

ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK (ESMF)

**SERBIA: COMPETITIVE AGRICULTURE PROJECT
(SCAP)**

November 2019

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LIST OF ABBREVIATIONS & ACRONYMS

ACM	Asbestos-containing materials
BP	Bank Procedures (World Bank)
EHS	Environmental, Health and Safety issues
ESIA	Environmental & Social Impact Assessment
ESA	Environmental and Social Assessment
ESMP	Environmental and Social Management Plan
ESMF	Environmental and Social Management Framework
ESF	Environmental and Social Framework
ESS	Environmental and Social Standard
FI	Financial Institution
FP	Focal Point
GP	Good Practice (World Bank)
GORS	Government of Republic of Serbia
GFP	Grievance Focal Point
GRM	Grievance Redress Mechanism
LMP	Labor Management Procedures
M&E	Monitoring and Evaluation
NGO	Non-Governmental Organization
MAFWM	Project Implementation Unit under Ministry of Agriculture, Forestry and Water
MSMEs	Micro, small and medium enterprises
O&M	Operations & Maintenance
PDO	Project Development Objective
PMU	Project Management Unit housed under the Ministry of Agriculture, Forestry and Water
SCAP	Serbia Competitive Agriculture Project
SEP	Stakeholder Engagement Plan
TA	Technical Assistance
UAA	Utilized Agricultural Area
WB	World Bank

Executive Summary

1. Project background. The World Bank (WB) aims to support the Government of Serbia with the implementation of the National Agriculture and Rural Development Strategy through the Serbia: Competitive Agriculture Project (SCAP) (Hereinafter referred to as: The Project). The project will provide productive investments and capacity building (through advisory services, business and financial planning) targeted at micro, small and medium scale agri-food producers (MSMEs) with focus on improving their productive and entrepreneurial capacity for market integration and sector growth. The Project will not finance direct payments (subsidies).

2. Rationale of the Proposed Project. Enabling private investment in more rural, remote areas with small producers where the volume of production is not enough to attract private investment and investment becomes the role of the public sector. The value of the project is the extent to which it is able to help Serbia redirect its agriculture subsidy program in terms of both equity (targeting), ecological sustainability (climate smart and sustainable ag practices and technologies) and effectiveness (getting farmers linked to banks and markets with higher value production). Project focuses on the missing middle and will help facilitate the modernization of the sector, etc. and their role for improving the efficiency and effectiveness of investments in the sector. The profile of farmers in rural areas – smaller, with lower production volumes and fewer assets – equals to a higher investment risk for the private sector, making access to finance more complicated for these farmers and requiring assistance from the public sector to provide the enabling conditions for risk sharing for these small producers. Well targeted public funding can support improvements in the competitiveness of small and medium scale producers through improved access to information, financial mechanisms and more transparent access to markets, boosting the value of the whole agriculture sector through improved productivity, post-harvest processing and decreasing costs, with focus on productive inclusion.

3. Expected Beneficiaries. The direct beneficiaries of the activities under the project are *within the primary agriculture sector* in the form of natural persons, holders of commercial family agricultural holdings, cooperatives, entrepreneurs, agribusiness MSMEs that can provide direct link to smallholder farmers, education and research institutions, and community organizations. Among the targeted beneficiaries focus will be given to *vulnerable groups* in the agricultural sector in Serbia: *women, youth, and producers in disadvantaged areas* (difficult working conditions for agriculture and underdeveloped/poor municipalities). The project targets agricultural units that have commercial potential, but still at low capacity to compete for some measures such as accredited Instrument for Pre-Accession in Rural Development (IPARD) measures et al. which means that majority mixed-income farms that do not have this focus would not be eligible or have direct access to the agricultural grant schemes and financial products enabled by the credit guarantee fund.

4. The Project area. The Project covers the whole of Serbia, although it is expected that most beneficiaries will be in the South-eastern part of the country, where small and medium scale agricultural production predominates, volumes per producer are small, private investment is limited and targeted investments in agricultural production and commercialization are expected to have the largest impacts.

5. Project objective and components. The Project aims to increase access to agricultural services for targeted beneficiaries in Serbia through: (i) sustainably increasing on-farm productivity; (ii) strengthening producer competitiveness; and (iii) improving government support systems for agri-

food chain cooperation in a manner consistent with EU pre-accession requirements. The project activities are structured into three Components. *Component 1* focuses on improving the productive and entrepreneurial capacity of small and medium agri-food producers by supporting productive investments and capacity building (through advisory services, business and financial planning) for market integration and sector growth. *Component 2* focuses on improving the capacity of the Ministry of Agriculture, Forestry and Water Management (MAFWM) to provide core public goods for improving sector performance. This includes establishing an information system aligned with EU CAP requirements to enable evidence-based policy making and monitoring of results, enhance market information for stakeholders and build capacity for regulatory roles aligned with EU CAP. Component 3 will focus on project management, including the tools for project impact assessment.

6. Purpose of Environmental and Social Management Framework. The Project will enable agribusiness development through matching grants and technical assistance. As sub-projects to be supported are not identified during Project preparation, details on sites and exact scope is not available, an Environmental and Social Framework (ESMF) document is proposed for managing sub-projects environmental and social risks. The main goal of the ESMF is to identify potential environmental and social risks and opportunities and provide guidance on how to avoid, minimize or mitigate potential negative environmental and social risks and impacts caused by implementation of the project, as well as leverage positive opportunities when possible. The Framework provides the relevant standards, procedures, and guidelines to be followed throughout project implementation to ensure alignment with WB's Environmental and Social Framework (ESF) and the Environmental and Social Laws and Regulations of the Republic of Serbia for adequate mitigation of any residual and/or unavoidable impacts. The Framework serves as guidance in identifying and assessing the potential environmental and social impacts of subprojects, in preparing plans and documents that will summarize necessary mitigation measures to minimize or prevent them, and to provide guidance on environmental and social monitoring and reporting.

7. Institutional capacities to manage environmental and social risks and impacts. The implementing agency for the project will be the Ministry of Agriculture, Forestry and Water Management (MAFWM) through its relevant departments and units, namely Sector for Rural Development, Sector for Agrarian Policy, Directorate for Agrarian Payments (DAP) and Information Technology Group. A Project Management Team (PMT) will be established to support project implementation within the DAP which is responsible for execution of the rural development investment support programs financed through the national budget and IPARD. As this is the first project the MAFWM is preparing under the Bank's new Environment and Social Framework (ESF)¹, capacity building through training of the PMT staff shall be implemented to enhance capacity not only to deliver the project compliant to the ESF but also manage adequately third parties, to the extent applicable.

8. Potential environmental impacts. Positive impacts. The Project targets small and medium farmers, by creating them an opportunity to increase their production and competitiveness, by providing them access to finance, technical expertise and best available environmental practices. Regarding of the type of agricultural production, either enhancing primary production, processing or storage, the best available technics and practices will be at hand, available and implemented by small and medium farmers. Biodiversification and bio-conservation in situ, organic farming, decrease of C&B (chemicals and biocides) in everyday farming routine, in line with some of the best modern available farming practices, such as farming in semi-closed or closed spaces, irrigation efficiency and appropriate hail-

¹ The World Bank's ESF came into effect on October 1, 2018

storm protection and shadings, will lower the burden of climate change effects to the agricultural production. Awareness rising, capacity building and strengthening of network of environmental operators by TA and environmental trainings for end users and environmental enforcers and stakeholders, represents one of the positive impacts of the projects. Responsible and sustainable use of chemicals and biocides, using PMC mechanisms, will decrease the pollution load on soil and surface and underground waters, and to flora and fauna as well.

Negative effects. Overall negative effects are considered to be moderate to low. Environmental load, as a result of the intensive agriculture, food processing, waste generation and hazardous waste generation, together with the negative impact on water, soil and air quality, is manageable, can be prevented and in case of impact, reversible. Other negative effects, such as noise, nature protection areas and cultural sites, are negligible.

9. Potential social impacts.

Positive impacts. The project is designed to address current barriers to competitiveness among small and medium producers in Serbia, including limited access to finance, knowledge and information. The matching grant scheme will provide beneficiaries access to capital without the restrictive collateral requirements (only 10% upfront cash needed). This design will particularly benefit groups, such as women and youth, that have limited collateral (assets and land). Recognizing that vulnerable groups, such as women, youth and producers living in disadvantaged areas have multiple barriers to engagement in the agricultural sector, these groups are given preferential treatment in grantee selection as well as targeted advisory services. The Project is expected to improve beneficiaries' livelihoods, on farm production, and value chain and market linkages. The Project is expected to have positive impacts on beneficiary income through enhanced sales of agricultural products and handicrafts, and business sustainability through improved productivity and competitiveness of small and medium scale producers. Diversification of farm income through handicraft business development support is anticipated to enhance economic resilience of households and contribute to increased rate of formal participation, of women particularly, in agriculture and rural development.

The Project is anticipated to improve information use among the targeted population through development of an online information platform. By introducing a two-way communication about plan and animal health risks and early warning systems for anticipating changing climate conditions the SMEs operation will build resilience to climate change and animals wellbeing. Ultimately, the Project is expected to lead to better absorption of IPARD grants through improved bankability.

Negative impacts. The Project's negative social impacts are few due to the inclusive design of the matching grants scheme and the advisory services. The project will target rural areas of the country characterized by the following socio-economic risks: (i) outmigration and aging population, (ii) remote and hard-to-reach agricultural households, (iii) high poverty rates (especially in underdeveloped municipalities in Southern and Eastern parts of Serbia). Among the targeted beneficiaries, the following groups have been identified as vulnerable to exclusion from project benefits or inadequate integration into the project activities: agri-food producer women (considering all their vulnerabilities i.e. inadequate access to financing, lack of land tenure, informality of women's substantial role in the agriculture business), youth (economic weaknesses, land tenure issues, access to market), the landless (economic weakness, quality and size of leased land), and those living in disadvantaged areas (remote & underdeveloped municipalities – i.e. difficult conditions for agriculture, high altitude, limited access to services (internet, veterinary, extension services, etc.)). To minimize the risk of exclusion, the Project will: i) conduct a needs assessment of advisory services and design targeted trainings and TA around identified gaps for targeted beneficiaries, including vulnerable groups; ii) conduct targeted

outreach to vulnerable groups to encourage their awareness and participation in Project activities; iii) give preferential treatment to vulnerable groups in the selection of matching grant program beneficiaries, iv) continue to adjust the matching grants program and advisory services based on targeted beneficiary feedback (disaggregated by gender, age and location).

Risks related to land acquisition and resettlement are not expected under this Project as the Project will only provide support to private MSMEs in the agricultural sector that cannot initiate expropriation. In addition, land purchase, rent or leasing is a non-eligible expense for matching grants support.

In terms of labor risks, the rural labor market is shaped by labor scarcity and a high rate of informal employment. The informal and unpaid work which dominates the sector, especially among women, is a social risk to be addressed through mitigation measures compliant with ESS1. This risk will be mitigated through: i) application screening; ii) labor and working conditions commitments signed by grantees; iii) labor and working conditions reporting requirements during grant implementation, and iv) by providing grantee workers access to the Project grievance mechanism. Risks to *Project workers* (as defined by ESS 2)) are expected to be negligible/low given that no major civil works/ labor involvement is envisaged and contracted workers (employees of firms that will be engaged directly by the project to install IT software, etc.) are not expected to be vulnerable. The Labor Management Procedures (LMP) applicable to the project workers have been integrated into the ESMF under chapter eight.

1. INTRODUCTION

Agriculture is one of the high priorities for the Government of Serbia (GoS) with an important dimension of shared prosperity. The project is also aligned with the strategic goals of the National Agricultural and Rural Development (NARD) strategy for 2014-2024: i) growth of production and income stability; ii) growth of competitiveness with adjustments to domestic and foreign markets requirements and technical-technological promotion of the sector; iii) sustainable management of resources and environment protection; iv) promotion of quality of life in rural areas and poverty reduction; v) efficient management of public policies and promotion of institutional framework for development of agriculture and rural development.

The Project area geographically includes the whole of Serbia but given that the intended target groups are micro, small and medium size agri-food producers, most of the direct beneficiaries are expected to be located in the South and South Eastern part of the country where small and medium scale agricultural production, processing producers, agribusinesses and agro-processors are predominant and where volumes per producer are relatively small and private investment is limited by a number of factors. The project recognizes the significance of, and adopts the World Bank's Environmental and Social Standards, for identifying and assessing as well as managing the environmental and social (E&S) risks and impacts associated with this investment project. The reviews undertaken by the Bank has classified environmental and social risks as moderate. As a response, Government of Serbia/ Ministry of Agriculture, Forestry and Water Management (MAFWM), prepared this Environmental and Social Management Framework (ESMF) as an instrument to manage project risks.

1.1 Purpose of the ESMF

The project includes a competitive matching grant program with sub-projects that have not been identified at appraisal, which is why the Framework approach is deemed to be adequate. The ESMF provides guidance and procedures for managing potential environmental and social risks and impacts of unknown sub-projects, guidance on how negative impacts will be avoided, minimized or mitigated. Through the ESMF screening procedures, once identified, subprojects will be assessed from environmental and social point of view to meet the WB's applicable Standards, as well as any applicable Environmental and Social Law and Regulations of the Republic of Serbia for adequate mitigation of any residual and/or unavoidable impacts. The Framework serves as a guidance tool for the PMT, the implementing agencies, and any other stakeholder relevant to risk management, in identifying and assessing the potential environmental and social impacts of subprojects and ensuring necessary mitigation measures are implemented to minimize or prevent any adverse environment and social impacts. The Framework will also serve as guidance on environmental and social monitoring and reporting.

This document outlines the project background & context, the policy and regulatory framework, a brief description of the environmental and social risks and impacts of possible grant subprojects, Environmental and Social Assessment (ESA) procedures & guidelines, institutional arrangements, consultations and disclosure procedures, and monitoring and evaluation procedures. The ESMF will provide generic Environmental and Social Management Plans (ESMPs) for some of the typical anticipated type of investments and impacts and it includes guidelines for proposed small to micro-scale construction subprojects in the form of an ESMP checklist.

2 PROJECT DESCRIPTION

2.1 Project Overview

Project Development Objective is to increase access to agricultural services for targeted beneficiaries in Serbia through: (i) sustainably increasing on-farm productivity; (ii) strengthening producer competitiveness; and (iii) improving government support systems for agri-food chain cooperation in a manner consistent with EU pre-accession requirements.

The Project area geographically includes the whole of Serbia but based on the development objectives and the intended target group of beneficiaries emerging therefrom, most of the direct beneficiaries are expected to be located in the South and South Eastern part of the country where small and medium scale agricultural production, processing producers, agribusinesses and agro-processors are predominant and where volumes per producer are relatively small and private investment is limited by a number of factors.

An alignment with the EU Instrument for Pre-accession Assistance for Rural Development (IPARD) Program in Serbia was agreed for project implementation, including as focus regions Serbia North (comprising Vojvodina and Belgrade) and Serbia South (comprising Sumadija/Western Serbia and South/East Serbia). This specification, agreed with the Government, excludes farmers and producers who though registered in the Republic of Serbia operate outside of Serbia.

Serbia Competitive Agriculture Project		Component 1: Improving the value-added of agriculture	Sub-component 1.2: Facilitating Access to Finance for Productive Investments	i) investment in equipment
				ii) working capital
Component 2: Improving the capacity		Sub-component 1.1: Strengthening Access to Agricultural Advisory and Business Development Services	Sub-component 1.2: Facilitating Access to Finance for Productive Investments	iii) technical assistance for productivity improvement and entrepreneurial capacity
				iv) finance the preparation and implementation of business plans for proposed investments: (i) business skills and organizational training for small-scale producers; (ii) preparation of subprojects, including information on financial cash flow as per bank requirements, including the formulation of matching grants ¹⁵ for capital investments in equipment, machinery, processing units ¹⁶ , packaging, storage, etc., (iii) specific technical studies and consultancies that would contribute to the implementation and the execution of approved business plans; (iv) a communication strategy designed to raise awareness of and stimulate participation of the SME agribusinesses in the project; (v) support banks with developing methodologies suitable for assessing credit for the types of investments and beneficiaries of the project
Component 2: Improving the capacity	Sub-component 1.1: Strengthening Access to Agricultural Advisory and Business Development Services	Sub-component 1.2: Facilitating Access to Finance for Productive Investments	Sub-component 1.2: Facilitating Access to Finance for Productive Investments	i) the use of good environmental and agricultural practices to improve on-farm productivity
				ii) in on-farm inputs and equipment required for the optimization of production and/or diversification, as well as technical advice for the use inputs, technologies, alternatives, etc.
Component 2: Improving the capacity	Sub-component 1.1: Strengthening Access to Agricultural Advisory and Business Development Services	Sub-component 1.2: Facilitating Access to Finance for Productive Investments	Sub-component 1.2: Facilitating Access to Finance for Productive Investments	iii) support digital agriculture approaches to improve productivity on-farm and enhance linkages between producers and markets
				iv) support compliance with food safety standards, traceability, geographic denomination of origin and other market-related activities as part of the improvement of the competitive position of beneficiaries
Component 2: Improving the capacity	Sub-component 1.1: Strengthening Access to Agricultural Advisory and Business Development Services	Sub-component 1.2: Facilitating Access to Finance for Productive Investments	Sub-component 1.2: Facilitating Access to Finance for Productive Investments	v) carry out market demand assessments to identify differential market potential for products
				vi) support beneficiary participation in trade fairs and other events
Component 2: Improving the capacity	Sub-component 1.1: Strengthening Access to Agricultural Advisory and Business Development Services	Sub-component 1.2: Facilitating Access to Finance for Productive Investments	Sub-component 1.2: Facilitating Access to Finance for Productive Investments	vii) support the commercialization of agricultural products by improving access to medium-term finance, providing start-up capital for small- and medium-sized farms involved in productive partnerships, and by ensuring the availability of financing for value chain support
				i) technical assistance to improve the coordination within and across existing information systems across Directorates and enhance delivery of information for decision making at different levels

			ii) acquisition of hardware and software to improve the scope, functionality and compatibility of information systems and establish digital data collection and processing of current paper-based processes
		Sub-component 2.2: Developing an Agriculture Business Intelligence Information System	i) This sub-component will establish an open, public information platform where key information is accessible to all agriculture stakeholders. The project will finance the software, hardware and technical assistance required for the set-up and functionality of the platform. Access to important production and market information, including weather variables, prices of key products, etc. is critical for on and off-farm decisions. This platform can also be a support system for advisory services in Serbia and can link to digital approaches on farm, ensuring a two-way communication on plan and animal health, and other risks that can constrain agricultural competitiveness.
Component 3: Project Management, Monitoring and Evaluation	Component 3: Project Management, Monitoring and Evaluation		i) This component will support the establishment of a project management team (PMT) in the Directorate of Agrarian Payments (DAP) and capacity needs related to project implementation, as well as project monitoring, including a comprehensive baseline, mid-term review and a final impact assessment of project investments.

Table 1. Project components and overview

3. BASELINE DATA

3.1 Environmental Baseline and background

3.1.1. Baseline country and environmental information

Serbia has a population of 8,8 million across nearly 88,499 square kilometers of territory². The rural population accounts for 40.6 per cent of those people. Agriculture accounts for 21 per cent of Serbia's employment, generating €29.6 billion of the country's gross domestic product. Among Serbia's 631,000 agricultural holdings, 99.5 per cent are family farms, and 17 per cent of those are held by women. The average farm size is 5.4 hectares, which is 2.7 less than the European Union average. For small rural farms, agricultural land itself is the basis of their security, but equipment, facilities and mechanization are very modest, outdated and rarely used for gaining additional income.

Serbia has a land area of 77,474 square kilometers, constituting only 0.05% of the world's land area, or about 1.5 % of Europe. Despite its small size, however, the environment of Serbia is highly diverse compared to other countries in Europe. The reasons for this comparative richness include: the variety of climate, topography, and geology and the long- term ecological and evolutionary history of the region as a biological crossroads.

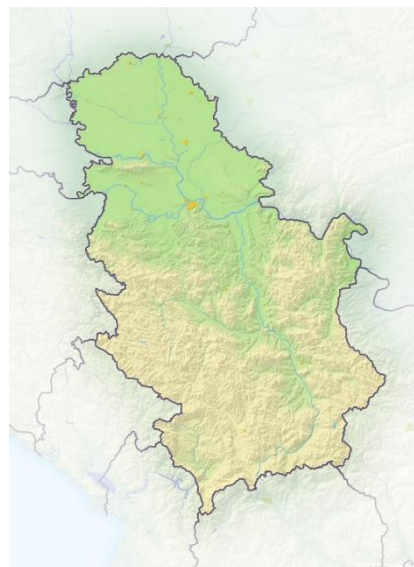


Table 2. Location of the Republic of Serbia and Map of the Republic of Serbia

The Republic of Serbia (ROS) has a population of about 7, 5 million, of which some 50% live in rural areas, and 17% derive their living from agriculture and associated industries. The ROS has three major landforms – the plain areas in Vojvodina and the flood plains of the Danube, Sava and Drina rivers; the Morava valley in its main-stream and two southern arms; and the mountainous areas which cover most of the country south of the Sava and Danube. The water resources of ROS in addition to rainfall are dominated by the river inflows from upstream riparian sources estimated at 85% of available water. The balance is derived from the River Morava from within the country. Due to seasonal variations there are some 160 storage dams, some of which have hydro-electric generation facilities.

The rivers are subject to extreme flows which cause damaging floods along the adjacent lands.

² Source Republic Statistic Office and the Cadastre

Agriculture accounts for 21% of GDP and 26% of exports. The agriculturally suitable land amounts to some 5.15 million ha, of which some 4.28 million ha are classified as arable. About 62% of the nation's arable land lies in Vojvodina. In general, the Vojvodina region mainly produces field crops such as wheat, maize, sugar beet and other industrial crops.

3.1.2. Water

Water quality in Serbia differs substantially from one region to next. Throughout Serbia, the most problematic physicochemical water quality parameters are turbidity, iron, manganese, nitrates and, in the Autonomous Province of Vojvodina, arsenic. In Central Serbia the main problem is bacteriological contamination, with more than 40% of samples not meeting required standards for unlimited use. Moreover, the reserves of underground water in the Autonomous Province of Vojvodina are polluted with heavy metal contamination, particularly arsenic.

50% of municipal water supply systems provide water with adequate physico-chemical and microbiological quality. Existing systems for water supply require reconstruction to reflect the capital maintenance backlog which has arisen over years. Greatest constraint for implementation of EU Drinking Water Directive is poor condition of infrastructure, as a consequence of the comparatively weak financial conditions of the Public Utility Companies, insufficient financing from the Local Self Government Units, state budget and other sources.

The Water supply system is reasonably well developed. A total of 81% of the population has access to public water supply. The percentage is lower in central Serbia (71%). In certain parts of the country (e.g. parts of Vojvodina and the Velika Morava Valley), water quality is not satisfactory, while other parts (e.g. Šumadija, southern Serbia and part of Banat) have both water quality and water quantity issues.

According to the draft Water Pollution Protection Plan, about 55% of the overall population has access to public sanitation. Almost 75% of the population lives in settlements larger than 2000 inhabitants, in which the average connection rate to sewers is 72%, with about 27% connected to septic tanks. In settlements with less than 2000 inhabitants, the connection rate to sewers is less than 5% on average.

Today, underground waters are supplying 65% of water needs for households and industries in Republic of Serbia, and in Vojvodina this is the only way of water supplying.

It is estimated that 29% of the surface area of the country and 2.67 million ha (or 52%) of agricultural land is affected by poor drainage. Drainage infrastructure was affected, including both collector canals and pump stations used to help discharge the excess water collected on lower land when it cannot flow by gravity to the recipient river. Substantial attention is needed to these flood protection facilities in order to reduce increased risks of flooding.

It is estimated that some 1.57 million ha, especially in areas adjacent to the large flood plain rivers, are subject to flooding. Of this area, 1.45 million ha are in Vojvodina and the plains east of Belgrade; the rest are in Central Serbia.

