitation (including urban drainage) • Repair of damaged public buildings, including schools, hospitals and administrative buildings • Repair, restoration, rehabilitation of schools, clinics, hospitals • Removal and disposal of debris associated with any eligible activity.
Training
• Conduct necessary training related to emergency response including, but not limited to the Implementation of EAP. • Training on rapid needs assessment and other related assessments.
Emergency Operating Costs
• Incremental expenses by the Government for a defined period related to early recovery efforts arising as a result of the impact of an eligible emergency. This includes, but is not limited to: costs of staff attending emergency response, operational costs[82] and rental of equipment.

5.3 CERC activities – potential environmental and social risks

Implementation of the activities will be positive and urgently needed. The proposed works and other activities (see Table 1) are small-scale works. The potential negative impacts are expected to be minimal, localized, and temporary that can be mitigated through the implementation of the existing safeguards instruments of the Project and close supervision by the Project Engineer or Supervision

Consultant. The required mitigation measures will be included as part of the Environment and Social Management Plan (ESMP) to be prepared as per the ESMF.

Table 2 below identifies potential impacts of the proposed activities.

Table 2. Potential impacts of the proposed activities to be carried out under Component 4 (CERC)

No	Activities	Potential ES impact issues (risks)	Expected Significance
1	Repair of damaged infrastructure including, but not limited to: existing water supply and sanitation systems, roads, power supply, telecommunication, pavements, street vendors kiosks and other infrastructure damaged by the project;	Increase dust, noise, water pollution, solid/hazardous/ Toxic wastes, waste oil/fuels, public health and safety; exposure to asbestos due to removal of old AC pipes.	Moderate
2	Solid Waste Removal and disposal	Waste management and disposal	Minor
3	Old Asbestos Containing (AC) pipes handling and disposal	Waste Management and disposal	Moderate

Appendix 1 identifies specific activities under CERC and mitigation measures to address the potential risks which will be considered during ES screening and scoping of the ESMP. Due consideration will be given to ensure compliance with the WB's Environmental, Health and Safety (EHS) Guidelines (General and Specific).

5.4 Screening Procedures

The Environmental and Social Specialist(s) within MWSSP delegated to the PIU will identify based on the activities and works proposed in the EAP, the potential environmental and social negative impacts, and the studies or plans required for the environmental and social management. This will be done by completing the Environmental and Social Screening, annexed to the ESFM, for each activity.

When the CERC component is activated, MARDE PIU assisted by MIA-GIES will carry out the following steps:

Step 1: *Application of the ES Screening Form.*

The ESMF includes a template to screen the project from the E&S point of view (Appendix …..). These forms will be used also for the CERC subprojects. The prohibited activities for CERC in Table 3 will also be applied. Given that the CERC objective is to support immediate priority activities (18 months), the activities or subprojects with resettlement issues will be avoided.

Step 2: *Identification of ES issues and preparation of mitigation plans.*

Based on the results from Step 1, PIU will prepare an ESMP for the CERC subprojects describing the works/activities and mitigation measures to be conducted during detailed design, bidding/ contract,

repair/restoration, and closure plans, taken into account the magnitude, scope, and nature of the activities. In addition to the issues identified in the Project ESMP, the CERC ESMP will also address the AC pipes waste management issues following the guidelines provided.

The contractor will be required to ensure that all works are safe from Asbestos fibers and all hazardous wastes are safely and appropriately managed during the implementation of the subproject. Consultation with local authorities and communities will be made during this stage. Budget and entities responsible for implementation of the ESMP will be discussed and agreed as part of the plans.

Contractor's employees contracted to conduct civil or other works for contingency activities, will have to sign a worker's code of conduct, which covers issues such as preventing gender-based violence, as well as sexual assault and abuse. In addition, construction works or uses of goods and equipment involving forced labor, child labor, or other harmful or exploitative forms of labor are prohibited.

Step 3: *WB clearance and GOL approval.*

The ESMP will be cleared by WB (pre or post) as agreed as well as approved by the MARDE and MIA - GIES.

Step 4*: Implementation and M&E.*

The approved ESMP, will be implemented according to the agreed implementation arrangement. PIU and GIES will monitor the implementation on the ground and report the results to WB. Consultation with stakeholders will be made during the process.