3.1.3. Waste

The general state of waste management in Serbia is still inadequate, posing public health and environmental hazards. The most acute problem is hazardous waste, which is not separately collected and disposed of – currently it is processed in regular waste disposal sites. In general, over 50% of disposal sites do not meet the technical requirements of sanitary landfills and are actually just fenced and mapped dump areas. There are also hundreds of illegal dump sites of various sizes in rural areas.

Moreover, leakage from these dump sites poses a threat to groundwater, surface water and soil, due to the high content of organic matter and heavy metals. The national legal framework is being substantial -harmonized with the EU, but there is still a lot to be done in the area.

With the exception of new sanitary landfills, no other existing landfills and dumpsites comply with the Landfill Directive requirements. Being an EU member country, The Republic of Serbia had transposed much of the EU legal framework to its national legislation. The Landfill Directive has been transposed into the Law on waste management, which will be elaborated in the Legal framework section of this ESMF.

The Law on waste management also transposed the Waste Framework Directive into national legislation. The implementation of the Waste Framework Directive (WFD) recycling targets is based on source separation at household level combined with clean materials recovery facilities, as part of the systems described above. Serbia is planning to achieve up to 50% recycling (557,233 tons) of the total municipal waste by 2030.

At present household level recycling has not effectively started in Serbia with only pilot projects in 2015. The high proportion of biodegradable waste, particularly in rural and suburban areas of the Republic of Serbia is considered to be an additional challenge to meeting recycling targets.

Packaging from used pesticides and other pest management control substances (PMC) that represents a hazardous waste should be properly managed in accordance to the Serbian legislation. One of the major challenges represents the lack of enforcement and underdeveloped network of waste management operators. Currently, based on the available data, there is only one present hazardous waste management for packaging waste coming from PMC operator³ in Serbia, which means that the network of operators needs assistance and strengthening, together with the capacity building of enforcement.

Annex to the ESMF explains the proper usage and management of the packaging that becomes a hazardous waste after being used as a container for pesticides or herbicides substances.

3.1.4. Air quality

AQ assessment is done in accordance with the requirements from the EU directives. The Republic of Serbia has 8 established agglomerations: Belgrade, Novi Sad, Niš, Bor, Užice, Kosjerić, Smederevo, Pančevo. The pollutants that are being monitored are: SO₂, NO₂, PM₁₀, PM_{2.5}, CO, Pb and C₆H₆. The quality of air has been listed into 3 categories: 1) in line with the border values, 2) above the border values but in the tolerance zone, 3) above the tolerance zone for more than 1 pollutant monitored. Sectors from which the monitored pollutants originate from are classified in the following categories: production and distribution of energy, fugitive emissions, air water and rail transportation, the usage of energy in industry and industrial processes, use of solvents and industrial products, waste, heating power plants with the capacity less than 50 MW and individual boiler rooms, agriculture, road transportation. For SO₂ and NO₂ the major source of pollution was the production of electrical and heat energy, together with road transportation. The PM₁₀ and PM_{2.5} were the major pollutants coming from other stationary fuel burning facilities, and they were also the main cause of 3rd category of air quality (the non-compliant) for the following agglomerations: Belgrade, Pančevo, Smederevo, Kosjerić and Užice⁴.

³ <http://www.envipack.rs/>

⁴ http://www.sepa.gov.rs/download/izv/Vazduh2018_final.pdf

3.1.5. Climate changes

According to the World Meteorological Organization, the estimated effects of climate change on Serbia will be the medium range. Serbia, as well as south-east Europe, is likely to have hotter summers, decreased precipitation and, therefore, an increased risk of summer drought. According to data trend over the last 35 years an increase of yearly air temperature by 1°C is noted on Serbian territory in the last 100 years.

Besides the increase in temperature, over the last 50 years also was noted a 10% decrease of precipitation from its normal values. Negative trends of yearly sum of precipitation coincide with the positive temperature change trends.

These climate changes events contribute to more frequent droughts and also higher probability for flooding events. A testament to that are the unprecedented floods happened in 2019 that produced important damages to Serbia, and also some recent dry years occurred. The North-Eastern part of the country however was not endangered in recent flooding events, but in 2009 after snow melts flooding took place also in Borski district, and several rivers were overflowing.

The Serbian Agency for Environmental Protection (SEPA) is monitoring the green-house gas emissions (GHG) and is in charge of its inventory.

The most substantial contribution to the total emissions of ozone precursors (NO_x, CO, CH₄, NMVOC) is being given by "Road Traffic" about 18.6% for CO, "Heat output less than 50 MW and individual heating" (CO - 66.7%, NMVOC with 20.5%). Negligible share in NMVOC emissions also include "Fugitive emissions" 27.3%, "Solvent use and industrial products" 19.4% and "Agriculture" with 14.3%.

The emission of acidifying gases increases their concentration in the air which gives rise to changing chemical balance in the environment. Acidic emissions indicator gases into the air include the following pollutants: NO_x, SO₂ and NH₃. Most substantial contribution to the total amount of acidified gases emitted in 2015 gives "Energy production and distribution" for NO_x - 52.1% and "Road transport" - 24.5%, for SO₂ "Production and distribution of energy" - 95.6% and "Agriculture" about 81.8 % for NH₃⁵.

The Annex to the ESMF gives an overview of the potential climate change scenarios for the Republic of Serbia.

3.1.6. Biodiversity

It is estimated that in Serbian territory over 1000 species of flora are endangered, according to the Red list of Serbian flora (2002). Most of the endangered plants in Serbia is in the IUCN category of "rare plants". The most endangered part in Serbia's biodiversity considers the forest ecosystems and especially sensitive ecosystems (e.g. wetland habitats, prairie habitats, continental salt marshes, sandy terrains, mountain habitats) some of which are refugial habitats for relict and endemic species.

In general, Serbia has a number of different types of ecosystems of particular environmental importance, including: forest ecosystems representing different types of forests; high mountain regions with characteristic mountain ecosystems well-represented or preserved, some of which are found on borders and would require trans-boundary management efforts; mountain regions in which traditional human activities have maintained and even increased biodiversity through centuries of maintaining the open pastures of mountain meadows; gorges and canyons that have been identified

⁵ http://www.sepa.gov.rs/download/lzvestaj_2017.pdf

as important centers for relict and endemic species; steppe and sands of Vojvodina, as well as lakes, wetlands swamps, marshes, ponds which provide key habitat for migratory birds from elsewhere in Europe and have been identified as wetlands of the Ramsar Convention; karst regions in parts of Serbia, with their numerous caves and pits, supporting a rich fauna; and mountain bogs around mountain and glacial lakes.

3.1.7. Soil erosion and contamination

On the territory of Republic of Serbia different forms of erosion dynamic processes can be found (landslides, landfalls, screes, erosions...). Besides the natural factors which are causing these processes, inadequate usage of terrain also contributes to the making, development and intensifying of these processes. Terrain instability, with occurring landslides, landfalls, screes and collapsing of riverbed banks vary in dimension and activity, is present in about 25 – 30% of Serbian territory

Soil erosion is one of the main processes of land degradation in the Republic of Serbia and the cause of deterioration of soil quality. It is estimated that soil erosion affects about 80% of agricultural land to various extent.

There are 2.228 registered landslides in 26 different municipalities in the Republic of Serbia. Terrain instability processes with the occurrence of landslides, mudslides, etc. of different dimensions and activities, cover approximately 25-30% of the territory of the Republic of Serbia.

Water erosion is predominant in central and mountainous areas, whereas wind erosion is prevalent in the Province of Vojvodina in northern Serbia which affects about 85% of agricultural land. Some parts of the territory are exposed to recurring landslides.

The organic matter content in agricultural soil is low with the tendency of further reduction, which requires urgent measures⁶.

3.2 Social baseline and background

3.2.1. Socio Economic Trends in the Republic of Serbia

On January 1, 2018, a total of 7,001,444 inhabitants lived in the Republic of Serbia. Demographically, Serbia is characterized by a strong depopulation trend (between January 1, 2014 and January 1, 2018, the Republic of Serbia lost 147,736 persons), low fertility, relatively high (in European terms) specific mortality rates, high average age population (43 years) and unfavorable age structure.

The year 2017 is the twenty-sixth consecutive year that there has been a negative demographic trend in the Republic of Serbia. Relative to one thousand inhabitants, the rate of natural negative increase was -5.5 ‰. The true magnitude of negative population growth can be seen at the municipal level. In 2017, a negative natural increase was recorded in as many as 163 of 169 cities and municipalities.

The trend of increasing life expectancy at birth for both sexes continued. The achieved value of this indicator is 77.9 years for women and 73 years for men in 2017. Despite the historical maximum reached, life expectancy in the Republic of Serbia is shorter than the EU average by over five years. The elderly dependency index in 2017 was 29.7% with projections of reaching a value of 36.3% in 2041.

Rough estimates based on data from different statistical sources indicate an average annual negative external migration balance of at least 15,000 persons (data from countries that most often accept

⁶ <http://degradacijazemljista.rs/wp-content/uploads/2018/01/Towards-Soil-Decontamination.pdf>

migrants from the Republic of Serbia, the Statistical Office of the Republic and the Commissariat for Refugees and Migration).

According to data from the Labor Force Survey, employment in the Republic of Serbia increased by 75,300 (+ 2.8%) in 2017, which is half the growth recorded in 2016 (by 145,200 and +5, respectively), 6%). The decrease in the unemployment rate, started in 2013, continued into 2017. The unemployment rate was 13.5%, which is a decrease of 1.8 percentage points compared to 2016. An increase in employment and a decrease in unemployment during 2017 was accompanied by a slight decrease in inactivity. The inactivity rate was 46.0%, down 0.7p on the previous year.

Poverty remains substantial, both in absolute terms (the share of persons whose consumption is below the threshold needed to meet their existential needs - 7.3% in 2016), and relatively high (the share of persons at risk of poverty is 25.5% in 2016). The at-risk-of-poverty rate by most common status in the labor market (lasting more than six months) indicates that the unemployed are in the worst position (48.0%, i.e. almost every other unemployed is at risk of poverty). Employment substantially reduces the risk of poverty, but the quality of employment remains a key factor in ending poverty (the self-employed have a substantially higher at-risk-of-poverty rate than employees at the employer, 32.4% vs. 9.0%). Retirees are in the most favorable position, after employees with employers, with a risk of poverty which is approximately at the level of total employees (15.4%). Education is a decisive factor for a person's economic status and ability to generate income, and it is therefore not surprising that lower-educated people are above average at risk of poverty. The highest at-risk-of-poverty rate in 2016 - 2018 period was in the population with primary education and lower than primary school (39.1%), and the lowest in the at-risk-of-poverty population with high school or university education (10.3%). This distribution of the population at risk of poverty by level of education clearly indicates that education is important, since the labor market rewards highly educated people.

Particular categories exposed to poverty are young people and women living in rural areas, especially in the southern and eastern parts of the country⁷. It is stated that farmers in the southern and eastern Serbia have smaller land holdings, and thus a real income much smaller. Moreover, most do not have the opportunity to receive subsidies from the Ministry of Agriculture or international programs that assist in the agriculture development because they do not have the knowledge or material resources to pay a person with the knowledge to prepare technical documentation for subsidies. All of this is a limiting factor for agricultural development and poverty reduction.

In Serbia, persons over 65 years of age, 42.5 percent, dominate engagement in the agricultural sector, while 8.7 percent of farmers are in the 35-44 age group, according to the September 2019 survey of the Statistical Office of the Republic of Serbia. The survey showed that there are about 88,200 cattle, 3,266,000 pigs, 1,800,000 sheep, 218,000 goats in the farms, with the most poultry - about 23,000,000 pieces, and about 914,000 hives. The farm workforce is about 1,337,000 people, with about 452,000 tractors in the machine park and 86 percent used for more than 20 years.

3.2.1. Population in rural areas

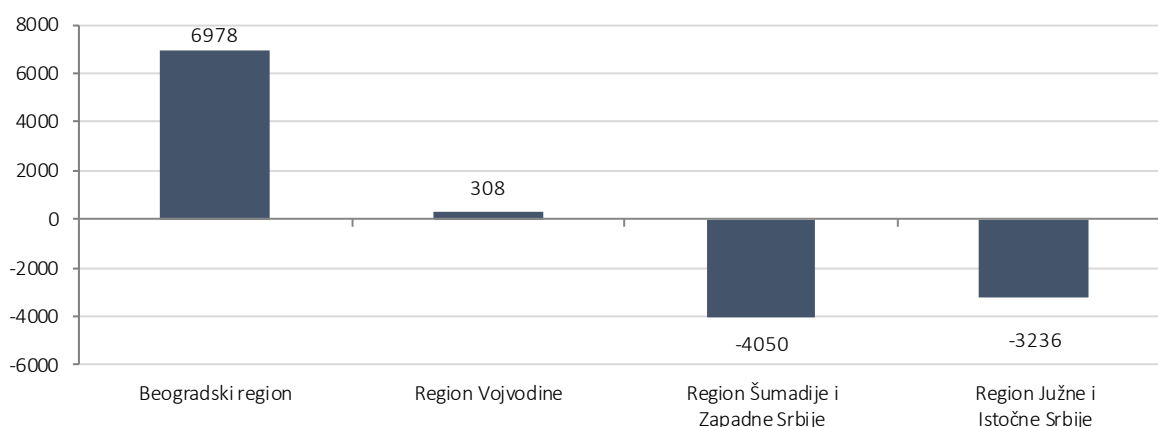
In 2018, 122 193 persons internally migrated within the Republic of Serbia. The average age of persons who changed residence was 34.2 years (34.8 for men and 33.6 for women). The capital (Belgrade) region and northern Vojvodina region had a positive migration balance in 2018. In 2018 most of the persons moved from one municipality/city to another within the same area (39.1%), and at least from

⁷ General Poverty Assessment in the Republic of Serbia for 2017, Statistical Office of the Republic of Serbia report, 2017 - http://socioekonomskijucivanje.gov.rs/wp-content/uploads/2018/10/Ocena_apsolutnog_siromastva_u_Srbiji_u_2017_godini_lat.pdf

one to another settlement within the same municipality/city (23.6%). 14% of all agricultural holding holders are younger than 44 (only in Vojvodina 21.6%), while one third of the holders of family agricultural household are older than 65. The share of female managers of SHFF (20%) is above average for Serbia (17%), the average age of female managers is higher (64 vs. 59 years).

The largest number of migration movements was recorded in the territory of the Belgrade area, 50 982 (41.8%) immigrants and 44 004 (36.0%) emigrants. As seen from the figure below the South and East regions of Serbia, had a negative population trend and a deprivation of 3236 persons compared to the same period in 2017. This confirms that despite rural development measures the rural areas still struggle with depopulation.

Chart 1. Number of internal migrants in the Republic of Serbia, by age and sex, 2018



3.2.1.1. Poverty in rural areas

According to various sources (NGO's independent researches, regular annual survey conducted by the Statistical Office of the Republic of Serbia), the poverty rate is increasing in rural areas, compared to those in urban areas, and especially in the underdeveloped areas of Eastern and Southern Serbia where the poverty rate is more dominant. Western Serbia has the lowest percentage of the financially poor (33.4%) and the materially deprived (31.9%) of the population, with Southeastern Serbia the largest (41.2% and 37.8%).⁸ Many are samples of rural poverty in the south and east of Serbia, a small percentage of arable land, households have on average up to 2 hectares of arable land, and low yields.

According to the Law on Regional Development, local self-government units in the Republic of Serbia are classified into the second, third and fourth groups according to their level of development. The third group of 46 municipalities consists of those with a level of development of 60% to 80% of the national average. The fourth group consists of municipalities with a level of development below 60% of the national average. Forty-four (44) municipalities are in the fourth group of development and most of them are from South of Eastern Serbia.

3.2.2 Education and skills

According to data from the Statistical Office of the Republic of Serbia from the 2011 census, there are 164,884 or 2.68 percent of illiterate residents in Serbia. The results of the 2011 census showed that the number of illiterate people in Serbia was halved compared to the 2002 census. In Serbia, 850,000

⁸ Social exclusion in Serbian rural areas - <https://www.secons.net/files/publications/37-Social%20Exclusion%20in%20Rural%20Areas%20of%20Serbia.pdf> (SECONS, 2010)

inhabitants, 14 percent of the population, is without school or with a few elementary school grades. The incomplete elementary school have 677,000 residents of Serbia, or 11 percent.

In the Republic of Serbia, 51% of persons aged 15 and over are computer illiterate, that is, 34.2% of persons are computer literate, while 14.8% are partially computer literate (May 2019).

2011 research⁹ show that 18.5% of rural women did not complete high school education because pressures by the family to stay and work in the household or on the farm, 26% because of the attitude of the family that women do not need to attain higher education levels, 18% because of a lack of financial resources, and 10% because of early marriage and family care. Differences in educational attainments are much more prominent when adult population of urban and rural areas are compared. Data from population census indicate less favorable education structure of population in rural areas with higher share of persons without any school particularly among women (these are mainly older women). On the other hand, share of persons with higher and university education is much lower among rural than urban population.

Table 6: Population by attained education level and type of settlement, 2011

Education level	Urban		Other	
	Men	Women	Men	Women
No school. uncompleted elementary school	3.8	9.9	16.6	30.4
Elementary school	14.2	17.7	28.0	27.6
High school	58.2	49.4	49.1	36.0
Higher and university education	23.5	23.0	6.2	6.0
Total	100	100	100	100

Source: Population census in the Republic of Serbia 2011, Statistical Office of the Republic of Serbia

In terms of agricultural education, 73 percent of women farm managers rely on practical experiences only compare to 58 percent of men. Women in the agricultural sector lack access to information about available support programs. One of the reasons for low agricultural productivity in Serbia is the poor level of relevant occupational skills, especially regarding farm management. According to the 2012 Agriculture Census of Serbia, only a small proportion of the rural workforce obtains some form of education, whilst most farm managers acquire their knowledge of agriculture only by means of practice. One of the main reasons is the unfavorable age structure of farm households, which stems from a traditional model of property inheritance, whereby the holding is transferred to the eldest child of the deceased. As a result, younger siblings simply made up the household workforce or left to find jobs elsewhere, regardless of their level of education and skills. Inspire of the fact that the Government introduced measures to facilitate the transfer of households to younger siblings, the situation remains largely unchanged. Consequently, less than 5% of farm managers have completed secondary agricultural school, higher agricultural education or agricultural college; although the province of Vojvodina proves the exception.

⁹ Access to services for women and children in rural areas of Serbia and proposal for improvement measures, 2011, SeConS - Development Initiative Group and UNICEF

3.2.3 Employment and Livelihoods in rural areas

The factors contributing to the risk of poverty are scarcity or inadequacy of resources, low productivity, disguised unemployment and unqualified and ageing workforce. The following statistics¹⁰ underlines these factors.

Family holdings represent 99.5% of all agricultural holdings in Serbia, with a large share of small subsistence and semi-subsistence holdings among them. The family agricultural holdings that own up to 2ha of land make 48.1% of the total number of households.¹¹

- Work force on agricultural holdings is engaged with 44.8% of their capacities. The average value of agricultural production per family holding in 2012 was 5,927 Euro.
- 52% of agricultural households, who use 46% of agricultural lands, do not have any other source of income but agriculture. For others, 35-47% income is diversified and comes from employment.
- Women are rarely permanently employed on the holdings – 14,8%, while most often they are informally engaged labor force for agricultural activities – 63%.
- Women make 63% of labor force informally engaged for agricultural activities but only 14.8% of the permanently employed workforce, while 53.9% of women are insured through their husbands and only 9.1% are registered agricultural producers¹².

3.2.4 Labor conditions in the Agricultural sector

The incidence of informal employment is the highest among the youngest age group (15-19 years), of whom 76% are employed informally. Incidence of informal employment tends to decrease with age. This can be accounted to the low level of professional experience of the youngest age group. Informal employment rates tend to rise again for older workers, with 50% of employees over 55 being informally employed. Broken down by age group, young men and older women are over-represented in informal employment. Majority (80%) of informal workers in the agricultural sector are women. Women are rarely employed full-time on the holding, their work in the household and the farm holding is not legally recognized, increasing their economic dependence and lack of labor protection (e.g., maternal leave, insurance, pension);

When broken down by region, the largest number of informally employed workers is located in Vojvodina, and the smallest number in Belgrade. The highest share of informally employed workers of the total number of workers is in West Serbia and Šumadia (33.7%), followed by South and East Serbia (27.7%), Vojvodina (21.2%), and Belgrade (11.9%). These differences can, to large extent, be explained by the higher share of agricultural workers in these regions, and their higher propensity to work in the informal sectors.

¹⁰ statistical data on the risk of poverty based on

<http://pod2.stat.gov.rs/ObjavljenePublikacije/Popis2012/Radna%20snaga.pdf>

¹¹ Technical Report: Smallholders and Family Farms in the Republic of Serbia, FAO and the University of Belgrade, Faculty of Agriculture, 2019

¹² Situation of Rural Women in Serbia Report, 2017, This publication was produced with support of The United Nations Entity for Gender Equality and the Empowerment of Women (UN Women).

Table below - Informal work differences among regions

Region/Number of workers	Informal	Formal	Informal rate
Belgrade	67,056	495,547	11.3%
South and East Serbia	141,408	368,411	23.8%
Vojvodina	138,729	514,453	23.3%
West Serbia and Šumadia	247,405	486,039	41.6%

Source: Labor Force Survey, Statistical Office of the Republic of Serbia

As can be expected, regions with the highest incidence of informal work also exhibit the highest incidence of young informal workers. In West Serbia and Šumadia, 94.1% of those aged 15-19, 46.1% of those aged 20-24, and 29% of those aged 25-29 work without any kind of official labor contract. Of those aged 55+ the incidence of informal employment is the highest in South and East Serbia, where 51.7% of people aged 60-64, and 37.2% of those aged 55-59, work informally. Informal work is least common in Belgrade, except among the youngest workers (15-24 years), whose rate of informal employment is comparable to the Serbian average.

Table below - Share of informal work in total work, by age group

Region / Age	15-19	20-24	25-29	50-54	55-59	60-64
Belgrade	67.3%	29.0%	11.8%	8.4%	12.4%	18.4%
South and East Serbia	60.8%	23.8%	19.5%	20.8%	37.2%	51.7%
Vojvodina	71.3%	36.6%	19.1%	17.4%	25.2%	34.7%
West Serbia and Šumadia	94.1%	46.1%	29.0%	25.7%	35.8%	49.3%
Total	76.0%	35.3%	20.1%	18.0%	27.8%	40.7%

Source: Labor Force Survey, Statistical Office of the Republic of Serbia

Of those informally employed the vast majority can be found in the agricultural sector (353,653, or 59.5% of all informally employed), followed by domestic work (71,999 or 12.1%), construction (42,078 or 7.1%), wholesale and retail (26,978 or 4.5%), and manufacturing (24,181 or 4.1%). The incidence of informal work is the largest in domestic work (91.4%), agriculture (65.7%), construction (34.9%), services (33.3%), arts, entertainment and recreation (28.2%), and accommodation and food service activities (21.6%). In other sectors, the share of informal work is less than 20%.

Table below - Sectorial differences

	Share of informal employment in total sector employment	Share of sectorial informal employment in total informal employment
Agriculture, forestry and fishing	65.7%	59.5%
Household	91.4%	12.1%
Construction industry	34.9%	7.1%
Wholesale and retail trade	8.8%	4.5%
Manufacturing	6.3%	4.1%
Other Services	33.3%	2.8%
Arts, entertainment and recreation	28.2%	2.2%
Accommodation and food service activities	21.6%	2.0%
Administrative and support service activities	15.4%	1.5%
Transportation and storage	7.1%	1.5%
Information and communication	12.0%	1.0%

Water supply; sewage, waste management and remediation activities	10.8%	0.6%
Professional, scientific and technical activities	5.8%	0.6%
Education	1.0%	0.3%
Human health and social work activities	0.9%	0.2%

Source: Labor Force Survey, Statistical Office of the Republic of Serbia

Research¹³ puts informal employment in rural areas at 33% (compared to 6% in urban areas), and is especially present in agriculture (62% of the total employment in this sector). 56.3% of engaged work force in family agricultural holdings are family members and relatives. The total percentage of permanently employed is only 0.1%.