Step 5*: Completion and Evaluation.*

Once the CERC subproject has been completed, MARDE PIU will monitor and evaluate the results before closing the contract. Any pending issues and/or grievance must be solved before the subproject is considered fully completed. PIU will submit the completion report describing the compliance of safeguard performance and submit it to WB when required.

5.5 CERC Negative List

The Project will not finance activities that would e.g. affect natural habitats, forests, finance experiments or production of pesticides, or cause economic and social displacement; any activities which involve land acquisition or any form of resettlement.

i. Activities of any type classifiable as High-Risk pursuant to the new ESF
ii. Activities that would lead to conversion or degradation of critical forest areas, critical natural habitats, and clearing of forests or forest ecosystems
iii. Activities affecting protected areas (or buffer zones thereof), other than to rehabilitate areas damaged by previous natural disasters.
iv. Land reclamation (i.e., drainage of wetlands or filling of water bodies to create land)
v. Land clearance and levelling in areas that are not affected by debris resulting from the eligible crisis or emergency
vi. River training (i.e., realignment, contraction or deepening of an existing river channel, or excavation of a new river channel)
vii. Activities that will result in the involuntary taking of land, relocation of households, loss of assets or access to assets that leads to loss of income sources or other means of livelihoods, and interference with households' use of land and livelihoods

viii. Construction of new roads, realignment of roads, or expansion of roads, or rehabilitation of roads that are currently located on communal lands but will be registered as government assets after rehabilitation

ix. Use of goods and equipment on lands abandoned due to social tension / conflict, or the ownership of the land is disputed or cannot be ascertained

x. Use of goods and equipment to demolish or remove assets, unless the ownership of the assets can be ascertained, and the owners are consulted

xi. Uses of goods and equipment involving forced labor, child labor, or other harmful or exploitative forms of labor

xii. Uses of goods and equipment for activities that would affect indigenous peoples, unless due consultation and broad support has been documented and confirmed prior to the commencement of the activities

xiii. Uses of goods and equipment for military or paramilitary purposes

xiv. Uses of goods and equipment in response to conflict, in any area with active military or armed group operations

xv. Activities related to returning refugees and internally displaced populations

xvi. Activities which, when being carried out, would affect, or involve the use of, water of rivers or of other bodies of water (or their tributaries) which flow through or are bordered by countries other than the Borrower/Recipient, in such a manner as to in any way adversely change the quality or quantity of water flowing to or bordering said countries.

Furthermore, the support excludes:

- Companies that operate without all required permits / licenses / authorizations, etc. required under the national legislation.
- Companies performing activities that are likely to negatively impact nature protected areas.
- Companies performing activities that are likely to impact cultural heritage or with activities taking place in cultural heritage protection/archeological zones.
- Companies that have negative environmental inspection findings and litigations in the past year.
- Companies that had significant OHS issues in the past year (two or more company responsible fatality or severe injuries) and did not address the OHS incompliance leading to the incident
- Activities that would significantly change impact to international waterway

6 Grievance Redress Mechanism

6.1 Grievance Redress Process

In compliance with the World Bank's ESS10 requirement, a specific grievance and feedback redress mechanism will be set-up.

The PIU will ensure that the GRM is responsive to any concerns and complaints particularly from affected stakeholders and vulnerable groups.

Following steps are to be taken to ensure full GRM functioning:

Step 1: Recording received grievance in the GRM registry

Step 2: Providing the person who filed the grievance with an acknowledgment of receipt within 5 days of receipt

Step 3: Investigating the grievance

Step 4: Deliver a resolution to the complainant within 15 days of grievance receipt

Step 5: Follow up

Grievances can be filled:

- by phone:
- by post:
- by e-mail:
- by filling in a grievance form presented in Annex 2.

The grievance form will be made available on the implementing agencies website together with clear information on how feedback, questions, comments, concerns and grievances can be submitted by any stakeholder and information concerning the managing of the GRM both in terms of process and deadlines. Furthermore, the website will include the possibility to submit grievances electronically. All grievances can be filled anonymously.

In cases when the grievance/complaint is indefinite or not clear enough, the PIU will assist and provide advice in formulating/redrafting the submission, in order for the grievance/complaint to become clear, for purposes of an informed decision by the PIU, in the best interests of persons affected by the Project.