At seasonal peaks, 65% of women involved in agricultural activities perform agriculture-related work all seven days in a week¹⁴. Unequal workload throughout year necessitates hiring short time seasonal workers who, given the nature of their engagement, are even more exposed to the risks associated with informal labor. This form of unreported employment leave workers without social security, pension and health insurance, provides them with inadequate wages and unsafe working conditions.

In June 2018, the National Assembly of the Republic of Serbia adopted the Law on Simplified Employment in Seasonal Jobs in Certain Activities ("Official Gazette of the RS", No. 50/18), which started implementation on January 2019. The Law regulates a simplified manner of employment and payment of taxes and contributions for work for persons in jobs of seasonal character in the agriculture, forestry and fisheries sectors, with the aim of facilitating the employment of seasonal workers by employers and enabling seasonal workers to obtain all the rights arising from this type of employment for their work result. This law stipulates that an employer may hire a seasonal worker for a maximum of 180 days in the calendar year, and during that time the worker is entitled to pension and disability insurance, as well as health insurance only in the case of injury at work and occupational disease. Remuneration for a seasonal worker is calculated and paid per working hour, at least in the amount of the minimum labor price. The law provides that during the course of seasonal work, the worker shall not be removed from the register of unemployed persons, nor shall he be suspended from the payment of compensation by the National Employment Service which he obtained during temporary unemployment.

3.2.5 Farm structure and education related growth

The ageing of family farms, migrations and globalization are causing a substantial decrease in the number of family farms. Serbia's farm structure is complex, consisting of small subsistence agricultural holdings, small semi-subsistence farms, large family farms, as well as large enterprises with a mixed ownership structure.

In Serbia, similarly to other countries with continuity of private farms since pre-transition period, the land reform of 1990s did not bring substantial changes in farm structures.

The available official data does not allow precise comparisons of distribution of AH and farm-land by type of ownership between two censuses, since the methodology of the Census of Agriculture conducted in 2012 was changed (definitions related to the AH and land categories). However, an

¹³ <http://pod2.stat.gov.rs/ObjavljenePublikacije/Popis2012/Radna%20snaga.pdf>, Statistical office of Serbia

¹⁴ Situation of Rural Women in Serbia Report, 2017, This publication was produced with support of The United Nations Entity for Gender Equality and the Empowerment of Women (UN Women).

indicative picture can be drawn by looking at data from the Census of Population, Households and Dwellings 2002 (SORS, 2002). According to this source, there were 778,000 households with the agricultural holding (threshold was set at 0.1 ha), while according to the Census of Agriculture 2012, there were 628,000 FAH (over 0.5 ha) and over 112,000 households with some agricultural resources, but below defined threshold values. Such a trend is indicative of declining farm numbers and increasing farm consolidation, but there is not sufficient reliable evidence supporting that claim. The share of FAH in total land area at the end of 1990s was 85%, as it is nowadays (table 3).

Table 2: Agricultural holdings by legal status, by regions

Regions	Number of AH			Utilized Agricultural Area (UAA)		Number of cattle		Number of pigs	
	Total	Of which (%):		Total (000 ha)	Of which: in FH (%)	Total (000)	Of which: in FH (%)	Total	Of which: in FH (%)
		FH	HLEUE						
REPUBLIC OF SERBIA	631,552	99.5	0.5	3,355.9	83.9	909.0	91.7	3,403.3	80.0
Belgrade Region	180,868	99.2	0.8	134.1	76.8	53.2	55.0	202.3	70.9
Vojvodina Region	33,244	99.6	0.4	1,598.1	73.5	252.3	85.9	1,396.1	62.9
Region of Šumadija and Western Serbia	147,624	99.1	0.9	975.7	96.5	414.4	97.3	1,151.1	98.2
Region of South and East Serbia	450,684	99.7	0.3	648.0	92.3	189.2	97.3	653.8	87.6

Source: SORS, *The Census of Agriculture 2012*

The structure of agricultural holdings by legal status in Serbia points out that FAH dominate over the Holdings of Legal Entities and Unincorporated Enterprises (HLEUE), both in terms of the number (99.5%) and in terms of agricultural resources. Still, HLEUE in Vojvodina Region and Belgrade Region occupy a substantial part of land areas and livestock (table 2).

Table 3: Agricultural holdings and land distribution, by land size classes

	Total	Land area						
		≤ 1	1.01–2	2.01–5	5.01–10	10.01–50	<50	
AH	No., 000	631.6	184.7	123.7	182.5	89.1	45.3	6.2
	%	100	29,2	19,6	28,9	14,1	7,2	1,0
UAA	000 ha	3,437	92	182	596	617	825	1125
	%	100	2,7	5,3	17,3	18,0	24,0	32,7
UAA per AH, ha	5.4	0.5	1.5	3.3	6.9	18.2	180.2	
Unutilized agricultural area, 000 ha	424	106	37	59	27	16	179	
Wooded area, 000 ha	1,023	191	72	209	199	181	170	
Other land, 000 ha	462	34	15	42	21	44	307	
Total available area, 000 ha	5,347	423	306	906	864	1,066	1,781	

Source: SORS, *The Census of Agriculture 2012*

AH of less than 2 hectares make up 49% of the total number and cultivate 8% of UAA, whereas on the other end of the range 1% of farms with over 50 hectares use 33% of land (table 4). The average farm size is 5.4 ha of UAA. Unutilized agricultural land amounts 424,000 hectares and is similarly distributed between the AH of smallest size (up to 2 ha) and big holdings (over 50 ha) (143,000 ha vs. 179,000 ha).

This pattern is even more striking, when it comes to a distribution of livestock. 22% of AH do not breed livestock. Among AH with livestock, 80% have less than 5 livestock units (LU) and their share in total number of livestock is 34.7% (table 5). On the other side of the scale, 33% of total number of livestock units is concentrated on farms with over 20 LU.

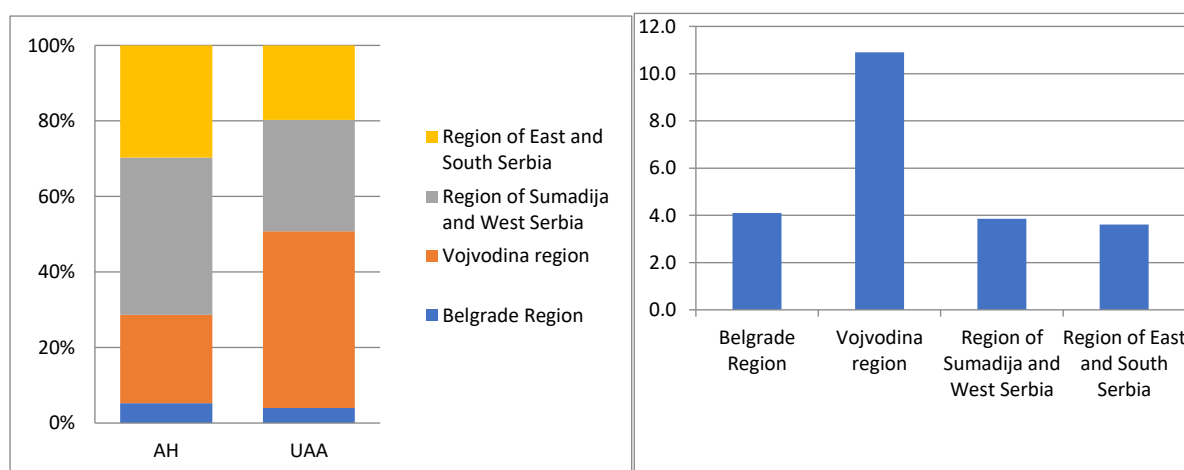
Table 4: Agricultural holdings with livestock and distribution of LU by heard size classes

		Total	>0-<5	5-<10	10-<15	15-<20	20-<50	50-<100	100-<500	500 -<
AH	No.	489,364	391,468	67,063	16,169	5,897	6,904	1,200	522	141
	%	100	80.0	13.7	3.3	1.2	1.4	0.2	0.1	0.0
Livestock Units	No	2,019,889	700,981	388,149	174,070	92,048	191,061	79,360	94,731	299,489
	%	100	34.7	19.2	8.6	4.6	9.5	3.9	4.7	14.8

Source: SORS, The Census of Agriculture 2012

The lowland rural areas (Pannonian and Peri-Pannonian Plain) in the north of the country are characterized by favorable soil quality and structure for capital-intensive agricultural production, as well as with well-developed upstream and downstream industries. Along with small subsistence and semi-subsistence farms, there are very large family agricultural holdings and a substantial number of enterprises of over several thousand hectares, established mostly through the privatization process of the former agro-kombinats and cooperatives. In the rest of territory small FAH prevail, with fragmented land parcels and less quality soil.

As a result of heterogeneity of relief, differences in pathways of farm development and restructuring, there are substantial regional variations in distribution of number of AH and utilized agricultural area (figure 3). If the Belgrade region is excluded (as untypical), the smallest number of AH is in Vojvodina region (23% of total in Serbia), which dominates the total UAA (48%). On the other side, AH from Šumadija and West Serbia region make 41% of the total number of AH, and use 29% of total UAA. Consequently, the average farm sizes substantially vary ranging from 3.6 ha in high-mountain region of Southern and Eastern Serbia to 10.9 ha in Vojvodina Region (figure 4).



Distribution of AH and UAA, by regions

Average farm sizes, by regions (ha)

Source: SORS, The Census of Agriculture 2012

In terms of distribution of AH by their land size, small farms (up to 2 ha) prevail in both Vojvodina Region and Central Serbia. The distinct differences between the regions appear in the category of AH of above 2 ha (Figure 5). In Vojvodina region a substantial concentration of resources and output is on AH over 10 ha, while in Central Serbia they remain on AH of up to 10 ha.

The same picture is obtained for distribution of AH according to their economic size. The economically smallest AH (SO up to EUR 2,000) prevail in both regions. However, these AH use little land and LU in Vojvodina, and make up a small part of the total SO. The situation is the opposite in Central Serbia, where resources and output are predominantly concentrated on small and mid-sized AH, with SO of up to EUR 15,000.

An important segment of the agrarian structure is a distribution of the farm labor (figure 6). In Vojvodina region, the largest part of the labor is used by small AH (up to 2 ha). The amount of used labor in this region decreases with the growth of the farm's size, so that it increases again in the category of biggest AH (over 100 ha). On the other hand, in Central Serbia, the concentration of labor is on the AH with less than 10 ha.

There are also regional differences in the characteristics of farm manager and dynamics of inter-generational transfer of farm ownership. The share of younger managers (age below 45 years) grows with the size of the AH, but it is generally higher in Vojvodina Region than in Central Serbia. A larger share of younger managers in Vojvodina suggests that in this region structural reforms, including transfer of family farm assets are taking place more dynamically than in Central Serbia.

The average plot of utilized agricultural area per farm in Serbia is 5.4 ha, which is about one third of the EU-27 average (14.5 ha). The UAA makes up about 43% of the total surface of Serbia, and in its structure, fields and gardens constitute up to 73%, meadows and pastures 21% and permanent crops around 6%. The most common challenge they face, is to raise operational capital to become more productive and attract investment capital for reinvestment in established fixed assets. Many of these enterprises have under - or unutilized assets such as buildings. There are also large-scale enterprises using modern production systems with levels of efficiency similar to those in the EU.

4. NATIONAL LEGAL AND REGULATORY FRAMEWORK

4.1. Environmental and Social Legal Requirements in Serbia

Environmental legislation in Serbia has over 100 laws and regulations. Currently, the majority of these are harmonized with EU legislation.

4.1.2. LEGAL FRAMEWORK

Republic of Serbia, having acquired the EU candidate country for membership status, is taking a huge effort to reach environmental standards in line with the EU acquis¹⁵. A set of environmental legal framework adopted during the last decade contributed to Serbia coming closer to desired environmental standards. However, a negotiating Chapter 27, Environment and Climate change¹⁶, still

¹⁵ The Acquis Communautaire is the accumulated body of European Union (EU) law and obligations from 1958 to the present day. It comprises all the EU's treaties and laws (directives, regulations, decisions), declarations and resolutions, international agreements and the judgments of the Court of Justice.

¹⁶ http://eukonvent.org/wp-content/uploads/2018/07/lzve%C5%A1taj-o-napretku-Srbije-2018_engleski.pdf

remains technically, financially and administratively the most complex and challenging one, with more than 750 different legal acts needed to be produced and adopted and over 10 billion euros of investments needed to be undertaken.

The standards of good environmental practice are applied throughout the country, and progress is particularly visible within the energy and transport sector.

Environmental protection in Republic of Serbia is regulated by several national and municipal laws and by-laws. The environmental legislation in force in Serbia with detailed list on environmental legal framework is summarized in Annexes.

The main legal documents are:

- The Constitution of Serbia ("Official Gazette of RS" No. 98/06)
- The National Strategy for Sustainable Development ("Official Gazette of RS" No. 72/09, 81/09)
- Law on Environmental Protection ("Official Gazette of RS" No. 135/04, 36/09, 43/2011 – decision of Constitution Court, 14/2016, 76/2018 and 95/2018)
- Law on Environmental Impact Assessment ("Official Gazette of RS" No. 135/04)
- The Law on Waste Management ("Official Gazette of RS" No. 36/09, 14/2016 and 95/2018)
- The Law on Water ("Official Gazette of RS" No. 30/10, 93/12)
- The Law on Occupational Safety and Health ("Official Gazette of RS" No. 101/05)
- Law on Planning and Construction ("Official Gazette of RS" No. 72/09, 81/09, 64/2010 - decision of Constitution Court, 24/2011, 121/2012, 42/2013 - decision of Constitution Court, 50/2013 - decision of Constitution Court, 98/2013 - decision of Constitution Court, 132/2014, 145/2014, 83/2018, 31/2019 and 37/2019)
- Law on Nature Protection, ("Official Gazette of RS" No. 36/09)
- Law on Strategic EIA ("Official Gazette of RS" No. 135/2004 Law on Forest ("Official Gazette of RS", 46/91, 83/92, 54/93, 60/93, 53/93, 67/93, 48/94, 54/96, 101/05),
- Agricultural Land Law, ("Official Gazette of RS" No. 62/06, 41/09)
- Law on confirmation of convention on information disclosure, public involvement in process of decision making and legal protection in the environmental area ("Official Gazette of RS", 38/09)

The Law on the Prohibition of Discrimination (2009) specifies that specific measures taken in order to ensure full equality, protection and well-being of a person or group of people being in an unequal position are not considered discriminatory.

Furthermore, the Family Law (2005, 2011, 2015) allows spouses to have joint ownership of the property acquired during marriage. As traditional inheritance model often excludes women from ownership, the project may promote joint ownership of land giving preference to that type of family holdings or encouraging formalizing the land titles wherever possible.

The Law on Agriculture and Rural Development (2009, 2013, 2016) and the Rulebook on Registration and Renewal of Registration in the Agricultural Holding Registry, and on Conditions for Registering a Passive Status of the Agricultural Holding (2013, 2015, 2016, 2017, 2018, 2019) define the family

agricultural holding, holders and members of the holding and the procedure of registration in the Registry of Agricultural Households.

The Labor Law (LL) (2005, 2009, 2013, 2014, 2017, 2018) provides for the permissible modalities of employment and engagement in general.

The Annex to this document gives a detailed list of legal framework for the environment sector in the Republic of Serbia.

4.1.2.1. EIA procedure in the Republic of Serbia

In the juridical system of the Republic of Serbia, the Environmental Impact Assessment procedure is regulated by the Law on Environmental Impact Assessment, which is completely in line with European EIA Directive (85/337/EEC, 97/11/EC, 2003/35/EC and COM 2009/378).

If any project is found to be adjacent or within the nature/cultural protected area the EIA could be required for this project in accordance with the Serbian legislation, depending strictly on the opinions obtained from the relevant institutions (INP, Provincial Institute for the Nature Protection (PINP), Institute for Protection of Cultural Monuments (IPCM), Department of EIA (DoEIA) within the MEP and Provincial Secretariat for Environmental Protection - PSEP). In such case a PIU should submit request to the INP/PINP and/or IPCM in order to obtain preconditions under which proposed project should be implemented.

Request for opinion regarding necessity of EIA procedure for each sub-project which is found to be adjacent or within the nature/cultural protected area will be submitted to DoEIA together with other relevant project documentation, which mandatory include preconditions of relevant institutions in charge of the environmental protection.

After receiving preconditions of INP/PINP, IPCM and opinion of MEP/PSEP, relevant PWMC will define a Terms of Reference (TOR) for such sub-projects. This will ensure proper implementation of all project related environmental requirements and will offset or minimize any negative impact on local human and biotic environment. The List of EIA projects that are on the List A and B are in the Annex of this ESMF.

An overview of pertinent laws and regulations relevant to the social performance and implementation of the Project regulating the sector, legal relations between the parties and the authorities engaged in the CAP implementation or supervising and monitoring as required under the law.

Title of Law and Sector/Subsector relevance	Date of text
Agriculture in general	
Law on organic production.	2010
Law on Agriculture and Rural Development.	2009
Law on the financing and providing of financing for agricultural production.	2014
Law on incentives in agriculture and rural development.	2013
Law on the ratification of the Agreement between the Government of the Republic of Serbia and the Government of the State of Israel on cooperation in the field of agriculture.	2009
Law on the ratification of the Agreement between the Government of the Republic of Serbia and the Government of the Republic of India on cooperation in the field of agriculture and allied sectors.	2009
Law on public warehouses for agricultural products.	2009
Fisheries	
Law on protection and sustainable use of fish stocks.	2014

Law on farming.	2009
Regulation on conditions for shipments for which no import and transit authorization is required.	2019
Regulation on IPARD incentives for investments in physical property related to the processing and marketing of agricultural products and fishery products.	2017
Regulation on international certificate (catch certificate) on catches and list of fishery products for which these certificates are not necessary.	2017 (2018)
Regulation on the manner, tools and equipment used for commercial fishing, as well as on the manner, tools, equipment and means for recreational fishing.	2017 (2018)
Regulation on the official clothing of fisheries officers, appearance of badge and form of legitimacy.	2016
Cultivated plants	
Plant Protection Law.	2010
Law on Plant Health.	2009
Law on Protection of Plant Breeders' Rights.	2009
Law on seeds.	2005
Law on the recognition of varieties of agricultural plants.	2010
Law on Genetically Modified Organisms.	2009
Law on Plant Protection Products.	2009
Food and nutrition	
Food Safety Law.	2009
Law on spirit drinks.	2015
Law on the health safety status of foodstuffs and general use items.	2011
Law on Beer.	2010
Law on appellations of origin.	2010
Law on Wine.	2009
Law on customs.	2003
Forestry	
Forest Law.	2010
Law on forest reproductive material.	2004
Regulation on special elements, criteria for risk assessment, frequency of performing inspection on the basis of risk assessment and specific elements of the inspection plan in the field of forestry and hunting.	2018
Regulation on the form and manner of carrying out internal inspection control in the field of forestry and hunting.	2018
Regulation on the program and method of taking the professional exam for obtaining the license for carrying out professional activities in forest management.	2017
Regulation on the operation and conduction of expert advisory activities in private forests.	2017
Regulation on the establishment of the Annual Program for the use of funds of the Budget Fund for forests of the Republic of Serbia in 2017.	2017
Land and soil	
Law on soil protection.	2015
Law on Agricultural Land.	2009
Law establishing the public interest and the special procedures of expropriation and the issuance of the construction permit for the project "Belgrade on water."	2015
Law on Public Roads.	
Regulation on the conditions, methods and procedures for exercising the right to priority lease, criteria for determining the amount of rent for lease priority right, as well as the documentation submitted with the request for the exercise of the priority right to lease.	2018

Regulation on the required level of analysis of engineering geological properties of the terrain for the purpose of planning, design and construction.	1996
Law amending the Law on agricultural land.	2015
Livestock	
Law on farming.	2009
Animal Welfare Law.	2010
Animal Husbandry Law.	2009
Veterinary Law.	2005(2010)
Law on the protection of population from infectious diseases.	2016
Law on the ratification of the Agreement between the Government of the Republic of Serbia and the Republic of Azerbaijan on cooperation in the veterinary field.	2013
Law on the ratification of the Agreement between the Government of the Republic of Serbia and the Council of Ministers of the Republic of Albania veterinary cooperation.	2012
Resettlement Issues	
Law on Expropriation	2009 (2016)
Labor issues	
Labor Law	2005(2018)
Law on Simplified Work Engagement for Seasonal Workers with accompanying Rulebook on the content of certificate on work engagement of seasonal worker and Rulebook on records regarding registration and deregistration of seasonal worker	2018(2019)
The Law on Peaceful Settlement of Labor Disputes	2018
Law on Employment and Unemployment Insurance	2009
Law on Employment of Foreign Citizens	2014(2019)
Law on Retirement and Disability Insurance	2019
Law on Health Insurance	2019
Law on the Prohibition of Discrimination	2009
Law on the Prevention of Harassment at the Workplace	2010
Rulebook on Conduct of Employers and Employees in Relation to Prevention and Protection from Harassment at Work	2009
Law on Protection of Whistle Blowers	2019
Gender issues	
Law on Gender Equality	2009
OHS issues	
Strategy on Health and Safety at Work including implementation Action Plan	
Low on Occupational Safety and Health + 8 administrative acts and 55 rulebooks	2005 (2017)

The Republic of Serbia is a signatory of a number of important and binding international documents, which guarantee the equality of women and men and prohibit gender-based discrimination. Among these documents, the most important are documents of the United Nations (Universal Declaration of Human Rights, the Convention on the Elimination of All Forms of Discrimination against Women – CEDAW), the Council of Europe (European Conventions for the Protection of Human Rights and Fundamental Freedoms, the European Social Charter and the Council of Europe Convention on preventing and combating violence against women and domestic violence) and the European Union (EU Charter of Fundamental Rights).

4.1.3. Environmental Administrative/Institutional Framework

4.1.3.1. Institutional framework

The Ministry of Environmental Protection was created in 2017, leaving however, the Directorates for Water and for Forestry in the Ministry of Agriculture, Forestry and Water Management. Also, in 2017, systematization for the environmental sector was established foreseeing new staff positions an action plan for the optimization in the environmental protection sector for the period 2018-2019 was prepared. The action plan identifies three key measures:

1. Establishment of proactive and planned development of human resources and employee training - especially in the inspection;
2. Development and harmonization of all tasks within the competence of the Ministry of the Environmental Protection and the functions it performs in order to achieve strategic goals in an efficient and high-quality manner; and
3. An analysis and preparation of recommendations for capacity building of the project management unit financed from the EU funds.

Serbia had adopted, in 2015, a Post-screening Document for the transposition and implementation of Chapter 27 - Environment and Climate Change, containing preliminary plans and deadlines, as well as the assessment of the necessary financial resources needed for achieving full implementation of the pertinent EU legislation.

4.1.3.2. General description of institutional competencies in the environmental sector

The following is a general description of competences of the various institutions involved in and relevant for the environmental sector. Only main competences are included.

The environmental policy and climate change sector a large number of institutions are active at national, provincial and local level.

The main actors are the following:

- the Ministry of Environmental Protection (MEP),
- the Ministry of Agriculture, Forestry and Water Management,
- the Ministry of Health,
- the Ministry of Construction, Transport and Infrastructure,
- the Ministry of Mining and Energy,
- the Provincial Secretariat for Urban Planning and Environmental Protection,
- the local self-government units, and
- Public Utility Companies.

In quite a few areas, competences for environment protection are shared so that functions – policymaking, rulemaking, implementation and enforcement – need to be coordinated, and cooperation mechanisms are needed. Of particular importance is the enforcement for which various inspection services are responsible and need to be coordinated.

The Ministry of Environmental Protection (MEP)

MEP is in charge for the development, review and monitoring of the implementation of the National Programme for the Adoption of the Acquis for chapter 27, for the follow-up of European Union environmental regulations, and preparation of proposals for the planning of communication activities for Chapter 27. MEP is responsible for the development of the policy and regulatory framework which is largely driven by the EU accession process.