When the PIU sends a resolution to the complaint, detailed explanation/ justification to the resolution will also be provided, together with guidance actions that the complainant can take if the outcome is not satisfactory.

In case a grievance cannot be resolved in manner satisfactory to the complainant he/she has the right for an appeal. In such cases the resolution of the grievance will be reviewed by a commission at the level of the implementing agency. The commission will consist of three appointed members that are not directly involved in Project implementation. The commission will acknowledge the receipt of the appeal within 3 days and issue the final decision within 5 days of the receipt of the appeal. The decision of the commission will entail a detailed explanation of the grievance resolution process as well as the explanation of the final decision and guidance on how to proceed if the outcome is still not satisfactory for the complainant.

At all times, complainants may seek other legal remedies in accordance with the legal framework of Republic of Moldova, including formal judicial appeal.

In order to capture and track grievances received under the project, a dedicated GRM register is planned. Specifically nominated members of staff will record grievance information in the grievance registry. This will

include:

- Appointed number of Grievance
- Date of receipt
- Stakeholder name (or statement that the grievance was filled anonymously), sex, age and contact details;
- Date of acknowledgement
- Description of grievance
- Description of action taken
- Date of grievance resolution

The PIU will share the Grievance Registry with the WB on a monthly basis.

6.2 World Bank Grievance Redress System

Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org

7 Monitoring and Reporting

The MARDE PIU and MIA GIES will be responsible for overall monitoring, compilation and reporting on CERC progress and screening results. The report, with annexed Screening Report, will be issued a month into the end of the CERS activity.

World Bank will carry out an ex-post supervision on a sample of applications.

8 Public Consultations

The draft version of the ESMF will be publicly disclosed at least five days before Program launch on the websites of the implementing agency and WB. The disclosure packages will include:

1. CERC announcement including:
    a. Brief description of CERC
    b. Ways of submitting comments and feedback
    c. Key deadlines
2. The respective draft ESF documents

The public disclosure of the draft document and the Program launch will be announced through Radio, TV, written and electronic media as well as all available official social media accounts and web pages of the Government and Implementing agency, as part of the overall Stakeholder Engagement activities described above.

The comments received on the draft document will be reviewed immediately upon arrival by the PIU E&S specialists. Major comment will be incorporated in the final version of the ESMF and disclosed, together with a report on the feedback, i.e. (i) list of media the announcement was disclosed, (ii) content of the announcement, (iii) time of publishing, (iv) list of received feedback.

Furthermore, the CERC Program will conduct a rapid but intensive communication campaign to ensure that all potential beneficiary companies and employees become aware of the Program, in particular the processes and procedures to benefit from the Program including eligibility criteria and application procedures. The communication campaign will be conducted in line with the provisions outlined in the Program's Stakeholder Engagement Plan (SEP).

Annex 1

CERC Positive List Activities - Environmental and Social Impact Mitigation Measures

CERC-RELATED ACTIVITY	POTENTIAL IMPACT	MITIGATION MEASURES
A. Debris removal		
A.1. Clearance of debris from roadways, such as vegetation, large trees or tree members, construction debris (from work sites or from structures demolished during the event), abandoned vehicles, etc.	□ Damage to surrounding land and vegetation through excessive clearance operations. □ Interference with land use activities	□ Adopt measures to avoid or minimize collateral damage □ Environmental Plan to be developed
A.2. Remove and dispose of debris associated with any eligible activity;	□ Disposal to locations where act of disposal causes adverse impacts.	□ Disposal to approved locations (landfills) □ Environmental Plan to be developed
A.3. Reestablish drainage systems damaged by the event	□ Damage to surrounding land and vegetation. □ Interference with land use activities.	□ Adopt measures to avoid or minimize collateral damage □ Environmental Plan to be developed
B. Rehabilitation of road infrastructure, that may have been damaged during the event		
B.1. Repair of reconstruct streets, roads, bridges, transportation and other infrastructure damaged by the event;	□ Damage to surrounding land and vegetation. □ Interference with land use activities	□ Adopt measures to avoid or minimize collateral damage □ Environmental Plan to be developed
C. Telecommunications		
C.1. Re-establish telecommunications infrastructure damaged by the event;	□ Damage to surrounding land and vegetation. □ Interference with land use activities	□ Adopt measures to avoid or minimize collateral damage □ Environmental Plan to be developed
D. Landslides and Erosion		
D.1. Stabilize landslides and minimize the potential for wind and water erosion	□ Access to stabilization material (rock) could cause adverse impacts on land use and on biophysical environment such as biodiversity impacts, siltation. □ Deposition could aggravate erosion problems elsewhere on the slopes	□ Stabilization works to be supervised by qualified engineer to avoid or minimize any adverse impacts. □ Anti-erosion and anti-landslide measures are taken at the facility, in particular, the laying of the construction site, construction of storm sewers or reclamation to prevent the displacement of the