MEP is responsible¹⁷ for the following areas relevant for the EU Acquis in environment:

- Horizontal environmental issues (EIA, SEA, public participation, etc.),
- air quality,
- chemicals management,
- climate change (excluding technical demands to vehicles and fuel quality),
- ozone layer protection,
- waste management excluding radioactive waste,
- protection from major chemical accidents and participation in response on chemical accidents,
- industrial pollution,
- nature and biodiversity,
- water quality (water pollution protection to prevent quality deterioration of surface and underground water),
- waste and wastewater infrastructure,
- protection from environmental noise.

The Environmental Protection Agency – SEPA ¹⁸

It is an administrative body within the MEP. It is responsible for:

- management of the national Environmental Protection Information System and Register of Polluters,
- state monitoring of water and air quality and management of the national laboratory,
- implementation of established and compliance programmes for the quality control of air, surface and groundwater from first aquifer and precipitations,
- monitoring, analysis and forecasts of quality of air and water

¹⁷ MEP is responsible for: EIA, SEA, Public Participation, Access to Information, Environmental Liability, Waste Framework, Packaging, Landfill, WEEE, Batteries, PCB/PCT, POPs, ELVs, RoHS (recast), Shipments of Waste, AAQ, 4th daughter, VOCs petrol, Stage II VOCs petrol, NEC, Standards on good environmental status, Groundwater, Habitats, Wild Birds, CITES, NAGOYA PROTOCOL, Zoo, Trade in seal products, Importation of skins of certain seal pups, Leg-hold Traps, IED, CHAPTER II – IPPC, LCP, Waste Incineration, VOC solvents, SEVESO III, VOCs paints, Eco-label, EMAS, Titanium – Dioxide, MCP, REACH, CLP, Mercury, Asbestos, Biocidal products, PIC REGULATION, MMR, Consumer Information, ODS, F – GASES, Environmental Noise.

¹⁸ SEPA is in charge for Quality Assurance/Quality Control

- collection and integration of environmental data, and processing of data in order to prepare annual reports on the state of the environment and implementation of environmental policy in Serbia,
- as focal point, for co-operation with the EEA and EIONET.

The Ministry of Agriculture, Forestry and Water Management (MAFWM)

It is generally responsible for the strategy and policy of development of agriculture and food industry, for rural development, agricultural policy, a system of market information in agriculture; production, certification and quality control of seed and planting material. Within the MAFWM this managed by the Directorate for Agriculture Land¹⁹.

The MAFWM - Republic Water Directorate (WD),²⁰

It is an administrative body within the Ministry of Agriculture, Forestry and Water Management, and in the field of environment its competences are:

- water management policy,
- water supply (excluding distribution),
- rational consumption of water,
- monitoring and maintenance of national and trans-boundary water flows,
- implementation of water protection measures,
- regulation of water regimes,
- monitoring the implementation of water management and protection policies, and
- monitoring the work of public utility companies.

Serbia Waters

This is the Public Water Management company at the national level responsible for:

- operational management of water infrastructure,
- distribution of water to users,
- licensing of water resources,
- hydrological monitoring and
- flood protection.

The MAFWM - Veterinary Directorate²¹

Within the MAFWM, the Directorate is responsible for:

- animal health protection,
- veterinary and sanitary control in the production, internal and external traffic of animals,

¹⁹ DAL in charge for Sludge management

²⁰ WD is responsible for Water Framework, Nitrates, UWWT, Floods, Marine Strategy Directive.

²¹ VD is in charge for -ANIMAL WELFARE

- control of the operation of facilities for the production of foodstuffs of animal origin (slaughterhouses, dairies, etc.).

The MAFWM - Forestry Directorate²²

Within the MAFWM, the Directorate is responsible for:

- forest and forestry policy,
- forest conservation,
- promotion and use of forests and wildlife (hunting),
- implementation of measures for the protection of forests and wildlife,
- control of seeds and planting material in forestry,
- inspections in the field of forestry and hunting.

Republic Hydro-Meteorological Service

It is a specialized institution that performs technical tasks related to:

- systematic meteorological, climatological, agro-meteorological and hydrological measurements and observations,
- database of observed and measured hydrological and meteorological data,
- monitoring, analysis and forecasts of weather, climate and water change
- development of methods, operating observations, and warnings about adverse atmospheric and hydro-spherical conditions,
- research in atmospheric and hydrosphere processes and developing methods and models for weather, climate and water forecasts,
- weather modification,
- designing proposals for using the energetic capacities of sun and wind,
- hydro-meteorological support for river transport,
- establishing and preserving benchmarks and calibration of hydrological and meteorological information systems,
- performing international duties in the field of meteorology and hydrology, and
- other affairs specified by law.

Republic Geodetic Authority²³

It is a special organization that carries out professional affairs and affairs of the state administration related to:

- Geodetic Affairs

²² FD is in charge for EUTR and FLEGT Directive

²³ RGA is the responsible for transposition and coordinating the implementation and monitoring of the INSPIRE directive

- Real Estate and Utility Cadaster
- Geospatial Data Management
- Mass Valuation,
- Information and Communication Technology related to Geodetic and Cadaster Information system,
- Administrative Support, Strategic Development, Legal Affairs and Supervision and Control.

Ministry of Health²⁴

The Ministry of Health is responsible for:

- the implementation of sanitary regulations pertaining to environmental protection and biosafety,
- sanitary inspection,
- water supply for public consumption,
- control and the monitoring of sanitary conditions in and on objects and at the border and other places.

The network of the institutes of public health

These institutes cover:

- monitoring of ambient air quality in local urban networks
- monitoring of the quality of surface bathing waters and surface water as sources for water supply
- monitoring of drinking water safety and quality
- Monitoring of food safety according to Law on food safety (baby food, salt, special food...etc.)
- Monitoring of wastewater quality

The Ministry of Health - Sanitary Inspection

Within the Ministry of Health, the Sanitary Inspection is responsible for inspection and supervision:

- water quality of public water supply service
- health control of objects of general use in production, trade and import, including general use of chemicals and products on the market,
- the application of restrictions and prohibition of production, placing on the market and use of chemicals and products intended for general use.
- other tasks in sanitary control.

Ministry of Finance - Customs Administration

The Customs Administration in the Ministry of Finance is responsible for the border controls of imports and exports. In the environmental sector it includes the border controls of international trade in:

²⁴ MoH is in charge for Bathing Water Directive and Drinking Water Directive.

- protected wild species and whether trade is in line with protection requirements, rules and regulations.

The Institute for Nature Conservation in Serbia²⁵

The Institute is a professional institution that generally carries out activities on protection and improvement of the natural heritage of Serbia. At national level the Institute is:

- contributes to the implementation of EU nature protection Directives with corporation of Ministry of Environmental Protection,
- is the scientific authority with regard to Implementation CITES in cooperation with the CITES unit in the MEP.

4.1.3.4 Provincial level

The Government of the Autonomous province of Vojvodina has the responsibility for administration and control on its own territory. The responsibilities of AP of Vojvodina, according to the Law on Establishment of Responsibilities of AP Vojvodina, (O.G. 99/2009, 67/2012) include following sectors, relevant to the EU environmental and climate change acquis:

- urban planning, construction and land use,
- veterinary,
- agriculture,
- water management,
- forestry,
- environmental protection (art 16, 25, 28) including nature resources management;
- environmental program in line with national programmes.
- inspections and enforcement,
- collection of charges for the protection and improvement of the environment.

The detailed description of Provincial competencies is given in an Annex to this document.

Local self-government units – municipalities and cities

Serbia has three levels of government consisting of the State level and the municipalities at the local self-government level. A conglomeration of two or more municipalities can have the status of a city.

The functions, powers, structures, and procedures of local self-government is set out in the Law on Local Self-Government, O.G. 83/2014. Municipalities have their own elected assemblies and the power to tax. They are responsible for planning, implementation, and enforcement in their territory. Responsibilities of municipal level cover following sectors: horizontal legislation, waste, water, air quality, noise, civil protection.

Their responsibilities relating to environmental protection include (article 20):

²⁵ INC deals with, Habitats Directives: Directive 92/43 / EEC as amended by Directive 97/62 / EC, 2006/105 / EC and Regulation (EC) 1882/2003.

- Development of plans and programmes;
- Land use planning and construction;
- Communal services including water purification and distribution, wastewater collection and treatment, district heating, solid waste management, landfills, spatial planning, parks, nature and other;
- Environmental protection, environmental planning, in accordance with (higher level) strategic documents;
- Charges for environmental protection and improvement;
- Inspections and enforcement.
- Regulation, support and supervision of the operation and development of municipal services (treatment and distribution of drinking water, disposal and treatment of waste and wastewater);
- Regulation and definition of procedures for the use and management of springs, public water wells and public taps, including water quality standards;
- Permitting and authorization of water abstraction and use; and
- Organization of protection against natural and other major disasters, e.g. floods, erosion.

5.THE WORLD BANK ENVIRONMENTAL AND SOCIAL STANDARDS (ESS)

Environmental and Social Framework

The World Bank’s Environmental and Social Framework (ESF) includes the Environmental and Social Policy for Investment Project Financing, which describes the requirements the Bank must follow for projects it supports through Investment Project Financing, and 10 Environmental and Social Standards (ESSs), which establish requirements for Borrowers and grantees such as Serbia Competitive Agriculture Project to identify, assess, and control environmental and social risks and impacts of Bank-supported projects.

The standards will:

(a) support Borrowers/Clients in achieving good international practice relating to environmental and social sustainability;

(b) assist Borrowers/Clients in fulfilling their national and international environmental and social obligations; (c) enhance non-discrimination, transparency, participation, accountability and governance; (d) enhance the sustainable development outcomes of projects through ongoing stakeholder engagement.

Table 5: ESS considered relevant for the CAP Project at the time of Project appraisal

Number	ESS WB triggered by the CAP Project	Y	N	Level
1	ESS1 Assessment and Management of Environmental and Social Risks and Impacts	√		Moderate
2	ESS2 Labor and Working Conditions	√		Low

3	ESS3 Resource Efficiency and Pollution Prevention and Management	✓		Moderate
4	ESS4 Community Health and Safety	✓		Moderate
5	ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement		✓	
6	ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources	✓		Moderate
7	ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities		✓	
8	ESS8 Cultural Heritage		✓	
9	ESS9 Financial Intermediaries		✓	
10	ESS10 Stakeholder Engagement and Information Disclosure	✓		Moderate

Summaries of standards relevant to this Project are described in more details below.

5.1 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). ESS1 is applied to all projects supported by the Bank through Investment Project Financing.

5.2 ESS 2 – Labor and Working Conditions

ESS2 regulates labor and working conditions of project workers.

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. An LMP (chapter 8 of this ESMF) was developed to manage labor risks under the Project.

5.3 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 pollution¹ prevention and management throughout the project life cycle consistent with GIIP.

The ESMF should include 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.

5.4 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.

5.5 ESS 5 – Land Acquisition, Restrictions on Land Use, and Involuntary Resettlement

ESS5 recognizes that project-related land acquisition and restrictions on land use can have adverse impacts on communities and persons. Project-related land acquisition or restrictions on land use may cause physical displacement (relocation, loss of residential land or loss of shelter), economic displacement (loss of land, assets or access to assets, leading to loss of income sources or other means of livelihood), or both. The term “involuntary resettlement” refers to these impacts. Resettlement is considered involuntary when affected persons or communities do not have the right to refuse land acquisition or restrictions on land use that result in displacement. ESS5 is not applicable to this Project, since the Projects support private businesses only and grant proceeds cannot be used for purchasing or leasing land. The screening process will exclude all the sub-projects which may involve involuntary land acquisition.

5.6 ESS 6 – Biodiversity Conservation and Sustainable Management of Living Natural Resources

ESS6 recognizes that protecting and conserving biodiversity and sustainably managing living natural resources are fundamental to sustainable development. Biodiversity is defined as the variability among living organisms from all sources including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are a part; this includes diversity within species, between species, and of ecosystems. Biodiversity often underpins ecosystem services valued by humans. Impacts on biodiversity can therefore often adversely affect the delivery of ecosystem services. ESS6 recognizes the importance of maintaining core ecological functions of habitats, including forests, and the biodiversity they support. Habitat is defined as a terrestrial, freshwater, or marine geographical unit or airway that supports assemblages of living organisms and their interactions with the non-living environment. All habitats support complexities of living organisms and vary in terms of species diversity, abundance and importance. This ESS also addresses sustainable management of primary production and harvesting of living natural resources. ESS6 recognizes the need to consider the livelihood of project-affected parties, including Indigenous Peoples, whose access to, or use of, biodiversity or living natural resources may be affected by a project. The potential, positive role of project affected parties, including Indigenous Peoples, in biodiversity conservation and sustainable management of living natural resources is also considered.

5.7 ESS 7 - Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities

ESS7 is not applicable to this Project given the fact that in Serbia there are no any social or cultural groups of specific characteristics defined in ESS 7.

5.8 ESS 8 – Cultural Heritage

ESS8 recognizes that cultural heritage provides continuity in tangible and intangible forms between the past, present and future. Cultural heritage, in its many manifestations, is important as a source of

valuable scientific and historical information, as an economic and social asset for development, and as an integral part of people's cultural identity and practice. ESS8 sets out measures designed to protect cultural heritage throughout the project life cycle. This ESS sets out general provisions on risks and impacts to cultural heritage from project activities. The project anticipates very limited construction and rehabilitation of buildings within already existing agricultural processing complexes and/or operational agricultural farms, it is very unlikely that there will be any interaction with the known cultural heritage sites. ESS8 is not considered applicable.

5.9 ESS 9 – Financial Intermediaries (FI)

ESS9 does not apply since Bank funding is not being provided to financial institutions for further on-lending.

5.10 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 substantial contribution to successful project design and implementation. 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.

6. POTENTIAL ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS

6.1 Environmental risks and impacts

6.1.1. Overall positive environmental impact

The Project will assist the beneficiaries to increase the overall understanding of the GAP (good agriculture practices) that are needed to be implemented in order to achieve the sustainability of agricultural production. This will be created as a result of capacity building, training and specific education of the institutional staff and end-users as they will be able to understand, prepare, evaluate, implement and monitor environmental standards in agriculture. These standards will be defined and drafted by the social and environmental safeguards specialist as a part of the PMT, who will do so based on the requirements, recommendations and guidelines of national legislation, World Bank E&S standards and international practice as regards to the sector specific projects (increasing competitiveness of primary agriculture production, food processing industries, storages, irrigation, etc.). It is expected that the project will assist in both environmental and economic diversification, from one variety production to multi-variety cultivation, with less load of chemicals and biocides but with the same or better effect, more efficient use of natural resources such as water and soil, together with the implementation of traditional crafts as an added economic activity on the site. Support to certain agriculture sectors, such as beekeeping, will support the in-situ conservation and safekeeping of the biodiversity. Open data platform will help strengthen the "less paper" character of administration, together with the increase of efficiency of information dissemination. Climate change adaptation and mitigation measures will be closely monitored and implemented, especially in relation with the droughts and floods effects.

6.1.2. Good agricultural environmentally friendly practices

Where appropriate, the project will support the farming practices assisting farmers to create a sustainable agriculture production, shifting from the heavy environmental impact to environmentally

friendly farming. This will be achieved through various interventions, such as introduction of multi-cultivars instead of mono-cultivations, support to the organic farming, use of chemicals and biocides in line with the BAFP (best available farming practices) and the capacity building of end users to recognize and responsibly use these substances, monitoring, analyzing and improving of the various effects of farming practices to environment, etc. Contemporary farming practices, such as semi closed or closed cultivation, together with anti-hailstorm and shadings, will help farmers adapt to climate change and protect their yields. Substantially decreasing environmental load or eliminating it, by introducing positive environmental practices and regulations, will help farmers grow their products in a more sustainable, efficient and competitive manner.

6.1.3 Renewable energy and energy efficiency

The Project will support, where appropriate, the construction of renewable energy facilities on the farm, by using of the available biomass and creation of organic fertilizers. This will support the decrease in the overall GHG emissions and represent one of the mitigation measures to combat climate change. All the constructions activities under the project will have to follow the national legislation for construction permit that states that the energy efficiency sub-projects will have to be prepared and implemented in an energy efficient type of the way, which is best portrayed in the energy passport requirement regulation for each and every newly prepared and built building, which again allows one of the instruments of climate change combating to be implemented.

6.1.4 Sustainable use of resources

The Project will assist farmers in the introduction of practices that will allow sustainable use of natural resources and preservation of biodiversity. Efficient and smart water use for irrigation purposes, eliminating the environmental pollution load onto soil by introducing adequate waste management practices and integrated pest management, with the support to farming practices that will support the in situ biological conservation, and sustainable use of forest, parks and protected areas in line with BAP and national legislation, will assist farmers in increasing the level of competitiveness of their production whilst increasing the efficiency of use of natural resources and overall sustainability of their production.

6.2. Social risks and impacts

6.2.1 Overall positive impact

The project's anticipated social impacts are predominantly positive, such as income and modest increase in employment in the agricultural sector. The Project will benefit targeted beneficiaries through skills training, introduction of new technology, enhanced innovation, improved access to information, and business plan development capacity enhancement. Other anticipated positive impacts include protection from climate related economic losses for farmers through the introduction of an early warning system and implemented communication system and animal health risks and early warning systems for anticipating changing climate conditions. Grants are in general not neutral interventions and if based on accurate assumptions and analysis, and depending on their volume, may address market failures as identified and facilitate the objective of this project to improve market integration of agri-food producers in Serbia. In addition, the grants will help farmers to obtain the necessary finances that will directly effect on the quality of life, social status and additional opportunities for further business development. Also, using a grant (and a loan) will increase the

creditworthiness of individuals to use another credit line after this project (in the future) and continue to grow their own businesses.

6.2.3 Improve access to finance for small and medium agri-food producers

The absence of financial possibilities for investment (especially for smallholders) and outdated production management prevents agri-food producers in Serbia from producing the predictable, quality outputs required by large retail companies, aggregators and continuous buyers. Accessing capital from commercial banks is difficult for small and medium agri-businesses due to their financial risk profile. Small and medium size agri-businesses also tend to be highly risk adverse and reluctant in approaching banks for loans. Women and young farmers have additional limitations in access to credit due to lack of collateral (land and assets in their name). The Project will enhance their financial inclusion of small producers (including women and youth) through facilitated access to commercial credit by using production assets (including equipment purchased with the matching grant support) as collateral rather than land. It will reduce women's (and young farmers) barrier to participation in the matching grants program by treating leased land equal to owned land for program eligibility. Recognizing that vulnerable groups, such as women, youth and producers living in disadvantaged areas have multiple barriers to engagement in the agricultural sector, these groups are given preferential treatment in the matching grant program.

It is expected that the matching grants will create the required equity for the banks. The Technical Assistance Provider and/or public Extension Services will support the applicants to develop 'bankable' business plans and prepare the client to approach the commercial banks for the remaining part of the matching grant. The project will give preference to applications coming from vulnerable groups (women, rural youth, etc.) and will track the composition by age, gender and location of the beneficiaries.

6.2.4 Services targeted at women agri-food producers

The Project will remove barriers to information for women agri-food producers and encourage their participation in project activities through gender-sensitive awareness raising and outreach activities. Barriers to knowledge (ability to write a bankable business plan) will be addressed through gender-sensitive skills-building responding to the particular needs of women agri-food producers to increase their chance of success in the grantee selection process, but also during sub-project implementation giving women agri-food producers preference during the selection, targeted business development and grant implementation support, the project will contribute to narrowing the gender gap of female entrepreneurs in agribusiness who lack financing and training opportunities.

Women managers rely predominantly on practical experience rather than education and lack access to information about the knowledge and financial support programs available. The first and necessary step in gender agriculture development is to inform women - potential project beneficiaries of the opportunities that are provided, but also to inform them of all available support and assistance mechanism available. Gender-sensitive approaches to strengthening capacity of women for the use of digital tools will be promoted by the Project to ensure the balanced uptake of technology on and off-farm. Targeted training for female producers and processors focused on technical issues, such as farming techniques, processing and marketing, will also be considered.

6.2.5 Facilitate access of rural youth to agricultural activities

Young farmers/producers face multiple challenges in commercial agriculture: limited access to financing i.e. bankability and lower technical knowledge, limited productive resources necessary for

agriculture, insufficient access to knowledge, information and education, limited access to land, inadequate access to financial services, limited access to markets. This makes them underrepresented among the grantees in the national support programs. In 2017, % of young applicants receiving grants for: building and refurbishing structures (28,8%), raising of vineyards and orchards, (30,5%) and for machines, and equipment (28,8%), and for livestock (36,7%) agricultural producers. Youth often also lack access to credit, and many other productive resources necessary for agriculture. For young women it is an even greater challenge to obtain the necessary capital to buy land as they often do unremunerated household work or subsist on low wages. In addition, loans to buy land are not easily accessible for rural youth. Land lease and rentals should be explored as eligible activities to facilitate youth's access to land. Furthermore, youth often lack knowledge on the existing land tenure systems in their area, which is not surprising as these systems can be a highly complex set of overlapping rules, laws, customs and traditions. Youth are not always aware of acquisition, registration and taxation measures, and so are disproportionately affected by corruption and the fraudulent activities of land dealers. Through targeted outreach and demand-driven skills building young producers will gain access to the right information and knowledge for formulating and meeting their business goals. Through integration of feedback from younger producers on the grant mechanism and technical support system, the Project will continue to adapt its financial and technical support to this group. Young producers have a unique potential to adapt modern agricultural technologies and practices on the use of information and communications technologies for improving product processing, standardization, marketing and distribution.

6.2.6 Targeted support for Agri-producers living in disadvantaged areas

Agri-food producers located in remote locations with difficult conditions for agricultural activities (e.g. high altitudes) and in underdeveloped municipalities²⁶ are anticipated to have lower internet penetration and difficulties in accessing vital agriculture related services (veterinarian, phytosanitary etc.). To encourage competitiveness of small and medium scale producers in these locations and bring about positive economic externalities (increased income and employment) in these locations, the Project will give preferential treatment to applicants from disadvantaged areas in the country. To address the risk that agri-food producers from these areas are unable to unlock the full potential of project benefits, targeted awareness raising, and outreach activities will be conducted in these areas. The Project will work to avoid exclusion of agri-food producers from disadvantaged areas through demand-driven trainings/advisory services (inclusion of smaller/remote producers in extension service support portfolio) and help bring project services closer to them (e.g. provision of extension service trainings in remote locations, provision of training that responds to their needs through targeted needs assessment surveys during winter time, transportation to regional workshops, etc.).

6.2.7. Equitable access to matching grants

To ensure that the matching grants are not only accessible to those producers that have access capital for up-front payment of matching grants, those most connected and best positioned, the matching grant mechanism design includes strong capacity building and entrepreneurship development support to all interested grant applicants, including vulnerable groups— to enhance their capacity to develop sound business plans/grant applications. Technical Assistance support in preparing

²⁶ In the context of SCAP, category 3 and 4 municipalities are being targeted. The third group consists of 47 underdeveloped local self-governments whose level of development ranges from 60% to 80% of the national average. The fourth group consists of 44 extremely underdeveloped local self-governments whose development rate is below 60% of the national average.

applications and follow up support during implementation is part of the grant mechanism design. Calls for proposal are followed by applicant/grantee beneficiary surveys to ensure that feedback is collected from applicants and corrective measures to the application process can be made throughout the project implementation.

6.3 Risks and adverse Impacts

6.3.1 Adverse Environmental Impacts and Risks

Project's environmental risk rating is considered to be Moderate.