CERC-RELATED ACTIVITY	POTENTIAL IMPACT	MITIGATION MEASURES
		settled soil outside the construction site. • Walls of deep excavations are enforced / supported according to relevant technical requirements • Reinforcement of slopes for prevention of soil erosion is carried out.
E. Revegetation		
E.1. Replace vegetation destroyed by the event using native (not invasive) species or repair/mitigate damage caused by the event to a protected area or buffer zone (such as mangroves).	• Insufficient seed stock or seedlings required to undertake replanting • Removal of seedlings/small trees from an area damages existing ecosystem	• Adopt measures to avoid or minimize damage • Environmental Plan to be developed
F. Hazardous waste removal		
F.1. Removal of hazardous wastes or asbestos containing materials from selected site	• Potentially noxious or dangerous substances such as waste from construction camps and workshops, concrete slurries from washing plants, barrels, and containers from fuels, lubricants and construction chemicals, scrap metal, and spent welding electrodes; • Health risks associated with handling hazardous wastes or asbestos if appropriate equipment unavailable. • In case construction and demolition waste is not properly transported and disposed of, it may cause soil, surface and groundwater pollution at the disposal sites and health hazards along the transportation route.	• As noted in the CERC OM "as per the ESMF, an Environmental Management Plan (EMP) should be prepared for Hazardous Waste Management, which should include a detailed Hazardous Materials Management Plan". • Temporary storage of all hazardous or toxic substances and waste of Hazard Classes 1 and 2 at the facility is organized in separate premises in accordance with the legislation of Moldova (mercury-containing waste, lead batteries, intact with unused electrolyte batteries, etc.) without unauthorized access of people and with the respective marking/ labelling. • The containers of hazardous materials are placed in a leak-proof container to prevent spillage. • Waste is transported in accordance with the legislation of Moldova on transportation of hazardous waste. • If asbestos is located on the project site, it is marked clearly as a hazardous material. When

CERC-RELATED ACTIVITY	POTENTIAL IMPACT	MITIGATION MEASURES
		possible, the asbestos is appropriately contained and sealed to minimize exposure. • Asbestos is handled and disposed of by skilled & experienced professionals. • The removed asbestos is not reused. • Temporarily storage on the site of all hazardous or toxic substances is in safe containers labelled with details of composition, properties and handling information. • Regular transportation of construction materials is carried out without stockpiling of large batches of materials at construction sites.
F.2. Construction of a secure temporary asbestos containing facility	• Damage to surrounding land and vegetation. • Conflict with other land use activities	• Adopt measures to avoid or minimize damage • Environmental Plan to be developed
G. Provision of water and Rehabilitation of water infrastructure		
G.1. Repair to water infrastructure	• Damage to surrounding land and vegetation. • Conflict with land use activities	• Adopt measures to avoid or minimize collateral damage • Environmental Plan to be developed
G.2. Delivery of water to areas that are cut-off	• Safety risk to personnel	• Ensure adequate protection is provided.
H. Land transport of fuel.		
H.1. Bulk storage	• Damage to surrounding land and vegetation • Spillage of hydrocarbons to sensitive environments	• Adopt measures to avoid or minimize damage such as adequate bunding, etc • Environmental Plan to be developed
H.2. Land Transport	• Safety risk to personnel • Spillage of hydrocarbons to sensitive environments	• Ensure adequate protection is provided. • Environmental Plan to be developed