6.3.1.1. Institutional capacities for environmental monitoring and enforcement

National institutions dealing with the environmental assessment, management and monitoring are at various stages of development in relation to implementation capacity and monitoring, and application of the enforcement mechanisms. Generally, they have limited capacities for implementation of ESF. Adoption of the common standards and implementation enforcement mechanisms for agricultural grant schemes will need to be designed and implemented during the project execution;

Ministry of Agriculture and Paying Agency have no staff responsible for environmental risk identification, mitigation and monitoring. Due to organizational and legal constraints use of staff from other institutions at the national level is not likely - MoA will have to develop in-house capacity for screening and monitoring environmental risks associated with agricultural grant schemes. In order to mitigate the above risk, PA will hire suitable qualified and experienced staff, while the project will support internal and external training activities;

Project related activities may fund on-farm investments for optimization and diversification of production, including small scale civil works, equipment, processing units, packaging and storage facilities. Application of good environmental and agricultural practices and development of respective guidelines will be part of the environmental and social due diligence activities related to agricultural grant schemes;

6.3.1.2. Activities in protected parks and areas

The project may finance limited activities related to internationally and nationally designated and/or protected areas. Management of relevant impacts of these activities on biodiversity and habitat preservation, however minor, will have to be implemented in accordance with the legally binding national, international and Bank's procedures;

6.3.1.3. Use of chemicals and biocides

Activities related to training and advisory services will include environmentally friendly practices for use of new technologies, adherence to food safety and quality standards, technical standards on inputs including herbicides and pesticides; although a lot will be done to prevent and adequately use the pest management substances, from the list approved by the Bank and in line with the national legislation, together with the best available usage practices, it is however possible that some incidental negative effects may occur. Pesticides can contaminate soil, water, turf, and other vegetation. In addition to killing insects or weeds, pesticides can be toxic to a host of other organisms including birds, fish, beneficial insects, and non-target plants. Insecticides are generally the most acutely toxic class of pesticides, but herbicides can also pose risks to non-target organisms.

The debits of pesticides have resulted in serious health implications to man and his environment.

The high-risk groups exposed to pesticides include production workers, formulators, sprayers, mixers, loaders and agricultural farm workers. During manufacture and formulation, the possibility of hazards may be higher because the processes involved are not risk free. In industrial settings, workers are at increased risk since they handle various toxic chemicals including pesticides, raw materials, toxic solvents and inert carriers.

6.3.1.4. Waste, water, air, soil

The Project interventions will inevitably cause the waste generation, wastewater, air pollution and soil erosion and degradation. Specifically, the activities under the sub-component 1.2, aiming the investment to the end users, either in primary agriculture or in processing facilities, will result in various low to medium adverse effects onto the environment. However, it should be noted that all of these effects are reversible and, once the activities are implemented in the proper way and under the procedures defined by the Bank and in line with the national legislation, the impact of these interventions to overall environmental status can be considered as minor to none.

6.3.1.5. Groundwater pollution

There is a need for the modernization of livestock farms, transformation of machinery stock and fuel storage facilities, adequate management of liquid manure and agricultural wastes, outer and inner integrated establishment and maintenance of drainage. The interventions providing the achievement of good ecological state of waters by adequately selected agrotechnological operations should be preferentially supported. Stopping of further increase in nitrate concentration of groundwater's can be ensured by the compliance and enforcement of nitrate sensitive areas regulation.

The risk of groundwater pollution and the degree of pollution can be reduced by following measures: change in land use, afforestation, establishment of wetland habitats and fish ponds, establishment of rational and integrated surface water management, organic farming, modernization of livestock farms, spreading of extensive animal management, modernization of machinery stock and fuel storage facilities, adequate management of liquid manures and agricultural wastes, prevention of the development of stagnant waters. Appropriate risk management of water acquisition and distribution is also an important part. The lack of maintenance of water supply systems leads to microbiological and/ or chemical contamination. Lack of reconstruction of water utilities jeopardizes the safety of the service as well.

6.3.1.6 Environmental Impacts during Project execution

Construction

The nature of environmental risks and impacts are directly linked to implementation of activities related small-scale construction works (small processing facilities, animal husbandry related structures; machine sheds and equipment storage facilities). The nature of environmental risks mainly relates to physical impacts, material management on small construction sites, and in some cases possible local water/groundwater issues - that cannot be determined more specifically at this point;

Impacts on the environment which will occur during the project implementation are a direct consequence of the sub-component 1.2 of the Project, since the Project will finance further investments in the agriculture development. One can expect the environmental impact during the construction of facilities and the execution of civil engineering, assembly, construction works at a location (storage facilities, food processing facilities, etc.), use of chemicals and biocides during the semi-intensive primary agriculture production (pollution of surface and underground waters, soil contamination, packaging and hazardous waste management, air pollution, biodiversity impact, etc.).

Pollutions that occur in the phase of reconstruction, rehabilitation, repair are temporary in their scope and limited in intensity although they can cause serious consequences in cases of individual breakdowns.

a) Impact on soil and agricultural land

- Physical damages to soil,
- Soil degradation,
- Emission of gases, dust, heavy metals from construction machines and transportation vehicles leads to the contamination of surrounding soil,
- Using land for illegal waste disposal,
- Soil contamination from the overuse of chemicals and biocides.

b) Possible Water pollution

- Filling/backfilling of riverbeds with construction material due to contractor's lack of care can cause bed silting up, water contamination, water level rise in the upstream part or even complete clogging of the bed with stone material with watercourse continuing underground movement.
- Discharging diverse waste products from construction site process and construction site complex (liquids, particles and solid waste) on banks or directly into riverbeds lead to water pollution and pollution spreading along the watercourse.
- Discharging used waters from the construction site (technological and hygienic) into watercourses, or into soil leads to hazardous pollutants and biological agents' diffusion.
- Excavations in the field can cause the cutting – opening of aquifers, i.e. disruption of groundwater (water cycle).
- Fine fractions can be washed away during the execution of construction works under influence of material falls from temporary landfills. This will make surface courses turbid. Material is washed away under the same conditions during transport.
- Waste material, mechanical oil, fuel etc. can be disseminated by malfunctioning construction machines and vehicles or negligent personnel.
- Location of heavy machines, temporary construction material depots near rivers or surface watercourses.

c) Air pollution

An increased concentration of polluting substances, primarily dust and exhaust gases from vehicles is expected as a consequence of construction works. Air quality deterioration could be caused by:

- exhaust gases from trucks and mechanization that will be engaged in the works execution,
- suspended particles (dust) that will rise from the construction site, transport roads when trucks and mechanization pass,
- suspended particles from temporary landfills of stone aggregates.

Dust, as a consequence of transport and execution of works (excavation, loading and unloading of material), exhaust gases emitted by construction machines and motor vehicles can cause a decrease

in air quality in the zone of construction works during the works. Impact on air is expected in the area that is several hundred meters away from the location of works. However, a substantial impact on local population is not expected, nor violation of law-allowed concentration of emissions into the air. Thus, all impacts are closely related to the location of works, they are temporary with tendency to restore into original condition upon the termination of works.

d) Noise

Noise and vibrations can occur as a consequence of:

- execution of works at the location,
- activity of construction workers and
- movement of vehicles and heavy construction mechanization.

e) Flora and fauna

- Emissions of pollutants from trucks and construction machines have negative impacts on vegetation around the construction site;
- Disturbance of wildlife and other animals due to increased noise and human presence.
- Use of chemicals and biocides potentially can disturb the biodiversity.

e) Impacts on cultural and historic heritage

If cultural and historic values are located in the zone of works, they can be jeopardized with construction works.

If during the works the contractor finds archaeological sites or archaeological objects or natural goods of geological and paleontological or mineral-petrographic origin, which are assumed to have a capacity of natural monument, he is obliged to immediately disrupt works and notify the Republic Institution for Protection of Cultural Monuments (IPCM) and take measures to prevent the finding from destruction and damages and to keep it in the position where it was discovered.

Operation phase

1) Waste generation

The overall interventions by the project can be divided into two large groups or categories: the primary agriculture production and processing technologies. In line with that, the waste generation that may occur in the operation phase can come from, or result in, the following:

- Solid waste generation during primary agriculture practices that is non-hazardous (metal wires, wood sticks, plastic foils for shadings, irrigation pipes after usage, organic biodegradable waste, livestock manure, waste from machinery such as old tires, etc.).
- Waste generation during primary agriculture production that is hazardous (packaging of the chemicals and biocides after the substance has been used, oils and lubricants from machinery, etc.)
- Waste generation in the processing technologies that is not hazardous (packaging materials – paper, plastic, metal, glass, organic non-hazardous waste, biodegradable waste, organic non-hazardous sludge, etc.)

- Waste generation in the processing technologies that is hazardous (chemicals, industrial sludge, packaging waste, containers for various substances, etc.)

2) Soil pollution, degradation and erosion

- Use of chemicals and biocides during the primary agriculture farming practices, that will result in pollution of soil

- Unproper storage or release of waste directly onto soil

- Soil erosion due to extensive irrigation practices

- Soil change of chemistry, biochemistry and microbiology due to change in input chemicals (chemical composition of water used for irrigation, extensive fertilizers, manure, etc.)

- Soil erosion due to the intensive monoculture farming and change of the plant/crop existing structure and/or organization

- Soil erosion due to the riverbeds degradation and/or unauthorized wood/forest management

- Soil degradation due to the terraforming and land excavation

3) Air pollution

Air pollution can occur if the project intervention results in the emissions of the pollutants. No major incidents are foreseen. The air pollution might occur as a result of:

- Extensive use of agriculture machinery or use of the lesser standard exhaust engines (older tractors and engines, higher combustion rates for petrol, diesel, etc.)

- Adverse incineration of agriculture residue, such as agriculture biomass (virgin wood, plants, etc.)

- Incineration of any type of waste (tires, plastics, packaging, etc.)

- Emissions from the food processing facilities

4) Water use, pollution and wastewater

- The project should take into consideration that there is a potential risk of water overuse in the farming practices, such as in irrigation, cleaning/washing of various materials, tools, machines, or agricultural products, together with the overuse of water in the technological processes.

- Water pollution can broadly be divided to:

a) surface water pollution coming from:

a.i) primary agriculture production that can be:

a.i.i.) hazardous (chemicals, biocides, fuels, lubricants, waste, etc.)

a.i.ii) non-hazardous (mud, rock, stone, plants, coming from land use or degradation, etc.),

a.ii) the processing technologies used in agriculture that can be:

a.ii.i) hazardous (use of chemicals, thermal processes, leaking due to the unproper storage of substances, etc.)

a.ii.ii) non-hazardous

b) groundwater pollution, that can be both hazardous (chemicals, fuels, fertilizers, manure, etc.) and non-hazardous, as a result of contact of the groundwater with the chemicals, products of on-site incineration, or as a result of land degradation and soil erosion; also, it should be noted that the groundwater can also be polluted due to the improper septic tanks being used and installed underground,

c) wastewater, as a result of human activity, household wastewater that can contaminate the environment if the proper sewage is not in place, the septic tanks are not being used at all or built properly, or if there is not wastewater treatment; since this is not the primary objective of the project, the focus should be the wastewater coming from the processing facilities.

5) Biodiversity and habitats

- The project interventions in agricultural production and processing may lead to the modifications in some of the natural habitats. Perhaps the major intervention may occur as a result of the expansion of the land onto the existing forest areas. Also, some of the landscape characteristics may change due to the change of the plant varieties, cultivation technics, etc.

- It is important to stress that the inadequate use of chemicals and biocides may lead to the loss of flora and/or fauna. This has been especially visible over the past couple of years in the beekeeping and honey production, where millions of bees were murdered due to the inadequate management of pesticides (for example, you may use adequate chemical, and you may use the proper amount of it, but, if you are using it in the wrong time (of vegetation) then the results may be devastating).

6.3.2. Adverse Social Impacts and Risks

Social risk is considered to be Moderate.

Some social categories in the Serbian population, especially in rural areas, are vulnerable to socio-economic exclusion. Women and youth from rural areas face higher level of exclusion than the same groups living in urban areas or more developed parts of Serbia. A large percentage of rural youth and women are not landowners, they are working in agricultural households without the possibility of independent and direct income. Earnings are for all household members so that most women do not have their direct income. A large number of young women do not have the opportunity to continue education, with the formal education (primary or secondary) they completed the education process. Due to lack of land, most young people and women are not creditworthy, so the opportunities to get loans and grants are very difficult to them.

6.3.2.1. Perceived exclusion. The project targets small and medium size agricultural units that have commercial potential, which mean that majority mixed-income farms that do not have this focus would not be eligible or have direct access to the agricultural grant schemes and financial products enabled by the credit guarantee fund. This creates a potential risk of perceived exclusion from project benefits among non-targeted small family holdings. The project will address this risk through an awareness raising campaign and simple communication about the project scope, eligibility and selection criteria, and application procedure. Furthermore, focal points in local governments will be trained to provide simple clarifications on eligibility criteria, selection process and further support needed to develop a business plan.

Certain individuals or groups could limited access to various opportunities and resources that will be available to members of the target groups. For example, women and youth typically have weak connections with state structures and low capacity on business plan development. Others might be excluded due to elite capture and/or lack of sufficient educational background. Wide outreach

activities and capacity building on business plan development has been integrated to facilitate applicants with diverse needs, including youth, women and those living in disadvantaged areas.

6.3.2.2. The primary labor risk is the risk of informal work. Given the prevalence of unregulated work in the agricultural sector, there is a risk of unpaid and underpaid work, work overload, poor working conditions, lack of occupational health and safety measures, and lack of access to social security, pension or health insurance among employees of grant beneficiaries. This risk is highest among non-commercial family holdings, which is not the target of this Project. It is not common for small and medium firms in the agricultural sector to have grievance mechanisms for employees.

6.3.2.3 Perception of biased grant management and perceived exclusion of locations. Provided that the matching grant mechanism is managed centrally, there is a risk of perceived bias and preferential treatment of farms in certain regions (Vojvodina thus far). The matching grant scheme is demand driven and depends on who submits the applications. Although location does not play a role in the selection, there will be disparities between areas depending on who applied and the prevalent existence of eligible applicants in some of the regions. Grants will be managed by MAFWM by adopting a set of mitigation measures: 1) open and transparent criteria and selection process, 2) applicant feedback after each cycle, 3) disclosure of grantee lists per region, 3) regional workshop to present project progress (including applicant numbers per region and results from applicant surveys) to provide further insights into matching grant management. The grant operational manual to be developed will describe the eligibility criteria by type of grants, public outreach tools, application selection and evaluation process and grant range for diverse types of applicants (individuals, associations and entities).

6.3.2.4 Low capacity on ESF implementation. Given that the project is prepared under the World Bank's newly adopted Environment and Social Framework (ESF), the client's capacity to deliver an ESF based project is limited with some prior Bank experience. In 2013, another Bank operation in the agriculture sector in Serbia closed. The existing Paying Agency has no staff experienced in environmental nor social screening and dealing with the environmental or social impacts of related investments. To bridge the current capacity gap on environmental and social risk management, the PMT will hire an environmental and social specialist ahead of project implementation. The specialist will conduct the social and environmental due diligence for the project, including reviewing and confirming the environmental and social screening of business plans submitted under the grant scheme.

7. ENVIRONMENTAL AND SOCIAL RISK MANAGEMENT

The following risk management instruments and specific measures or actions planned to prevent, avoid, minimize, reduce or mitigate the environmental and social risks and impacts of the project over the project cycle:

7.1 World Bank Environmental and Social risk management

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

Overview of the relevance of the Standard for the Project:

Towards addressing the ESS1 risks, following instruments have been prepared: (i) Environment and Social Management Framework (ESMF), (ii) Stakeholder Engagement Plan (SEP); and (v) labor Management Procedures (LMP), chapter 8 of this ESMF. The ESMF covers applicable ESF Standards and the World Bank Group's Environmental Health and Safety Guidelines. The ESMF has checklists for determining where and when site specific Environment and Social Management Plans (ESMPs) are needed. The ESMF also contains generic ESMP checklists for each type of small-scale construction envisaged by the project.

The main risk related to social performance of the beneficiaries is in terms of informal labor potentially engaged in the cycle of implementation of individual grants. The risk of informal labor and associated lack of protection will be mitigated through: i) application screening/E&S screening checklist (see annex 4); ii) labor and working conditions commitments signed by grantees (annex 10); iii) labor and working conditions reporting requirements during grant implementation (annex 5), and iv) by providing grantee workers access to the Project grievance mechanism (obligation stipulated in grant agreement).

In 2018, a new *Law on Simplified Work Engagement for Seasonal Workers* with accompanying Rulebook on the content of certificate on work engagement of seasonal worker (2018) and Rulebook on records regarding registration and deregistration of seasonal worker (2019) was introduced. The law stipulates procedure of registration and deregistration of seasonal workers through the e-portal managed by the Tax Administration. The aim of the Law is to improve the position of seasonal workers especially in regard of contributions for the mandatory social security insurance. Pursuant to this Law, employer is considered to be any legal entity or entrepreneur, which is performing agricultural, forestry or fishing activity. The Employer can also be a natural person who is the holder of an agricultural holding. The seasonal worker can be any person that fulfils conditions for employment in line with the Labor Law. Seasonal workers can be engaged for a maximal period of 180 days during calendar year, whereas the same seasonal worker cannot be engaged by the same employer for a period longer than 120 working days during one calendar year. Any person engaged on the basis of this law is entitled to an hourly wage which cannot be lower than the minimal price of work determined in the Republic of Serbia. A seasonal worker who works longer than eight hours per day is entitled to a break during work in duration of 30 minutes and he/she cannot work longer than 12 hours per day. The employer is obliged to inform the worker on the work-related risks and occurrence of injuries at work, measures for their prevention and provision of the first aid. The Tax Administration, Labor Inspectorate and Agricultural Inspection oversee the implementation of the Law.

To mitigate the risk of informal seasonal labor being used for project activities and given the novelty of the law, the project will first make sure that information is available to the potential beneficiaries (e.g., extensions services set up info session and make sure the a available guidance material such as

prepared by GIZ (German Cooperation) is made available)²⁷, extension services are trained to answer simple questions about the law, inform potential applicant about the expectation to follow the law during application process. The full implementation of this law may help resolve the issue of seasonal workers, reduce informal work and limit the associated risks. The Beneficiaries must demonstrate that engagement of seasonal workers is done in accordance with the Law. In case that any beneficiary is found to infringe this law, their participation in the project will be terminated. To mitigate the risk from informal labor beneficiaries will report on the number and duration of engagement of seasonal workers in quarterly reports on their involvement in the project. The reporting template is presented in Annex 5.

The Law on Safety and Health at Work (2005, 2015, 2017) specifies that any natural person who perform agricultural or other activities together with the members of his household is considered the employer. Accordingly, all provisions stipulating employer's obligations are applicable to family agricultural holdings. To mitigate the risks beneficiaries will report on work related injuries and measures taken to prevent occupational health and safety risks in his quarterly reports as provided in **Error! Reference source not found.**

The Law on Mandatory Social Security Insurance Contribution (2004, 2005, 2006, 2009, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019), Law on Retirement and Disability Insurance (2003, 2004, 2005, 2006, 2009, 2010, 2012, 2013, 2014, 2018, 2019) and Law on Health Insurance (2019) specify contributions, benefits and entitlements and provides for farming entrepreneurs, holders and members of family agricultural holdings to be covered by insurance. Law on Retirement and Disability Insurance requires contributions to be made by the head of the agricultural household (minimum one family member of the agricultural household). Other members of the agricultural holding can be registered under the conditions of the Law on Retirement and Disability Insurance²⁸, but this is not a requirement. Under the Law on Mandatory Social Security Insurance Contribution, social security contributions are mandatory for all those insured under the Law on Retirement and Disability Insurance (minimum one family member of the agricultural household). Under SCAP, employers are required to pay pension and disability insurance for all external workers engaged in the agricultural holding (non-family members) as attested through labor and working conditions commitments signed by grantees and regular reporting throughout the period of grant implementation.

Number	ESS applicable to SCAP Project	Y	N	Level
1	ESS1 Assessment and Management of Environmental and Social Risks and Impacts	√		Moderate
Environmental Risks		Social risks		
Construction phase: - Impact on soil and agricultural land - Possible Water pollution - Air pollution - Noise - Flora and fauna Operation phase:		- labor' rights of workers engaged by production units supported by the project given the prevalence of informal labor in the agricultural sector, especially among women and seasonal workers -perceived risk of exclusion among non-targeted beneficiaries		

²⁷ <file:///Vodic+za+sezonce+print.pdf> prepared by the GIZ and NALED

²⁸ Article 13, the Law on Retirement and Disability Insurance

<ul style="list-style-type: none"> - Waste generation - Soil pollution, degradation and erosion - Air pollution - Water use, pollution and wastewater - Biodiversity and habitats 	<ul style="list-style-type: none"> - Perception of biased grant management and perceived exclusion of locations.
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ESS 2 – Labor and Working Conditions

The types of workers relevant for this project include **contracted workers** (workers of potential service providers contracted to install hardware/software and training and technical assistance) and **direct workers** - civil servants assigned to the project within the MAFWM and MF and independent consultants hired specifically in relation to the project (external consultants). Both categories of project workers are anticipated to have office jobs with minimal risks to health and safety of those workers. None of the identified project workers are considered vulnerable. The use of community workers is also not anticipated.

The Borrower has prepared Labor Management Procedures as part of the project’s ESMF (chapter 8), which will outline the Borrower’s responsibilities for enforcing ESS2 requirements. The labor risks can be effectively addressed through the existing legal framework (see details on labor related laws in the LMP). Service providers engaged by the Project are requested to report on the compliance of conditions of work with ESS 2 (annex 11).

Risks related to sub-contracted workers will be managed by sub-project ESMPs as required.

Number	ESS applicable to SCAP Project	Y	N	Level
1	ESS2 Labor and Working Conditions	✓		Low
Environmental Risks	Social risks			
- N/A	The project has negligible ESS2 relate risks on protection and safety at work. Risk management procedures are outlined in the Labor Management Procedures (chapter 8 of this ESMF)			

ESS 3 – Recourse and Efficiency, Pollution Prevention and Management

The standard is relevant to project Component 1 and activities that focus on agricultural knowledge support and technical assistance related to on-farm inputs and equipment required for the optimization of production and/or diversification, as well as technical advice on inputs, technologies and alternatives. It is also relevant to Component 2 – through demand driven training and advisory services, use of new technologies, adherence to food safety and quality standards and development of linkages with producer organizations. The project will promote the use of good environmental and agricultural practices to contribute to climate adaptation and mitigation and to improve the technical knowledge and skills of beneficiaries in, among others, water and energy efficiency, pollution prevention and use of herbicides and pesticides in line with the best available technologies, international and FAO standards.

Agricultural knowledge support will be provided in the form of group-based interventions (training) and individual technical assistance (advisory services). While developing the above trainings/practices

and guidance notes, the Borrower will additionally draw on WBG EHS guidelines, national legislation and codes of good agricultural and engineering practice. The above documents will be referenced in ESMF and through a generic matrix indicated if/when relevant for various project-related activities. The information contained in the ESMF will then be used in developing site or activity related ESMPs.

Component 1 of the CAP could lead to increased use of pesticides. This ESMF indicate what measures will be in place to promote an Integrated Pest Management Approach (IPM) and to help ensure appropriate selection and safe use of pesticides when they are needed.

Rural development and health sector projects have to avoid using harmful pesticides. A preferred solution is to use IPM techniques and encourage their use in the whole of the sectors concerned.

If pesticides have to be used in crop protection or in the fight against vector-borne disease, the Bank-funded project should include a Pest Management Plan (PMP), prepared by the borrower, either as a stand-alone document or as part of an Environmental Assessment.

In assisting borrowers to manage pests that affect either agriculture or public health, the World Bank supports a strategy that promotes the use of biological or environmental control methods and reduces reliance on synthetic chemical pesticides. In Bank-financed projects, the borrower addresses pest management issues in the context of the project's environmental assessment.

In appraising a project that will involve pest management, the Bank assesses the capacity of the country's regulatory framework and institutions to promote and support safe, effective, and environmentally sound pest management. As necessary, the Bank and the borrower incorporate in the project components to strengthen such capacity.

Agricultural Pest Management

The Bank uses various means to assess pest management in the country and support integrated pest management (IPM) and the safe use of agricultural pesticides: economic and sector work, sectorial or project-specific environmental assessments, participatory IPM assessments, and investment projects and components aimed specifically at supporting the adoption and use of IPM.

In Bank-financed agriculture operations, pest populations are normally controlled through IPM approaches, such as biological control, cultural practices, and the development and use of crop varieties that are resistant or tolerant to the pest.

Number	ESS applicable to SCAP Project	Y	N	Level
1	ESS3 Resource Efficiency and Pollution Prevention and Management	√		Moderate
Environmental Risks		Social risks		
<ul style="list-style-type: none"> - Water efficiency - Raw materials efficiency in terms of waste generation - PMC, including IPM and PMP - Overuse of chemicals and biocides - Energy efficiency - Land and soil usage efficiency 		- N/A		

ESS 4 – Community Health and Safety (CHS)

The project is likely to lead to increased use of fertilizers and farm pesticides as a result of enhanced farm productivity. Production units supported by the project will be required to follow EU guidelines

for safe and sustainable farming and food processing and FAO guidelines on herbicide/pesticide use. Thus, increase in risks to community health and safety is not expected although accidental pollution releases are possible. Project targets small and medium (often family owned) farms that do not use security personnel.

In Bank-financed public health projects, the Bank supports controlling pests primarily through environmental methods. Where environmental methods alone are not effective, the Bank may finance the use of pesticides for control of disease vectors.

Criteria for Pesticide Selection and Use

The procurement of any pesticide in a Bank-financed project is contingent on an assessment of the nature and degree of associated risks, taking into account the proposed use and the intended users. With respect to the classification of pesticides and their specific formulations, the Bank refers to the World Health Organization's Recommended Classification of Pesticides by Hazard and Guidelines to Classification (Geneva: WHO 1994- 95).⁶ The following criteria apply to the selection and use of pesticides in Bank-financed projects:

- They must have negligible adverse human health effects.
- They must be shown to be effective against the target species.
- They must have minimal effect on nontarget species and the natural environment. The methods, timing, and frequency of pesticide application are aimed to minimize damage to natural enemies. Pesticides used in public health programs must be demonstrated to be safe for inhabitants and domestic animals in the treated areas, as well as for personnel applying them.

Their use must take into account the need to prevent the development of resistance in pests.

The World Bank requires that any pesticides it finances be manufactured, packaged, labeled, handled, stored, disposed of, and applied according to standards acceptable to the Bank. The Bank does not finance formulated products that fall in WHO classes IA and IB, or formulations of products in Class II, if (1) the country lacks restrictions on their distribution and use; or (b) they are likely to be used by, or be accessible to, lay personnel, farmers, or others without training, equipment, and facilities to handle, store, and apply these products properly.

Number	ESS applicable to SCAP Project	Y	N	Level
1	ESS4 Community Health and Safety	√		Moderate
Environmental Risks		Social risks		
- increased use of fertilizers and/or pesticides/herbicides - accidental pollution release		- N/A		

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

Under component 1, the project will encourage economic clustering of smaller production units to improve their competitiveness. Instead of consolidating land, the aggregation will take place at the product level while production will remain at the original farms. Although some farmers may choose to expand their production units by adding surface area to their holdings (either by buying or leasing land and with no involuntary acquisition of land or assets), the project’s grant scheme is mostly expected to enhance the productivity of already utilized agricultural land.

Procedures for screening out transactions that are not willing-buyer willing-seller will be described in the Environmental and Social Management Framework (ESMF) prepared for the project.

Under component 2, there will be no need for new buildings to accommodate the hardware (and software) financed by the project to modernize the MoA's information systems. Based on this initial screening of risks and impacts associated with ESS5, this ESS is not considered applicable.

Number	ESS applicable to SCAP Project	Y	N	Level
1	ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement		✓	

ESS 6 – Biodiversity Conservation and Sustainable Management of Living Natural Resources.

The project area is the whole country, which includes several nationally and internationally recognized natural and critical habitats, protected areas, wetlands and Ramsar sites as well as hundreds of locally designated nature sites. The environmental and social screening criteria, to be developed during the project implementation for the agricultural grant scheme for small and medium farmers, will screen for the relevant risks and apply mitigation hierarchy. The environmental screening criteria will ensure that no activities with potential negative impact 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 (like mushrooms harvesting and honey production), the project-level ESMF will present requirements for the Borrower to avoid or minimize the respective impacts on biodiversity and implement mitigation measures as appropriate. Where the activities in modified habitats are considered, the project will incorporate consultations with protected area sponsors, national and local guardian institutions and relevant stakeholders, including local communities, and NGOs. Where necessary, a site-specific biodiversity management plans will be reviewed, updated and/or developed. Where the above plans are not existing, development of a site-specific ESMPs will be considered as a part of the screening and approval procedure.

Number	ESS WB applicable to SCAP Project	Y	N	Level
1	ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources	✓		Moderate
Environmental Risks		Social risks		
<ul style="list-style-type: none"> - potential negative impact in natural or critical habitats - potential activities in modified habitats and/or protected areas in various stage of protection in line with the Serbian national legislation 		- N/A		

ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities

Serbia does not have distinct social and cultural groups as covered by ESS7. Thus, this standard is not applicable.

Number	ESS applicable to SCAP Project	Y	N	Level
1	ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities		√	

ESS 8 – Cultural Heritage

The project will aim to optimize production on already utilized agricultural land. As the project will not contribute to land use change, and the project will support only a very limited construction or rehabilitation of buildings within already existing agricultural processing complexes and/or operational agricultural farms, it is very unlikely that there will be any interaction with the known cultural heritage sites.

However, in the event of chance finds, the Borrower will deal with it taking into account national legal requirements that are fully consistent with UNESCO and good international practice.

Number	ESS applicable to SCAP Project	Y	N	Level
1	ESS8 Cultural Heritage		√	
Environmental Risks		Social risks		
- it is very unlikely that there will be any interaction with the known cultural heritage sites; however, if such event would occur, the end user should immediately disrupt works and notify the Republic Institution for Protection of Cultural Monuments		- N/A		

ESS9 Financial Intermediaries

The project will provide technical support to producers for using private loans for financing part of the business plans, to commercial banks for the use of existing public guarantee funds to de-risk investments in small and medium agricultural producers, and to the Ministry on the needs assessment for a public guarantee fund to ensure financial sustainability of these investments. The project will not finance the on-lending/risk sharing activities of the funds; therefore, this standard is not applicable.

Number	ESS applicable to SCAP Project	Y	N	Level
1	ESS9 Financial Intermediaries		√	

ESS 10 – Stakeholder Engagement and Information Disclosure

Direct beneficiaries are small & medium size production units with (greater) commercial potential, most of which are expected be located in the South and Eastern part of the country where poverty is most prevalent. This includes producers, producer groups and agro-processors linked to smallholder farms. The project will directly benefit women farmers through targeted business training and financial services.

The MoA and its Directorate for Agrarian Payments (future Paying Agency), Advisory Services, Veterinary and Phytosanitary Services will directly benefit from modernized information systems and improved capacity to deliver services. Larger producers and aggregators will benefit indirectly from better access to sector information and financial services. Financial institutions will benefit indirectly from expanded customer base of commercial production units. Other interested parties may include

Farmer’s Associations, NGOs representing the interest of different farmer groups and rural populations and women business networks.

The project will launch a public awareness campaign to present the features of the support program prior to each call for proposals and stimulate participation of agricultural SMEs, including targeted messaging for women and youth. A Grievance Redress Mechanism will provide the opportunity for continued feedback on the grant scheme and resolution of individual grievances during implementation. Procedures related to complaints handling will be posted on the MoA website to ensure full transparency. A Stakeholder Engagement Plan (SEP) has been prepared for the project which outlines the timing and methods of engagements with different stakeholders, including underrepresented groups (e.g., women, young farmers, producers in marginalized rural areas) and other interested parties, such as non-governmental organizations (NGOs) and women business networks. Please see SEP for details on stakeholder engagement throughout the project cycle.

Number	ESS applicable to SCAP Project	Y	N	Level
1	ESS10 Stakeholder Engagement and Information Disclosure	√		Moderate
Environmental Risks		Social risks		
<ul style="list-style-type: none"> - low level of information and awareness of the final beneficiaries regarding the environmental BAT/BAP, network of waste management operators, providers of services and technologies - unfamiliarity of environmental enforcement institutions and organizations in relations to potential agriculture environmental risks and mitigation measures 		<ul style="list-style-type: none"> - lack of communication, information and awareness of the end-users of Project regarding the existence of the web portals, various mechanisms (Grievance mechanism) and other relevant data and information sources needed by the end users 		

7.2 Risk Classification

As part of the environmental and social procedures, the Client will adopt the WB’s categorization system for subprojects with clearly defined risk categories under the new ESF. The risk categorization will inform the scope and nature of the Implementing Agency’s environmental and social due diligence and risk management of its subprojects. Sample risk categories and mitigation measures are outlined in Annex 2 (Screening of Risk Categories for Proposed Types of Subprojects).

The Bank classifies all projects in one of four groups, namely projects with:

- High risk,
- Substantial risk,
- Moderate risk,
- Low risk.

To determine appropriate risk classification, the Bank takes into account relevant issues such as:

- Type, location, sensitivity and scope of the project,

- Nature and magnitude of potential environmental and social risks and impacts, as well as
- Borrower's (including any other agency responsible of project implementation) capacity and commitment to manage environmental and social risks and impacts in the manner consistent with ESSs.

Other areas of risk can be also relevant for implementation of measures, as well as for results of environmental and social impacts mitigation measures, depending on specific project and context. These can include legal and institutional framework, nature of mitigation and the proposed technology, managerial structures and legislation, as well as considerations related to stability, conflict or security. The Bank discloses project classification and basis for such classification at its web site and in the project documentation.

7.3 Projects Consisting of Multiple Smaller Sub-Projects

For the projects involving several smaller sub-projects identified, prepared and implemented during the projects, the World Bank requirements involve mandatory review of adequacy of local environmental and social requirements relevant for the sub-projects, as well as assessment of the Borrower's capacity to manage the environmental and social risks and impacts of such sub-projects, particularly, Borrower's capacity to (a) perform sub-projects screening; (b) ensure necessary expertise for conducting environmental and social assessment; (c) review findings of environmental and social assessment for individual sub-projects; (d) implement mitigation measures; and (e) monitor environmental and social impact during project implementation. If necessary, the project may envisage measures to strengthen Borrower's capacities.

The Borrower is obliged to carry out appropriate environmental and social assessment of sub-projects and prepare and implement such sub-projects as following:

- (a) Substantial, moderate and low-risk sub-projects, in compliance with local legislation and requirements of ESSs which the Bank finds relevant for such sub-projects.

Project will not finance any intervention or sub-project that might be considered as high risk.

In case that risk ranking of certain project is increased, the Borrower is obliged to apply relevant ESSs requirements as agreed with the Bank.

PMT will ensure, on a case-by-case basis, that environmental management will be an integral part of the sub-project planning, design, implementation, and operation and maintenance. PMT will screen and monitor the environmental issues in both rehabilitations work and in subsequent operation & maintenance phases and ensure efficient application of environmentally related measures, as shall be defined in site-specific EMPs.

7.5 Mitigation measures and environmental monitoring activities

For each sub-project to be financed under the SCAP components, it will be necessary to prepare a site-specific ESMP document or a site-specific ESMP Checklist. The selection of the E&S document will be based on the screening process and the determined sub-project E&S risk – for “moderate” and “substantial” risk will be prepared a site-specific ESMP, and respectively for “low” risk sub-projects will be prepared a ESMP Checklist.

Integration of the ESMPs into project documents

The ESMPs provisions will form part of the design documents for the project, and, will be included in construction contracts for selected subprojects, both into specifications and bills of quantities.

Respectively the Contractors will be required to include the cost of ESMP requirements in their financial bids and required to comply with them while implementing the project activities. The bidding documents for selecting the contractors will include specifications that would ensure effective implementation of environmental, health and safety performance criteria by the winning bidder and in particular: (i) preventing/limiting disturbance of soils and vegetation removal to the minimum; (ii) prevent soil compaction as well as other potential impacts; (iii) ensuring that all ground disturbing activities are conducted consistent with the construction requirements; (iv) if the case may be, developing a traffic management plan that include measures to ensure work zone safety for construction workers and the travelling public; (v) conducting all activities on installing new electrical equipment, implementing civil works, etc., will be done with due care, ensuring labor safety; etc. The contract with winning bidder will include an obligation to inform the communities representatives and PMT of any incidents involving community members, all substantial accidents and events involving contract and subcontract workers.

Standardized Environmental and Social Management Plan (ESMP)

The Environmental and Social Management Plan (ESMP) for the sub-projects financed under SCAP will identify the principles, approach, procedures and methods that will be used to control and minimize the environmental and social impacts of all construction activities and further, on the operation phase of the respective investments.

ESMP is an Action Plan that indicates which of the EA report recommendations and alternatives will actually be adopted and implemented. It will ensure incorporation of the relevant environmental factors into the overall project design and will identify linkages to other safeguard policies relating to the project.

ESMP should outline the mitigation, monitoring and administrative measures to be taken during project implementation to avoid or eliminate negative environmental impacts, and may also be an effective way of summarizing the activities needed to achieve effective mitigation of negative environmental impacts.

ESMP identifies feasible and cost-effective measures that may reduce potentially substantial adverse environmental impacts to acceptable levels.

The borrower's decision to proceed with a project, and the Bank's decision to support it, are predicated in part on the expectation that the ESMP will be executed effectively. Consequently, the Bank expects the plan to be specific in its description of the individual mitigation and monitoring measures and its assignment of institutional responsibilities, and it must be integrated into the project's overall planning, design, budget, and implementation. Such integration is achieved by establishing the ESMP within the project so that the plan will receive funding and supervision along with the other components.

ESMP documents, prepared for each SCAP component, will ensure that the environmental mitigation measures and their practical monitoring become a legal responsibility of PMT.

Recommended content of ESMP document is:

- Executive Summary
- Project description
- Policy, legal and administrative framework
- Baseline conditions assessed during route survey
- Summary of predicted adverse environmental and social impacts related to project;

- Description of mitigation measures and plan
- Description of monitoring activities and plan
- Institutional arrangements and reporting procedures
- Stakeholder engagement – information disclosure, public consultations and participation

Institutional arrangements:

- The PMT has Environmental and Social expert at hand, to evaluate and oversee the E&S screening lists and proposed generic or project specific ESMP for each and every application. If there is substantial number of applications at once, the PMT will engage Technical evaluation outsourcing with final verification and approval from the E&S PMT.

E&S through components:

- Comp 1, Sub-comp 1.1: The PMT will develop sector specific ESMP, together with the Guidelines and/or E&S manuals, based on the BAT/BAP, that will take into account WB safeguards, FAO and WHO recommendations, national legislation measures, best international practices. Develop and deliver sector specific trainings and capacity building of the potential applicants in order for them to understand E&S safeguards, and adequately prepare the application (screenings, generic ESMP and/or sector specific ESMP). Capacity building for institutional enforcement and environmental operators.
- Comp 1, Sub-comp 1.2: Grant application and auditing of submissions. The E&S specialist from the PMT will review the applications. If there is a substantial number of applications at once, potential outsourcing for technical level of evaluation might be required. The E&S verification mandatory.
- Comp 2: All the documentation can be delivered electronically. The electronic screening checklists, GESMP and SSESMP (sector specific), together with the monitoring and reporting plans (weekly, monthly, annually) can easily be prepared to be available via web site, in e-forms, for PMT monitoring of applicants.

Following pages give an overview of the potential environmental and social risks, together with its mitigation measures. Detailed description of mitigation process and activities can be found in the Annex.

No	ESS applicable	Group	Sub-group	Concern/Issue	Mitigation measure
1	ESS1 Assessment and Management of Environmental and Social Risks and Impacts	Construction phase	Impact on soil and agricultural land	<ul style="list-style-type: none"> - Physical damages to soil, - Soil degradation, - Emission of gases, dust, heavy metals from construction machines and transportation vehicles leads to the contamination of surrounding soil, - Using land for illegal waste disposal, - Soil contamination from the overuse of chemicals and biocides. 	<ol style="list-style-type: none"> 1) Careful selection of location for and planning of the project 2) To minimize construction site's size and design work to minimize land affected, 3) Where possible, to execute construction works during dry season to avoid excessive contaminated runoff Properly arranged waste disposals 4) Cleaning of construction site, replacing lost trees, boundary structures, re-vegetation of work area 5) During interior demolition use debris-chutes above the first floor; 6) Keep demolition debris in controlled area and spray with water mist to reduce debris dust; 7) Suppress dust during pneumatic drilling/wall destruction by ongoing water spraying and/or installing dust screen enclosures at site; 8) Keep surrounding environment (sidewalks, roads) free of debris to minimize dust; 9) There will be no open burning of construction / waste material at the site; 10) There will be no excessive idling of construction vehicles at sites; 11) Construction noise will be limited to restricted times agreed to in the permit; 12) During operations the engine covers of generators, air compressors and other powered mechanical equipment should be closed, and equipment placed as far away from residential areas as possible; 13) 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. 14) Waste collection and disposal pathways and sites will be identified for all major waste types expected from demolition and construction activities. 15) 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. 16) Construction waste will be collected and disposed properly by licensed collectors 17) The records of waste disposal will be maintained as proof for proper management as designed. 18) Whenever feasible the contractor will reuse and recycle appropriate and viable materials (except asbestos). 18) Minimize loss of natural vegetation/ Protection of vegetation during construction activities 19) Consideration of alternative locations, where possible 20) Careful timing of works and work seasonally, as appropriate: no construction during breeding season

				<p>21) Where possible, to fence the area under construction to lessen even occasional disturbance on habitats and biodiversity</p> <p>22) Inform personnel about importance of adjacent environmentally important area, if any</p>
	Possible Water pollution	<ul style="list-style-type: none"> - Filling/backfilling of riverbeds with construction material due to contractor's lack of care can cause bed silting up, water contamination, water level rise in the upstream part or even complete clogging of the bed with stone material with watercourse continuing underground movement. - Discharging diverse waste products from construction site process and construction site complex (liquids, particles and solid waste) on banks or directly into riverbeds lead to water pollution and pollution spreading along the watercourse. - Discharging used waters from the construction site (technological and hygienic) into watercourses, or into soil leads to hazardous pollutants and biological agents' diffusion. - Excavations in the field can cause the cutting – opening of aquifers, i.e. disruption of groundwater (water cycle). - Fine fractions can be washed away during the execution of construction works under influence of material falls from temporary landfills. This will make surface courses turbid. Material is washed away under the same conditions during transport. - Waste material, mechanical oil, fuel etc. can be disseminated by malfunctioning construction machines and vehicles or negligent personnel. - Location of heavy machines, temporary construction material depots near rivers or surface watercourses. 	<ol style="list-style-type: none"> 1) For small rural enterprises: to install local wastewater treatment facilities (e.g., septic tanks) b. For big enterprises: not to exceed established limits of pollutants in effluents 2) To minimize water and mud collection 3) Renovation of existing sewerage system/ connection to municipal sewerage system 4) Properly arranged waste disposals 5) Where possible, to plant at least bush vegetation down slope to reduce pollutants runoff into surface water bodies 	
	Air pollution	<ul style="list-style-type: none"> - exhaust gases from trucks and mechanization that will be engaged in the works execution, - suspended particles (dust) that will rise from the construction site, transport roads when trucks and mechanization pass, - suspended particles from temporary landfills of stone aggregates. <p>Dust, as a consequence of transport and execution of works</p>	<ol style="list-style-type: none"> 1) Use of approved methods and techniques to prevent and control emissions (e.g. absorption) 2) Where possible, enclosure of dust producing equipment, and use of local exhaust ventilation 3) Arrange barriers for wind protection (if raw material is stored in open piles 4) Where possible, use of fuels with a low sulphur content, such as natural gas or liquefied petroleum gas and use of low-sulphur raw material 5) Where possible, installation of dedicated filtration systems, etc. 6) Selection of materials or processes with no or low demand for VOC-containing products 7) Where possible, to install and modify equipment to reduce solvent use in manufacturing process 8) To execute strict primary and secondary control of air emissions, etc. 	
	Noise	<ul style="list-style-type: none"> - execution of works at the location, - activity of construction workers and 	<p>In sensitive areas (schools, nature parks, hospitals) special care regarding noise emission will be taken by the Contractor, strictly respecting the ESMP requirements. In case of noise disturbance with noise emissions which are above</p>	

			<ul style="list-style-type: none"> - movement of vehicles and heavy construction mechanization. 	permitted level, temporary noise barriers should be considered as appropriate mitigation measure. Awareness building and administrative measures should be taken to ensure proper maintenance of vehicles. In case of exceeded noise limits for sensitive areas the Contractor should erect temporary shields to prevent a free noise spreading to the sensitive receptors.
		Flora and fauna	<ul style="list-style-type: none"> - Emissions of polluters from trucks and construction machines have negative impacts on vegetation around the construction site; - Disturbance of wildlife and other animals due to increased noise and human presence. - Use of chemicals and biocides potentially can disturb the biodiversity 	<ol style="list-style-type: none"> 1) Where possible, to plant (or maintain) green corridors to ensure movement of terrestrial fauna 2) Where possible, to avoid introduction of alien species 3) In case of use of already introduced alien species to ensure their non-coming into natural ecosystems, e.g., during water discharge from ponds, etc. 4) Not to exceed established limits of pollutants in effluents and emissions 5) To avoid or minimize construction and operational activities during breeding and migration periods, etc.
	Operation phase	Waste generation	<ul style="list-style-type: none"> - Solid waste generation during primary agriculture practices that is non-hazardous (metal wires, wood sticks, plastic foils for shadings, irrigation pipes after usage, organic biodegradable waste, livestock manure, waste from machinery such as old tires, etc.) - Waste generation during primary agriculture production that is hazardous (packaging of the chemicals and biocides after the substance has been used, oils and lubricants from machinery, etc.) - Waste generation in the processing technologies that is not hazardous (packaging materials – paper, plastic, metal, glass, organic non-hazardous waste, biodegradable waste, organic non-hazardous sludge, etc.) - Waste generation in the processing technologies that is hazardous (chemicals, industrial sludge, packaging waste, containers for various substances, etc.) 	<ol style="list-style-type: none"> 1) Locate the garbage pit/waste disposal site min 500 m away from the residence so that peoples are not disturbed with the odor likely to be produced from anaerobic decomposition of wastes at the waste dumping places. Encompass the waste dumping place by fencing and tree plantation to prevent children to enter and play with. All solid waste will be collected and removed from the work camps and disposed in approval waste disposal sites. 2) In case oil and grease are trapped for reuse in a minimum 60cm thick lined pit, care shall be taken to ensure that the pit should be located at the lowest end of the site and away from the residential areas. 3) In case of filling of low-lying areas with wastes, it needs to be ensured that the level matches with the surrounding areas. In this case care should be taken that these low-lying areas are not used for rainwater storage. 4) In case of hazardous waste coming from the packaging materials of pesticides and herbicides, apply the following measures: 5) Clearly marking toxic wastes on the project site as hazardous material and securely enclose them inside closed containments, as well as label them with details of composition, properties and handling information; 6) Disposal on special toxic wastes disposal sites. 7) Usage of specially licensed carriers for transportation and disposal of toxic wastes 8) Ensure containers with hazardous substances are placed in a leak-proof container to prevent spillage and leaching; 9) Ensure the asbestos is not reused.
		Soil pollution, degradation and erosion	<ul style="list-style-type: none"> - Use of chemicals and biocides during the primary agriculture farming practices, that will result in pollution of soil - Unproper storage or release of waste directly onto soil - Soil erosion due to extensive irrigation practices - Soil change of chemistry, biochemistry and microbiology due to change in input chemicals (chemical composition of water used for irrigation, extensive fertilizers, manure, etc.) - Soil erosion due to the intensive monoculture farming and change of the plant/crop existing structure and/or organization 	<ol style="list-style-type: none"> 1) Ploughing across the slope 2) Contour tillage 3) Avoid creation of new terraces since it is linked with loss of topsoil, etc. 4) Appropriate crop rotation: fallow land - wheat - maize - sunflower - Lucerne - Lucerne (2 years long)- legumes (pea, haricot, etc.) / wheat maize, etc. 5) On lands which are subject to erosion preferable cultivation of plants with require dense sowing (e.g. wheat, rye, etc.) and avoid cultivation of tilled crops (e.g., maize, sunflower),