Annex 2

Grievance Form

Reference Number	
Full name (optional) ☐ I wish to raise my grievance/feedback anonymously. ☐ I request not to disclose my identity without my consent.	
Contact information Please mark how you wish to be contacted (mail, telephone, e-mail).	☐ By Post: *Please provide mailing address:* _____ _____ _____ ☐ By telephone: _____ ☐ By E-mail
Preferred language of communication	☐ **Romanian** ☐ **Russian** ☐ **Other: _____**
Gender	☐ **Female** ☐ **Male**
Age	
Description of Incident for Grievance/Feedback	What happened? Where did it happen? Whom did it happen to? What is the result of the problem?
Date of Incident / Grievance	
	☐ One-time incident/grievance (date _____) ☐ Happened more than once (how many times? _____) ☐ On-going (currently experiencing problem)
What would you like to see happen?	

Annex 11. Information on ESMF disclosure and Public Consultations

Participants of Public consultation on draft ESF documents:

1. Victoria Gratii, Senior Consultant, Water Resources Integrated Management Division, MARDE
2. Sergiu Tabacaru, Interim Head, Relations with regional development institutions Section
3. Ana Sârbu, Senior Consultant, Water Resources Integrated Management Division, MARDE
4. Ion Lica, Head, Environmental Projects Management Section
5. Victor Paginu, Principal consultant, Ministry of Education, Culture and Research of the Republic of Moldova
6. Elena Boleac, Principal consultant, Ministry of Health, Labour and Social Protection
7. Verlan Eugen, Head of Funds Division Development, Investment Department, Ministry of Finance
8. Nicolai Mavrodi, RDA UTAG
9. Svetlana Bazatin, RDA North
10. Maria Culesov, RDA South
11. Lilia Pilipețchi, Mayor, Soroca mayoralty
12. Focsa Igor, Apa Canal Soroca
13. Anici Ion, Apa Canal Soroca
14. Sergiu, Apa Canal Soroca
15. Vadim Sterbate, reporter, Newspaper „Observatorul de Nord", Soroca
16. Ion Babici, Leader, Youth Resources Center "DACIA".
17. Mr. Gheorghe Ghetivu, Director, Apa-Canal Cahul
18. Mustață Valeriu, Cahul municipal Council member, civic activist
19. Silvia Ursul, NGO SPPN
20. Valentina Jamba, NGO Eco-Sor (Soroca)
21. Cristina Bejenari
22. Tatiana Cebotari
23. Evghenia Moisei
24. Lilia Curchi, NGO, mass media
25. Ilia Trombitki, Eco-TIRAS, International Association of River Keepers
26. Rodica Iordanov, WB Consultant
27. Veaceslav Vladicescu, WB Consultant
28. Mihail Beregoi, Director of PIU
29. Ion Gilca, project coordinator, PIU
30. Ion Barbarasa, Procurement specialist
31. Larisa Cupcea, PPSD development Consultant, PIU
32. Valentin Pleșca, Monitoring and Evaluation Consultant, PIU
33. Corneliu Busuioc, Environmental specialist, PIU
34. Natalia Vladicescu, Social specialist, PIU
35. Community of Practitioners in the Water and Sanitation Sector[83].

The recorded meeting is available at the link – https://ipuipm-my.sharepoint.com/:v:/g/personal/ion_gilca_uipm_md/ERe0N7KcnqRFnAiLTZJVYZ0BYpsQGlwdGWXqAcKQ1irVgQ?e=pCNcak

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On February 19, 2021, the draft documents developed within the Water Security and Sanitation Project, geared towards public consultation, were placed on the MARDE website:

- Environmental and social management framework (ESMF)
- Stakeholder Engagement Plan (SEP)
- Resettlement Policy Framework (RPF)

The documents can be accessed on the following link *https://madrm.gov.md/ro/content/consult%C4%83ri-publice-0*.

On February 19, the PIU held an online presentation of the MWSS project for the Community of Practitioners in the Water and Sanitation Sector. The meeting was attended by 23 people, and the presentation was distributed to all community members. The members of the community were interested in the subject, and some of them were aware of the problems faced by the localities included in the project, with particular reference to the treatment plants in Soroca and Comrat. The specialists were interested in several technical details of the sub-projects, which will be available after the feasibility studies. Likewise, information was requested on: the period when the credit agreement for the project will be signed between the Government of the Republic of Moldova will be signed with the WB? What will be the roles of RDAs in this process? Information was requested whatever the previous studies performed in some localities will be used or not. Moreover, it was discussed whatever a cost-benefit analysis of the project was made, the specialists warning that this is not a grant, but a loan that must be managed efficiently. At the same time, it was noted that the standards imposed by the WB ensure and guarantee the quality of the works and the investment's efficiency.