			<ul style="list-style-type: none"> - Soil erosion due to the riverbeds degradation and/or unauthorized wood/forest management - Soil degradation due to the terraforming and land excavation 	<ul style="list-style-type: none"> 6) Orchards: creation of grass strips between the rows, deep cultivation between the rows, 7) Where possible, to use the branch of field crops with the branch of cattle-breeding and gardening, upstream reforestation and planned watershed management also helps mitigate etc. 8) Potential contamination of soils due to pesticide usage and improper waste disposal should be dealt by PMC 9) Not to exceed pastures' capacity (on degraded lands this is 0,3-0,5 conv. cap/ ha; on good lands - 1,5 conv. cap/ per ha) and avoid overgrazing 10) Where possible, use of stabling 11) Where possible, do develop sown pastures 12) Where possible, fencing the grazing areas to use them subsequently, giving to others possibility to restore, etc. 13) Not to graze in natural areas in early spring and late autumn, etc. 14) Use natural meadows and grasslands rather for mowing than grazing, etc. 15) Avoiding use of remained natural or semi-natural steppe areas for pasturing and crop production 16) Avoid, where possible, cutting of trees and other natural vegetation, etc.
		Air pollution	<ul style="list-style-type: none"> - Extensive use of agriculture machinery or use of the lesser standard exhaust engines (older tractors and engines, higher combustion rates for petrol, diesel, etc.) - Adverse incineration of agriculture residue, such as agriculture biomass (virgin wood, plants, etc.) - Incineration of any type of waste (tires, plastics, packaging, etc.) - Emissions from the food processing facilities 	<ul style="list-style-type: none"> 1) Use of approved methods and techniques to prevent and control emissions (e.g. absorption) 2) Where possible, enclosure of dust producing equipment, and use of local exhaust ventilation 3) Arrange barriers for wind protection (if raw material is stored in open piles) 4) Where possible, use of fuels with a low sulfur content, such as natural gas or liquefied petroleum gas and use of low-sulfur raw material 5) Where possible, installation of dedicated filtration systems, etc. 6) Selection of materials or processes with no or low demand for VOC-containing products 7) Where possible, to install and modify equipment to reduce solvent use in manufacturing process 8) To execute strict primary and secondary control of air emissions, etc.
		Water use, pollution and wastewater	<ul style="list-style-type: none"> a) surface water pollution coming from: <ul style="list-style-type: none"> a.i) primary agriculture production that can be: <ul style="list-style-type: none"> a.i.i.) hazardous (chemicals, biocides, fuels, lubricants, waste, etc) a.i.ii) non-hazardous (mud, rock, stone, plants, coming from land use or degradation, etc.), a.ii) the processing technologies used in agriculture that can be: <ul style="list-style-type: none"> a.ii.i) hazardous (use of chemicals, thermal processes, leaking due to the improper storage of substances, etc.) a.ii.ii) non-hazardous b) groundwater pollution, that can be both hazardous (chemicals, fuels, fertilizers, manure, etc.) and non-hazardous, as a result of contact of the groundwater with the chemicals, products of on-site incineration, or as a result of land degradation and soil erosion; also, it should be noted that the 	<ul style="list-style-type: none"> 1) Prepare and implement adequate Pest management control system, which will allow the farmers to keep a log of type and the volume of used chemicals, with a proper management of its use, respecting the Environment health and safety regulations 2) Where possible, minimize the use of chemicals and biocides, and if possible, used the biodegradable ones used for organic farming 3) Fuels, oils and lubricants must be properly managed, in a specialized containers and bins, and there must be a follow-up paper stating the adequate storage or further processing of substances 4) No incineration of waste on open field or other place as well is allowed. 5) Proper sewage system in place, without leaking and breaks 6) Proper septic tanks in place, without contact to underground waters 7) For wastewater from household, a wastewater management statement of the local municipality how and when it is planned to have a wastewater treatment plant

				<p>groundwater can also be polluted due to the improper septic tanks being used and installed underground,</p> <p>c) wastewater, as a result of human activity, household wastewater that can contaminate the environment if the proper sewage is not in place, the septic tanks are not being used at all or built properly, or if there is not wastewater treatment; since this is not the primary objective of the project, the focus should be the wastewater coming from the processing facilities.</p>	<p>8) For industrial facilities, adequate wastewater treatment is necessary in line with the national legislation</p> <p>9) water efficiency should be monitored and improved, with water meters and clear log on water usage with specific mitigations measures prepared and implemented</p> <p>10) Avoid application of pesticides in the strip with width of 300 m along the natural surface water bodies,</p> <p>11) Avoid cutting of trees and other natural vegetation along the water bodies</p> <p>12) Avoid coming of alien species into natural water bodies,</p> <p>13) Properly arranged waste disposals sites, etc.</p> <p>Also, adopt and implement the mitigation measures for water pollution as stated above.</p>
			Biodiversity and habitats	<p>- The project interventions in agricultural production and processing may lead to the modifications in some of the natural habitats.</p> <p>- It is important to stress that the inadequate use of chemicals and biocides may lead to the loss of flora and/or fauna</p>	<p>1) Not to exceed established limits of pollutants in effluents and emissions</p> <p>2) To avoid or minimize construction and operational activities during breeding and migration periods, etc.</p>
			Labor management and OHS risks	<p>Project beneficiaries (employers) may use informal (seasonal) labor for implementation of grant activities and not apply relevant OHS measures are in accordance with the job types.</p>	<p>1) Comply fully with Labor Law, Law on Simplified Work Engagement for Seasonal Workers and Law on OSH</p> <p>2) Grants only provided to applicants that confirm that they will comply with regulations on formal employment (in the application stage by filling out the Environmental and Social Screening Checklist and submitting a signed statement; in the contracting stage by including in the contract provision on compliance with the said laws; and in the implementation stage by reporting on employment issues)</p> <p>3) Request grantees to inform project workers of access to project level grievance mechanism</p> <p>4) In case breach of legal obligation is identified, contract termination and reimbursement of funds</p>
2	ESS2 Labor and Working Conditions	Construction and Operational phase	Labor management and OHS risks	<p>Minimal risks to health and safety of those workers and violation of labor rights.</p>	<p>1) Monitoring of Client LMP obligations</p> <p>2) ESS 2 compliance report requested from service providers engaged by the Projects</p>
3	ESS3 Resource Efficiency and Pollution Prevention and Management	Construction and Operational phase	<p>- Water efficiency</p> <p>- Raw materials efficiency in terms of waste generation</p> <p>- PMC, including IPM and PMP</p> <p>- Overuse of chemicals and biocides</p> <p>- Energy efficiency</p> <p>- Land and soil usage efficiency</p>	<p>- Inadequate of water resources in various agriculture practices, such as irrigation, washing and purification, both in the primary agriculture production and in the food processing technologies</p> <p>- Inadequate use of input materials for the development of agriculture production, food processing technologies and lack of use, reuse and recycling practices</p> <p>- Inadequate use of chemicals and biocides, together with the lack of the proper pest management control mechanisms</p> <p>- Overuse of energy, both as an electricity power, or fuel consumption</p>	<p>Please consult the mitigation measures listed above and apply where necessary.</p>

				- Inadequate use of the land surface in a non-efficient agriculture practices	
4	ESS4 Community Health and Safety		<ul style="list-style-type: none"> - Air Emissions and Ambient Air Quality - Energy Conservation - Wastewater and Ambient Water Quality - Water Conservation - Hazardous Materials Management - Waste Management - Noise - Contaminated Land 	<p>- Emissions of air pollutants can occur from a wide variety of activities during the construction, operation, and decommissioning phases of a project. These activities can be categorized based on the spatial characteristic of the source including point sources, fugitive sources, and mobile sources and, further, by process, such as combustion, materials storage, or other industry sector specific processes.</p> <p>- Energy management at the facility level should be viewed in the context of overall consumption patterns, including those associated with production processes and supporting utilities, as well as overall impacts associated with emissions from power sources.</p> <p>- For Wastewater, water conservation, hazardous material management, waste management, noise and land, please take into consideration what has been stated above.</p>	<p>1) Where possible, facilities and projects should avoid, minimize, and control adverse impacts to human health, safety, and the environment from emissions to air. Where this is not possible, the generation and release of emissions of any type should be managed through a combination of:</p> <ul style="list-style-type: none"> · Energy use efficiency · Process modification · Selection of fuels or other materials, the processing of which may result in less polluting emissions · Application of emissions control techniques²⁹ <p>2) Measures include:</p> <ul style="list-style-type: none"> - Energy Management Programs: Identification, and regular measurement and reporting of principal energy flows within a facility at unit process level, Preparation of mass and energy balance; Definition and regular review of energy performance targets, which are adjusted to account for changes in major influencing factors on energy use, Regular comparison and monitoring of energy flows with performance targets to identify where action should be taken to reduce energy user. Regular review of targets, which may include comparison with benchmark data; - Energy Efficiency: · Demand/Load Side Management by reducing loads on the energy system, supply side management by: Reduce losses in energy distribution, improve energy conversion efficiency, exploit energy purchasing opportunities, Use lower-carbon fuels³⁰ - For Wastewater, water conservation, hazardous material management, waste management, noise and land mitigation measures, please take into consideration what has been stated above.
5	ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources		<ul style="list-style-type: none"> - potential negative impact in natural or critical habitats - potential activities in modified habitats and/or protected areas in various stage of protection in line with the Serbian national legislation 	The project area is the whole country, which includes several nationally and internationally recognized natural and critical habitats, protected areas, wetlands and Ramsar sites as well as hundreds of locally designated nature sites.	The environmental and social screening criteria, to be developed during the project implementation for the agricultural grant scheme for small and medium farmers, will screen for the relevant risks and apply mitigation hierarchy. The environmental screening criteria will ensure that no activities with potential negative impact 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 (like mushrooms harvesting and honey production), the project-level ESMF will present requirements for the Borrower to avoid or minimize the respective impacts on biodiversity and implement mitigation measures as appropriate. Where the activities in modified habitats are considered, the project will incorporate consultations with protected area sponsors, national and local guardian institutions and relevant stakeholders, including local communities, and NGOs. Where necessary, a site-specific biodiversity management plans will be

²⁹ <https://www.ifc.org/wps/wcm/connect/4e01e089-ad1a-4986-b955-e19e1f305ff0/1-1%2BAir%2BEmissions%2Band%2BAmbient%2BAir%2BQuality.pdf?MOD=AJPERES&CVID=Is0KF2J>

³⁰ <https://www.ifc.org/wps/wcm/connect/9f3e9c30-050a-4901-99e7-d5d22042a9d3/1-2%2BEnergy%2BConservation.pdf?MOD=AJPERES&CVID=Is4WY5G>

					reviewed, updated and/or developed. Where the above plans are not existing, development of a site-specific ESMPs will be considered as a part of the screening and approval procedure.
6	ESS10 Stakeholder Engagement and Information Disclosure		- Inadequate access to information about government support programs, especially among vulnerable groups (women, youth and farmers living in disadvantaged areas)		Various stakeholder engagement activities are proposed to ensure awareness and meaningful consultations about Project activities. Based on the organization of work related to agriculture, the awareness campaign, outreach and stakeholder engagement will be season and gender appropriate, taking into consideration the after-hour chores of women. Sample-based beneficiary/applicant surveys will be administered to collect feedback on the grant mechanism and the preparation support available for applicants. More details on the stakeholder engagement per component is available in a standalone Stakeholder Engagement Plan.

8 LABOUR MANAGEMENT PROCEDURES

8.1 Introduction

These Labor Management Procedures (LMP) lay out the Project's approach to meeting the objectives of World Bank Environment and Social Standard (ESS 2): Working and Labor Conditions. It sets out the terms and conditions for employment or engagement of workers on the project, specifies the requirements and standards to be met and the policies and procedures to be followed, assesses risks and proposes the implementation of compliance measures. The LMP is developed to help avoid, mitigate and manage risks and impacts in relation to project workers and ensure protection of their fundamental rights, fair treatment and provision of safe and healthy working conditions.

The LMP applies to **project workers** as defined by ESS2³¹. The focus of this LMP is on workers engaged by potential service providers (**contracted workers**) and consultants engaged directly by MAFWM and MF to perform project related tasks (**direct workers**) as other labor of other workers (such as community workers and primary supply workers are not expected)

Labor engaged by matching-grant beneficiaries (agricultural MSMEs) are not considered **project workers** and consequently are not subject to ESS2. Labor and working conditions risks related to beneficiary employees are risk related to ESS1 and are assessed and mitigated through measures provided in chapter 7.

Risks related to sub-contracted workers will be managed by sub-project ESMPs.

8.2 Overview of labor use on the Project

Two employers at Project level will be responsible to hire Project workers MAFWM and MF respectively.

MAFWM, through competitive selection procedures, will select service providers to provide technical assistance, IT related services and suppliers of goods (hardware and software) and individual consultants to enhance the capacity of project implementation within the PMT. Due to the size of service contracts and required qualification to carry out improvements on hardware, software, and the creation of an integrated information platform and modernizing the MAFWM information systems it is expected that the service contracts will be awarded to medium to large national and international companies. The experts to be engaged are following the company's pattern and may give the qualification requirements range between highly experience national and international experts, highly educated and well positioned in the labor market. MF through a quality and experience-based selection will select the required number of workers to enhance the capacity of the CFU, employ them as consultants, in line with the established procedures in place.

It is expected that Project will engage the following categories of project workers as defined by ESS2.

Direct workers. Direct workers are staff from the Ministry of Agriculture, Forestry and Water Management (MAFWM) and the Ministry of Finance (MF) that will be assigned to work on the project (civil servants) and independent consultants hired specifically in relation to the project (external consultants). Together with MAFWM staff, some consultants will be integrated into the project management team (PMT) that will be established in the DAP. The PMT will have managerial,

³¹ The term "project worker" refers 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); people employed or engaged through third parties³ to perform work related to core functions⁴ of the project, regardless of location (contracted workers); (c) people employed or engaged by the Borrower's primary suppliers⁵ (primary supply workers); and (d) people employed or engaged in providing community labor⁶ (community workers). ESS2 applies to project workers including fulltime, part-time, temporary, seasonal and migrant workers.

administrative, coordination roles. The number of PMT personnel and the requirements in terms of their qualifications, experience and competences is yet to be defined, along with the job positions and responsibilities. To administer the matching-grant mechanism, a Grant Coordinator and a Grant Procurement Specialist will be hired as part of the PMT. Civil servants from the M&E unit at MAFWM will provide support to PMT. Along with civil servants, the external experts that may be needed a part of the PMT include: a Project Coordinator, a M&E specialist, an Environmental and Social Safeguards Specialist, a Grant Coordinator, a Grant Procurement Specialist, and Office Assistant.

The Central Fiduciary Unit (CFU) of the MF will provide fiduciary functions. Staff currently engaged within the CFU are not civil servants but consultants with signed contracts for consultancy services. The CFU will subsequently express their needs as to the number and profile of the potential personnel who will be assigned to the project work. Unless there been a legal transfer of their employment or engagement to the project, any civil servants supporting the project will fall under the national legislation regulating the status, rights and duties of the employees in the public sector. If short time consultants are engaged to enhance the capacity of CFU, DAP and other supporting MAFWM units, their employment/engagement contract will incorporate the terms and conditions consistent with this LMP.

Contracted workers: Contracted workers will be engaged or employed by providers of services needed for project implementation and these imply professionals and support staff provided by the Consultants or by any Sub-Consultants and assigned to perform the Services or any part thereof. Sub-Consultant means any person or entity to whom/which the Consultant subcontracts any part of the Services. These service providers (third parties) include consultancy firms, IT companies, educational and legal institutions. The providers will be awarded contracts in line with the standard bidding documents of the World Bank for specific project activities which have a standard wording for labor and working conditions requirements. Due to the specific IT requirements, service providers may be Serbian and international firms. The personnel involved in these activities are expected to be accomplished professionals and highly educated and well-established experts, and do not fall into the category of vulnerable persons.

Community workers or primary supply workers will not be engaged on the project.

8.3 Assessment of key potential labor risks

Project activities. Project workers will mainly be involved in project management, administrative support, capacity building work and IT systems development.

Key Labor Risks.

Project workers (external consultants and employees of service providers) are anticipated to be office staff with most of their work done indoors. These educated knowledge workers will have desktop jobs, although minor off-site travel may be needed to supervise beneficiaries (direct workers) and to install equipment and to conduct training/TA (contracted workers). Service providers (contracted workers) engaged to install IT equipment and provide TA are anticipated to be reputable firms with regulated employment conditions for workers. Thus, labor risks both in terms of working conditions and occupational health and safety are minor and negligible for all project workers including those responsible for installation and testing of IT equipment. Off-site travel (i.e. visit to beneficiaries, training events) might expose them to travel and site related risks and requires some caution, but in terms of occupational health and safety all these risks are minimal. Due preparations have to be made for each visit or event focusing on traffic safety and provision of adequate gear or equipment. Given the nature of the project work and the expected profile of project workers, the risk of child or forced

labor tends to be nil. None of the identified project workers are considered vulnerable. No other labor risks are considered to be substantial .

8.3 Brief overview of labor framework, terms and conditions

Various laws, policies and code of practices are applicable to the implementation of this LMP. These laws and policies are aligned with the international standards, namely ILO Conventions³² and EU Directives, as the terms, conditions and instruments proposed in the international conventions and directives are incorporated into the national labor legislation.

The Constitution of the Republic of Serbia (2006) guarantees the right to work, free choice of occupation, availability of work positions under equal conditions, respect of person's dignity at work, safe and healthy working conditions, necessary protection at work, limited working hours, daily and weekly interval for rest, paid annual holiday, fair remuneration for work done and legal protection in case of termination of working relations.

The Labor Law (LL) (2005, 2009, 2013, 2014, 2017, 2018) is the main legislation that guides labor practices in Serbia. The terms and conditions provided by this Law includes ban to direct or indirect discrimination regarding employment conditions and choice of candidates for performing a specific job, conditions of labor and all the rights deriving from the employment relationship, education, vocational training and specialization, job promotion and cancelling an employment contract for reasons of sex, birth, language, race, color of the skin, age, pregnancy, health condition, and/or disablement, ethnic origin, religion, marital status, family obligations, sexual orientation, political or other belief, social background, financial status, membership in political organizations, trade unions, or any other personal characteristic. The Law guarantees the employee's right to corresponding earnings, compensations and refund of expanses, entitlement to training and professional development, provision of safety and health at work, health-care protection, personal integrity protection, personal dignity, and other rights in the event of illness, reduction or loss of work ability and old age, including financial benefits in course of temporary unemployment, as well as the right to other forms of protection. Women in course of pregnancy and childbirth, parents with a child under three years of age or in need of special care and minors (younger than 18) are given special protection. Harassment and sexual harassment are prohibited. The Law sets out the conditions for employment (including the minimum age for employment), specifies what information an employment contract must contain, and defines fixed term (definite period of time) employment, part time employment, remote work (outside the Employer's premises) and work without established employment relationship (service supply contract, temporary and seasonal work, supplementary work). It stipulates maximum hours of work, overtime, break during working day, daily and weekly rest and leave entitlements (annual leave, sick leave, and maternity leave). The Law lays out the framework for retrenchment and termination of the employment relationship, provides for freedom of association and collective bargaining and guarantees the right to judicial protection.

Although the LL applies to all employees who work in the territory of Serbia, civil servants are also subject to terms and conditions of a set of laws³³ and bylaws specifying different categories of civil servants, their duties, restraints imposed, selection process, performance management, promotion, professional development, apprenticeship, disciplinary measures, grievances and complaints, HR planning and administration.

³² Serbia has ratified all ILO Conventions stated in ESS2 (ILO Conventions 29, 87,98, 100, 105,111, 138 and 182).

³³ Law on civil servants, 2005, with amendments in 2007,2008, 2009, 2014, 2017 and 2018.

Employment relationship is also regulated by the Law on Employment and Unemployment Insurance (2019, 2010, 2015, 2017) and the Law on Employment of Foreign Citizens (2014, 2017, 2018, 2019).

The rights stemming from the employment relationship are further elaborated by the Law on Mandatory Social Security Insurance Contribution (2004, 2005, 2006, 2009, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 20019), the Law on Retirement and Disability Insurance (2003, 2004, 2005, 2006, 2009, 2010, 2012, 2013, 2014, 2018, 2019) and the Law on Health Insurance (2019). These laws specify contributions, benefits and entitlements covering all employees and extending the entitlement to social security, retirement, disability, injury and health insurance to those who work without the established working relationship.

The following laws specifically address the issues of discrimination, harassment and equal opportunities at work: Law on the Prohibition of Discrimination (2009), Law on the Prevention of Harassment at the Workplace (2010), Rulebook on Conduct of Employers and Employees in Relation to Prevention and Protection from Harassment at Work (2010), Law on Protection of Whistle Blowers (2014), Law on Gender Equality (2009). They lay out the grievance mechanisms and legal procedures in relation to perceived maltreatment and infringement of the employee's right.

The Law on Peaceful Settlement of Labor Disputes (2014, 2009, 2018) regulates the method and procedures of settlement of collective and individual labor disputes. A dispute can be initiated on a voluntary basis in relation to the collective agreement, strike, termination of employment contract, working hours, annual leave, disbursement of salary, compensation of costs, discrimination and abuse at work, etc.

The above legislation applies to all who work or provide services in Serbia and is in line with ESS 2 requirements.

8.4 Brief overview of labor legislation: Occupational Health and Safety

Health and safety at work is the right guaranteed by the Serbian Constitution (2006).

The Law on Safety and Health at Work (LSHW, 2005, 2015, 2017) is the key legislative act in this area. It regulates the implementation and improvement of occupational safety and health for persons involved in working processes or found in work environments, in order to prevent injuries at work, occupational diseases and work-related illnesses. The employer must ensure that measures have been taken to provide a safe and healthy workplace and work environment for any employee (any person working or undertaking training at the employer, regardless of their employment status) to work. The Law stipulates the obligations and responsibilities of the employer in relation to ensuring safety and health at work (general obligations, special obligations and training for employees) and assessing and mitigating labor-related risks and hazards, provides for appointment of persons (licensed OHS officers or legal entities) responsible for ensuring labor compliance and creating a safe working environment, and determines preventive measures for ensuring occupational safety and health. It also regulates the rights and obligations of employees, the way of organizing the task of occupational safety and health, provision of the first aid at the workplace, the possibility of selecting representatives among the employees for occupational safety and health, obligations of the employer related to keeping records, information exchange and cooperation with relevant institutions, the issue of the professional exam and licensing, the competence of the Occupational Safety and Health Administration. The provisions

of the LSHW are further elaborated in numerous by-laws³⁴, for the purpose of regulating the specific implementation procedures.

The LSHW is applicable to all domestic and foreign employers regardless of their size³⁵ and to all domestic and foreign employees regardless of their employment status³⁶. The law has been harmonized with the ratified ILO Conventions and the EU Directives and complies with WB ESS2.

8.5 Responsible staff

To ensure successful management of project workers there is a need to clearly define the roles and responsibilities.

The direct workers will be seconded or hired as individual consultants by the MAFWM and MF. PMT Coordinator to be established with the DAP of MAFWM will be responsible for engagement and management of the PMT staff. For civil servants employed by the Ministry that will be integrated into the PMT, the employee relations/HR issues will be dealt with in line with the Ministry's HR policies and by their Personnel/HR Department while for others, contracted workers, these will be guided by the LMP. OHS for both civil servants and consultants is responsibility of the OHS Officer (person appointed in compliance with the LSHW) employed by the Ministry mandatory under national legal regulations.

Workers engaged in the CFU are or shall be hired by the MF. The responsibilities for hiring, engaging, managing and OHS issues will be distributed among the Head of CFU, Personnel/HR Department of the MF and OHS Officer respectively.

The contracted workers are responsibility of service providers (third parties). Employee relations and HR issues are to be dealt by the third party's HR department (medium to large size companies) or person entrusted with HR responsibilities and duties (small companies), and OHS by the OHS Officer appointed by the third party.

As for the implementation of these Labor Management Procedures, the team leader responsible for the good/service contract will be responsible for compliance with the LMP provisions.

Third party's management in terms of the LMP is the responsibility of the PMT Coordinator and Environment & Social Safeguards Specialist.