The water and sanitation specialists especially appreciated the Component 2 - Strengthening institutional capacity at national and local levels for improved WSS service delivery, with reference to the training of the specialists in the field. It's believed that dual education and the delegation of the staff members already employed in the sector would be a solution to this regard.

Some experts have argued that the MWSS project funded by the WB should focus on regional issues, on large-scale projects, due to the difficulty of identifying other sources of funding. And on account of that, the Soroca treatment plant is an example of this project. At the same time, it was mentioned that a more intense collaboration is needed with the representatives of the mayoralties, including sowing of agreements/commitments with the LPAs. Given the complicated procedure for financing the WB, some LPA representatives are holding parallel discussions with several potential funders, such as the situation from Comrat.

The community of practitioners in the water and sanitation sector has been opened to working with the PIU. It was established that meetings (once every 3 or 6 months) should be held with the community to inform them about the progress of the project and the stages that have been achieved.

Between March 1 and 9, e-mails were sent with the invitation to participate in the March 10's public consultation to RDAs, LPAs, water and sanitation service providers, NGOs (local, environmental and those that have tangents with water and sanitation), social media, etc. They were asked to distribute the information to the general population.

The online public consultation from March 10, 2021 was attended by 36 people. Among the participants were the representatives of MARDE, MECR, MHLSP , MoF representatives of LPA, service providers, representatives of civil society and media. Mr. Ion Gilca, the project manager, briefly presented the components of the project. Mr. Corneliu Busuioc, environmental consultant, made a short presentation of the Environmental and Social Management Framework (ESMF) with emphasis on the importance of this document for assessing and managing environmental and social risks. Ms. Natalia Vladicescu presented Stakeholder Engagement Plan (SEP) and Resettlement Policy Framework

(RPF) in view of the objectives of these documents and the importance of stakeholder involvement and consultation.

The representatives of MECR and MHLSP reiterated the importance of this project for the improvement of water supply and sanitation services in public institutions (medical and educational). Noting the need of prioritizing the intervention in rural areas, where the water and sewerage infrastructure is less developed. The MECR representative emphasized that due to the lack of treatment plants in several rural localities, they cannot implement sanitary block construction projects inside educational institutions (they are not eligible under some financiers given the high costs or do not receive permission from the environmental and health authorities). The representatives of the ministries want to know with certainty, as soon as possible, the localities where the WASH component will be implemented. The MHLSP representative advised to include The National Agency of Public Health, Moldova as interested part of the project and everyone agreed with this.

The representative of a local publication from Soroca, warned us about the risks associated with the political factors and asked how they could be minimized, given the previous attempts to solve the problem of the treatment plant from Soroca. Receiving assurances from the LPA and the water and sewerage provider that there might exist an interest and efforts are being made to implement this project. Another topic discussed by the media representative referred to the possible land acquisitions, noting that artificial price increases could be possible by purchasing them by certain persons who will later claim compensation. PIU members gave assurances that in case land acquisitions will be required; the process will be transparent, including the involvement of the community to address this issue.

A municipal councilor from Cahul District and a civic activist mentioned the need of communication with people, especially in rural areas, because not everyone is aware of the quality of the water they consume. Another aspect that was highlighted by this participant refers to informing and raising awareness of the rational and efficient use of water resources.

Another topic discussed was the responsibilities of the actors directly or indirectly involved in the project, in particular regarding the tasks of different stakeholders or local stakeholders. It was mentioned that it would be great if they had a specification in this regard for the sake of clearly distributed roles. There were also questions about possible costs to be borne by LPAs on connecting vulnerable groups to water and sanitation systems. PIU representatives assured us that the contribution of the communities is a topic that has no direct tangent with the vulnerable groups, and that they will benefit with connection from the project resources. Currently, there is no final decision on the communities' contribution to the project, but assurances have been given that any initiative will be consulted first with the LPA and the final beneficiaries.

Participants of the online consultations were encouraged by MARDE and PIU representatives to reach out with proposals and suggestions on the project during the project implementation. They were informed that an online platform will be available soon where all the information about the project could be found along with the available project related information on MARDE and RDAs websites.

Annex 12. Overview of Key Environmental Legal Provisions

The Republic of Moldova is characterized by a new legislative base, that most of it was harmonized with EU *aquis communitare* according with Association Agreement. Some of the main normative acts related to the project proposal and activities that will be implemented are indicated below:

Normative acts

Constitution of the Republic of Moldova (1994);

Water Supply and Sanitation Strategy 2014-2030 approved by the Government Decision No. 199 of 20 March 2014;

National Program for the implementation of the Protocol on Water and Health in the Republic of Moldova for 2016-2025, approved by Government Decision No. 1063 of 16.09.2016; the.

Environment Strategy 2014-2023 approved by the Government Decision No. 301 of 24.04.2014;

Law on the Environmental Protection no.1515-XII of June 16 (1993);

Law on Ecological Expertise no. 851-XIII of 29.05.1996;

Law on Environmental Impact Assessment no.86 of 29.05.2014;

Land Code (1991) 828-XII of 25.12.91;

Law on the Public Water Supply and Sewerage Service No. 303 of 13.12.2013;

Water Law no. 272 of 23.12.2012;

Law of Public Utility Services No. 1402 of 24.10.2002;

Law on Drinking Water Quality no.182/2019

Law on the Fund of State Protected Natural Areas, no. 1538-XIII of 25 February 1998;

Sanitary Regulation on Small Drinking Water Supply Systems, approved by the Government Decision No. 1466 of 30.12.2016 .

Requirements for collection, treatment and discharging of wastewater in the sewerage system and/or in water bodies for urban and rural settlements, approved by Government Decision No. 950 of 25.11.2013.

Regulation on groundwater quality requirements, approved by the Government Decision No.931 of 20.11.2013

The Government Decision No. 949 of 25.11.2013 approving the Regulation on the sanitary protection areas of water intakes.

Regulation on the conditions of discharge of wastewater into water bodies, approved by Government Decision No. 802 of 9.10.2013;

Order No. 122 of 04.12.2015 for the approval of the Concept of regionalization of the public water supply and sewerage service and the Guide on the regionalization of the public water supply and sewerage service.

Normative acts on the operation of water/sewerage networks:

Regulation on the technical operation of public water supply and sewerage systems and installations (second edition), approved by order MARDE / MEI, no. 159/331 of 02.07.2018.

Regulation on the establishment and approval of technological consumption and water losses, for the purpose of determining tariffs, in public water supply systems, approved by ANRE decision no. 180 of 10.06.2016.

Construction Standards and Rules

The MCS G.03.03: 2015 (MCS 4.01-02) - "Internal water supply and sewerage facilities", approved by the Order of the Ministry of Regional Development and Constructions No. 124 of 18.11.2015 that replaced SNiP 2.04.01-85 - Internal

water supply and sewerage systems;

The MCS G.03.02: 2015 - External sewerage networks and facilities, approved by the Order of the Ministry of Regional Development and Construction No. 56 of 25.04.2016 that replaced SNiP 2.04.03-85: Sewerage. External networks and facilities.

The MCS B. 01. 05: 2019 Urbanism. Systematization and arrangement of urban and rural localities.

The MCS G. 03.00: 2017 installations and networks for water supply and Sewerage of water supply systems with a capacity of less than 200 m3 / day.

The MCS G. 03.01:2017 "Installations and networks of water supply and sewerage. Small capacity municipal wastewater treatment plants"

Construction Codes of Practice

CP G. 03.08:2020 "water supply and sewerage installations and networks. Design and construction of external drinking water supply systems, with a flow rate of less than 200 m3 / day, for settlements up to 3000 inhabitants".

CP G. 03. 07: 2016. Systems of natural biological treatment of municipal wastewater in filters planted with macrophytes (phytofilter);

CP G.03.06-2011 Design and assembly of underground sewage pipelines made of fiberglass pipes.

CP D.01.06-2012 Determination of admissible limits of harmful substances in superficial flows (discharges) for the conditions of the Republic of Moldova.

CP G.03.03-2011 Design and installation of groundwater supply pipes from glass fiber reinforced plastic pipes.