8.6 Policies and procedures

The MAFWM HR policies are defined by the LL, Law on Civil Servants, Law on OHS and the Collective Agreement for civil servants (negotiated at 3 years terms, current agreement validity is until 2021 when terms will be re-negotiated). There is HR Management Service at the Government level, for civil servants, performing specialist tasks related to HR management in ministries, special organizations, services of the Government and support services of administrative districts (planning, recruitment and selection, administration of central HR registry, planning and provision of training and development. The labor, working conditions and OHS requirements as defined in the MAFWM HR policies are in line with standards as set forth in ESS2 and this LMP.

³⁴ There are 8 legal acts and 55 rulebooks related to the area of occupational health and safety.

³⁵ Family holdings are also considered „employer” in terms of LSHW.

³⁶ The term „employee” is defined as any domestic or foreign natural person who is employed by an employer, works on any basis for an employer or trains for work for an employer.

The policies adopted for the project will contribute to the achievement of ESS2 objectives and are in line with the MAFWM HR Policies.

All Employers of direct or contracted workers, in the project must ensure safety and health at work. Strict adherence to the legal provisions, notably the LHSW, is required. It is the responsibility of the MAFWM, MF and third parties as Employers (both civil servants and consultants regardless of their employment status) to fulfil all the obligations stipulated by the law. This includes assessment of the OHS risks and hazards, informing and training of project workers on the occupational health and safety issues, and taking preventive measures prior and during the work process in order to mitigate or diminish risks for project workers' health and safety. The third party should adapt work processes, workstations and work environment in such a manner to make them safe and hazard free. If any protective equipment is needed, MAFWM, MF and the third party will provide project workers with it at the third party's expense. The third party must keep records prescribed by the national legislation regarding health and safety at work, and duly report work-related injuries, near misses, fatalities and diseases, in compliance with the law. As for the risks relating to transportation and traffic and residual risks of the workplace, the third party will take reasonable precautionary measures as part of normal work routine.

The project promotes fair treatment, non-discrimination and equal opportunity of project workers. Any and every Employer to direct or contracted workers, will ensure that the selection process for project workers is bias-free, and that the requirements set are not directly or indirectly discriminatory. The project workers will be recruited and assessed on the basis of their competence and professional achievements. Gender, birth, language, race, color of the skin, age, pregnancy, health condition, and/or disablement, ethnic origin, religion, marital status, family obligations, sexual orientation, political or other belief, social background, financial status, membership in political organizations, trade unions, or any other personal characteristic unrelated to inherent job requirements cannot be ground for making any decision regarding employment and the employment relationship. However, third parties are encouraged to take a gender sensitive approach and make reasonable accommodation to make it possible for persons with disabilities to take part in the project. Provided that project workers are expected to be established experts, no person under the age of 18 years will be employed or engaged for work on the project.

All project workers will perform work or provide services under conditions set in their engagement/employment contract or agreement in return for remuneration. Their status must be clearly defined in line with the national law. Any form of disguised employment will not be acceptable. For short term and part time workers, the agreement on work should foresee the possibility of providing some rights typical of the employment relationship (refund of travel expenses, leaves, etc.).

All project workers are entitled to fair treatment and protection from harassment and sexual harassment and abuse at work. The contracted party must install mechanisms that will protect the project worker from incidence of mistreatment. If it happens anyway, the grievance mechanism should be in place to enable the project worker to file grievances to a competent person within the company/institution and be informed on the actions taken subsequently in relation to his grievances, without prejudice to his/her right to seek judicial protection. If a third party does not have an affective grievance mechanism, they may follow the guidelines in section 9 to design and install such mechanism.

In no way any project worker will be prevented from joining a trade union or any other worker organization. The principle of free association and collective bargaining will be strictly respected. The

third party must not condition the participation of a project worker in the project, his/her status, remuneration or entitlements on the project worker's membership or activity in any organization.

Adherence to law and good practice and a high level of integrity is expected from all participants in the project. The Borrower should make it clear in tender documentation that non-compliance with the national legislation, particularly the legislation regarding terms and conditions of employment, labor rights and occupational health and safety, may constitute the ground for termination of the contract with a contracted party and exclusion of that party from the project.

8.7 Age of employment

Serbia has adopted the ILO Conventions on child labor and incorporated them in the legal system. The minimum age of employment is 15, but the employment relationship with persons under the age of 18 can be established with a consent in writing of a parent provided that work to be performed does not put at risk their health, integrity or education. A person under 18 years of age must present a medical certificate attesting that he/she is capable of performing the activities related to the specific job, and that such activities do not harm his/her health. The age of workers will not be used as a criterion in deciding on hiring and promoting project workers or terminating their contracts.

8.8 Terms and conditions

The terms and conditions of employment in Serbia are governed by the provisions of the LL, while occupational health and safety is guided by the LHSW. In case of the direct workers who are civil servants the Law on Civil Servants is additionally applicable.

A project worker may be employed or engaged for work on the project only after negotiating, signing, and receiving a copy of an employment contract or engagement agreement which contains information required by the provisions of the LL

The project worker can be employed on a permanent (open-ended contract) or temporary (fixed-term contract) basis, or can be engaged without establishing the employment relationship on the basis of an agreement.³⁷ In either case, the project worker will be registered in the Central Registry of Compulsory Social Insurance, in accordance with the national legislation of the Republic of Serbia. If the project worker is employed / engaged in his/her domicile country other than Serbia, he/she will be registered in accordance with the national legislation of that country. In case of self-employed project workers, the evidence of registration in the Central Registry of Compulsory Social Insurance or a corresponding foreign body has to be presented.

The terms and conditions of employment or engagement of the project worker must meet the inter alia the following standards:

- The project worker should in advance be clear about the job he/she is going to do and the wage/salary/fee he/she is going to receive.
- The project worker will be paid on a regular basis, at least once a month, or, if so agreed, upon the completion of specific activities, in accordance with the employment contract or engagement agreement.
- The project worker will work 8 or fewer hours a day, with payment of overtime.

³⁷ The Serbian Labour Law recognises two categories of workers: Employees with established employment relations (fixed term and open-ended employment contract) and persons engaged outside employment relations (seasonal works, service contracts, additional work engagement).

- Any work longer than 8 hours is considered overtime work and the project worker should receive extra payment for the hours of overtime work. In any case, the project worker cannot work more than 12 hours a day.
- The project worker is entitled to a daily rest of at least 11 hours within 24 hours.
- The project worker is entitled to a weekly rest of at least 24 consecutive hours.
- Average weekly hours of work in a six-month period cannot exceed 40 hours.
- The project worker is entitled to annual, sick, maternity and family leave, as required by the national legislation. Where the national legislation does not stipulate entitlement to leaves on any ground (i.e. temporary or seasonal work), the contracted party will provide the project worker, at his/her request, with a reasonable period of leave taking into consideration all the circumstances.
- An employment contract or engagement agreement, except in case of permanent employment, ends on the date of its expiry, unless both parties have agreed otherwise. In case of an early termination, a written notice will be submitted at least 15 days in advance. The termination of employment contract and payment of any related entitlements will be done in compliance with the national legislation.
- The third party will assess the risk related to specific jobs. In conformity with the national legislation (LHSW), the third party will be responsible for taking preventive and protective measures to ensure a safe and healthy work environment and informing the project worker on all the relevant issues and conditions affecting his/her health and safety at work. The project worker will respect regulations relating to safety and protection of life and health at work in order not to put in danger his life and health or life and health of others.
- The third party will make effort to establish mechanisms that will prevent discrimination, harassment, sexual harassment and abuse at work and ensure equal treatment and equal opportunity for all. The service providers working in Serbia should follow the procedure laid out by the national legislation regulating the area of discrimination, harassment and equal opportunity.
- Project workers have the right to form or join union or other organizations of their choosing and to bargain collectively, in accordance with the national legislation. The employer (third party) will not interfere with the worker's right to choose the organization or opt for an alternative mechanism to protect their rights regarding working conditions and terms of employment.
- The project worker will be able to raise his/her grievances using the grievance mechanism defined in section 8.10.

8.9 Grievance Mechanism for Workers

The LL does not foresee grievance mechanisms as mandatory practice but provides for judicial protection of employees in case of unfair or unlawful employment relationship practices instead. Any employee may refer to trade union or other representative labor organization for help in handling any disciplinary or grievance action. The Employer should not prevent any project worker from seeking assistance or advice in such situations. The Law on Peaceful Settlement of Labor Disputes allows for settlement of both individual and collective grievances and claims arising from the employment

relationship and work situations without referring to judiciary through mediation of mediators and arbiters and agreement of the parties involved. On the contrary, the Serbian legislation relating to prevention of discrimination, sexual harassment and abuse at work and combating corruption is much more specific and is aligned with the above stated requests laying out clear procedures to be followed in any case of discriminatory actions, unjust treatment or concerns over non-compliance with the law.

The law on civil servants addresses the grievance mechanism in such a way to provide for employment relations and workplace dispute resolution through the Appeals Commission housed within the institution providing employment.

The above stated mechanisms provided by the Serbian legislation are considered as minimum standard to be achieved in addressing labor dissatisfaction and perceived maltreatment. Any third party employing and engaging contracted workers are expected to design and implement grievance mechanisms that will be aligned or surpass this standard ensuring an easy access to protective measures and effective remedial actions in work situations that may give rise to grievances and disputes.

For direct workers employed or engaged by MAFWM or MF (PMT, CFU) not subjected to the Law on Civil Servants, a special GM should be conceived and housed by the PMT within MAFWM. This GM shall both serve as workplace and dispute resolution instrument for direct workers and contracted workers in case that no GM exists with the third parties employing or engaging them. Grievance mechanisms should address workplace concerns specifying procedures as to whom a project worker should lodge the grievance, the time frame for receiving a response or feedback and steps to refer to a more senior level, while allowing for transparency, confidentiality and non-retribution practices

The mechanism should foresee the procedure that at least:

- ✓ Specifies to whom the employee should lodge the grievance;
- ✓ Refers to the time frame allowed for the grievance to be dealt with;
- ✓ Allows the employee to refer to a more senior level within the organization if the grievance is not resolved at the lower level;
- ✓ Includes right to representation;
- ✓ Guarantees non-retribution practice;
- ✓ Does not impede access to other judicial or administrative remedies that might be available under the law or through existing arbitration/dispute resolution procedures, if the grievance is not resolved within the organization;
- ✓ Provides for anonymous complaints to be raised and addressed.

The project worker is entitled to give suggestions, remarks and information regarding health and safety at work. He/she may refuse to work if his/her life or safety is endangered or if appropriate measures for provision of health and safety at work are not in place. The project worker may express his/her concern or raise grievances to the appointed OHS officer or through the workers' representative in the Health and Safety Council if such exists in the company.

The project workers should be informed on available grievance mechanisms upon their employment or engagement. The information should be made available together with the notification on prohibition of harassment and protection of whistle blowers³⁸.

Contracted parties should demonstrate their willingness to implement these mechanisms, even if such requirement is not prescribed by any law of the domicile country.

The direct workers, as civil servants, are subject to the terms and conditions of the national legislation regulating their status. The grievance mechanism provided for by this legislation will be applicable to them.

8.10 Third party labor management

The implementation of the LMP begins with the tender procedure.

The Borrower will incorporate standardized environmental and social clauses in the tender documentation and contract documents, in order for potential bidders to be aware of the requirements to be met. The Borrower will also state that adherence to the national legislation regarding labor and employment relations and occupational health and safety is a prerequisite for participation in the project.

It should be made clear in tender documents that forced labor, child work or disguised employment are unacceptable and may be the ground for exclusion from the project. The requirements should also include ban to discrimination, harassment and gender-based violence.

The bidders will be required to submit a statement confirming their awareness of WB ESF standards, their firm compliance with the national labor and employment and occupational health and safety laws and labor management procedures in accordance with WB ESS2, and their willingness to refrain from any practice that can be interpreted or perceived as discriminatory or unfair to their employees and in breach of ESS2 requirements. The statement template is presented in **Error! Reference source not found.** The statement should be signed by the bidder's legal representative. The failure to submit such statement will exclude a bidder from taking part in bidding.

The Borrower will make reasonable efforts to ensure that the third parties awarded with the contract are reliable law-abiding entities who do not have history of disrespect for labor law, unresolved labor disputes or frequent work-related accidents. The Borrower's Procurement Department should exercise due diligence in evaluating the reliability of the third parties.

The contract to be made with the selected third party will incorporate terms and conditions of this LMP as the minimum standard provided for the project workers employed or engaged by the third party.

During the implementation of the contract, the third parties engaging/employing project workers will have to submit quarterly reports presenting their compliance with the LMP. The report should include the number and status of project workers, the number of hired and terminated employees in the given period, the number of hours worked, overtime, regularity of payment, OHS issues (injuries and fatalities, if any), safety measures, grievances raised and resolved, training provided/attended, incidents of non-compliance with the law or the LMP.

³⁸ Such notification is the employer's obligation stipulated by Law on the Prevention of Harassment at the Workplace (2010), Rulebook on Conduct of Employers and Employees in Relation to Prevention and Protection from Harassment at Work (2010) and Law on Protection of Whistle Blowers (2014),

In case of any inconsistencies or departure from the required standards and practice, the contracted parties will be asked to present a detailed report. Depending on the gravity of a situation or malpractice, the Borrower may decide to inform the Labor Inspectorate on suspected transgressions.

The Head of PMT and the Environment and Social Safeguards Specialist will monitor the performance of third parties to ensure their compliance with the LMP.

8.11 Community workers

No community workers will be engaged for this project.

8.12 Primary supply workers

There will be no primary supply workers involved in the project.

9 ESMF IMPLEMENTATION ARRANGEMENTS

9.1 ESMF Process Flow at the Project Level

With regards to ESMF implementation, MAFWM PMT will: (i) support the Grant Coordinator and Technical Assistance providers with information and capacity building (ii) environmental and social screening and evaluation of grant proposal eligibility from the E&S point of view; (iii) communicate and coordinate with ESA competent authorities (Committee on Environmental Protection); (iv) ensure proper implementation of the ESMP and ESMP Checklist requirements as well as social due diligence tasks during the subprojects' realization; (v) address complaints and feedback from project stakeholders and the public, including grievances regarding environmental/social impacts of subprojects; (v) supervise (independently or jointly with the State Ecological Inspectorate) environmental protection and mitigation measures stipulated in the ESMPs; (vi) monitoring of environmental impacts as part of overall monitoring of the subproject implementation; and (vii) reporting on environmental and social impacts originated during implementation of subprojects and analyzing the efficiency of mitigation measures applied to minimize negative consequences. Together with subproject implementors and beneficiaries, MMAFWM PMT and the Grant Coordinator are responsible for the implementation of above activities.

To implement the ESMF the project team will follow the below described Process Cycle by Sectors.

Table 7. Process Cycle by Sectors, for the implementation of ESMF

	Activity	Primary	Secondary
1.	Capacity building of the PMT and implementing partners on the new ESF standards application	WB E&S specialist	MoAFWM PMT
2.	Incorporation of E&S requirements and guidelines (including the list of subproject ineligible for grant support)	DAP and PMT	CFU
3.	Preparation, internal approval, Clearance and approval of the Grant Operational Manual	PMT WB SCAP TTLs	WB E&S Specialist

3	Preparation, internal approval, Clearance and approval of the Project Operational Manual	PMT WB SCAP TTLs	WB E&S Specialist
4.	Incorporation of the E&S requirements and guidelines into the Grant Application Packages	Grant Coordinator	PMT, DAP, E&S Specialist
5.	Stakeholder Engagement Plan Implementation	PMT	E&S Specialist Extension Services TA providers
6.	Orientation of Business on the Grant packages requirements and training on new ESF requirements	Grant Coordinator MAFWM PMT E&S Specialist	
7.	Establishing GM	PMT/DAP	
8.	Outreach on grant application procedures, eligibility criteria and the E&S requirements	PMT	
9.	Grant application support, including the E&S requirements guidance	PMT	Extension Services/TA providers
10.	First screening of grant proposals received for eligibility, including E&S risk assessment	PMT/MAFWM Selection Committee	Extension Services/TA providers
11.	Development of ESS instruments (site specific ESMP if needed)	Grantee	Extension Services/TA providers
12.	Second screening of grant proposals and business plans received for approval	PMT /E&S specialist	MAFWM PMT E&S Specialist
13.	Quality control and submission of ESS instruments to the WB	MAFWM PMT E&S Specialist	WB E&S Specialist
14.	E&S screening Checklist verification for awarded grant sites	PMT	Extension Services/TA providers

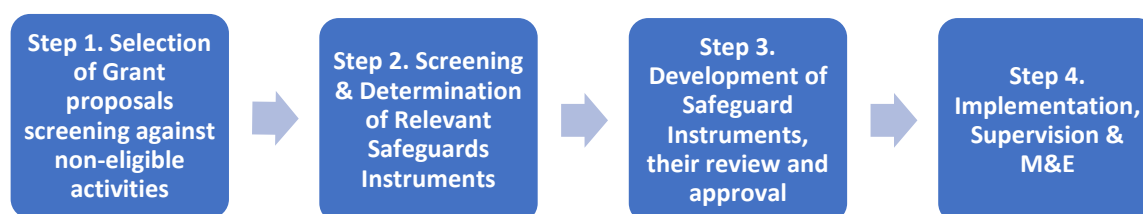
15.	Development of ESS instruments (site specific ESMP if needed)	Grantee	Extension Services/TA providers
16.	Implementation of ESMPs	Grantees	Subcontractors
17.	Monitoring and reporting on ESMP implementation	PMT TA PMT E&S Specialist	
18.	Supervision of ESMP implementation	PMT	

The ESMF has checklists for determining where and when site specific Environment and Social Management Plans (ESMPs) will be necessary.

The Environmental and Social Management Plan (ESMP) will identify feasible and cost-effective measures that may reduce potentially substantial adverse environmental and social impacts to acceptable levels. The ESMP divides the project cycle into three phases: construction, operation and decommissioning. For each phase, the project team identifies any substantial environmental and social impacts. For each impact, mitigation measures are to be identified and listed. Estimates are made of the cost of mitigation actions broken down by estimates for installation (investment cost) and operation (recurrent cost). The ESMP format (enclosed in Annex XVII) also provides for the identification of institutional responsibilities for "installation" and operation of mitigation devices and methods. To keep track of the requirements, responsibilities and costs for monitoring the implementation of ESMP, a Monitoring Plan will be applied.

The ESMF also contains generic ESMP checklists (see Annex VII) for each type of small-scale construction envisaged by the project, namely local roads improvement and maintenance, maintenance of water resources and water supply networks, waste disposal, and other investments that improve local living conditions, including those related to social infrastructure.

9.2 ESMF Process Flow at the Grant Level



9.3 Selection of Grant proposals

9.3.1. Environmental and Social Screening Process (Step-by-Step)

The main purpose of the screening process is to determine the potential adverse E&S impacts of the proposed sub-projects and based on these to determine the appropriate risk category (according to ESF).

Based on the assigned risk category, it will be determined the type of E&S management tool to be implemented: site-specific ESMP or site-specific EMP Checklists.

Step 1. Applicant prepares necessary documentation and obtains necessary permits

Applicant shall be responsible to prepare the required documentation and confirmation that all permits necessary for the proposed sub-projects have been obtained from responsible authorities as prescribed by appropriate local legislation and in line with the World Bank procedures, as described in this paper.

Within the application process, the following data and documents need to be collected and submitted to PMT for review:

- Sub-project description and/or brief note on the existing activities;
- Information on the site of existing or planned activities;
- All permits and approvals obtained for the existing or planned facility/activity by the application time;
- Information on any previous complaint related to applicant's previous or current activities, to the extent possible.
- Completed Environmental and Social Screening Checklists (Annex to this document)
- Written statement made under material and criminal responsibility that the applicant will comply with all the provisions of Entity laws on labor and protection at work (Annex F to this document)
- Confirmation by relevant Tax Authority that all current workers are regularly registered with pension, disability and health insurance (Confirmation on Paid Contributions).

PMT would work closely with the potential applicant on environmental and social documentation and provide proposals/advices.

The Applicant shall be obliged to contact line Ministry of Environmental protection in order to fulfil all the requirements of local legislation. The line Ministry would determine if full EIA is needed or not. The Applicant would forward line Ministry's opinion to the PMT.

In case the sub-project requires Environmental Permit (whether EIA is required or not), the Applicant shall prepare all necessary documents³⁹ and submit Environmental Permit application to the line Ministry.

The Applicant shall be obliged to forward to PMT all necessary information, including the obtained permits.

Step 2. PMT Performs Screening

PMT evaluates the sub-project based on the Environmental and Social Screening Checklist (Annex 4). The Checklist presents simple tool for identification of Project-related potential environmental and

³⁹ If needed, Applicant may hire experts/consultants to prepare necessary documentation.

social impacts. This would also help simplify decision-making process whether the project can be financed, or it is on elimination lists, as well as whether ESMP is needed.

PMT first determines sub-project category depending on its type, location, sensitivity and scope, nature and intensity of environmental and social potential risks and impacts.

The sub-projects shall be categorized as follows:

- Category 1 – low risk projects (sub-projects expected to have negligible environmental and social impacts with no need of environmental impact assessment);
- Category 2 – moderate risk project (sub-projects with impacts which can be identified easily and for which standard preventive and/or corrective measures can be prescribed without environmental impact assessment. Mitigation measures are standard and usually involve only good maintenance measures or good engineering practices);
- Category 3 – substantial risk projects (sub-projects which may have potential and very substantial or irreversible environmental and social impacts, scope of which is very difficult to determine in project identification phase);
- Category 4 – high risk projects (sub-projects or enterprise engaged in manufacturing or use of hazardous or illegal material) – **not eligible for SCAP**

For categorization purpose, PMT shall identify if the potential Applicant is engaged in manufacturing or certain forbidden products/material or in forbidden activities as specified in the Project/Activities Elimination List (List of Non-eligible activities). Each existing enterprise or proposed sub-project which would involve such activities or products shall be considered ineligible for financing under the Project.

If it is established that the sub-projects meet one or more criteria assessed as “substantial impact” or “high impact”, PMT would assign Category 3 and 4 (substantial and high risk, respectively). **Category 4, high risk projects, will not be eligible for financing.**

Sub-projects with “moderate” (limited, temporary or easy to avoid or mitigate) risk, shall be assigned Category 2 (moderate risk). Sub-project with minor or negligible risk, so that special environmental/social mitigation measures are not needed, shall be assigned Category 1 (low risk).

For the activities with limited and site-specific impacts (Category 2 – moderate risk and Category 3 – substantial risk), PMT would require the Applicant to develop a site-specific ESMP. For sub-projects with many aspects assessed as “moderate impact”, or PMT assesses that they present potential environmental and social risk, development of full and comprehensive ESMP is recommended.

For sub-projects with negligible E&S potential impacts (Category 1 – low risk), PMT would require the Applicant to develop a site-specific ESMP Checklist.

Step 3. Applicant Prepares ESMP

Applicant shall be responsible to prepare an ESMP. The PMT may help the applicant to prepare ESMP. Unless the Applicant prepares ESMP, the sub-project would not be eligible for Project financing.

ESMP should contain detailed information on:

- a. Measures to be taken during implementation of certain sub-project in order to eliminate or compensate adverse environmental and social impact or reduce it to an acceptable level,

- b. Actions necessary to implement the said measures.

Model ESMP in line with the World Bank requirements is provided in this document.

If the Applicant is obliged to prepare environmental documentation pursuant to national legislation, such documentation can be used for ESMP preparation. PMT should compare environmental documentation prepared pursuant to national requirements with the World Bank requirements related to ESMP preparation in order to ensure minimum consistency in terms of: (a) defining the same priority environmental protection issues, mitigation measures and responsibility of implementation, (b) monitoring program, (c) environmental management institutional arrangements.

Applicants shall be responsible for site-specific ESMPs, implementation of which shall be supervised and monitored by the PMT.

For substantial Risk sub-project proposals an Environmental and Social Management Plan (ESMP) (see ESMP Report Outline presented in the Annex 18) will be required to identify, evaluate and to prevent potential environmental and social risks and impacts. The mitigation measures for the defied impacts and risks will be incorporated into the project design of the ESMP.

The purpose of the ESMP is to predict potential effects and improve the environmental and social aspects of subprojects by minimizing, mitigating or compensating for negative effects.

Simple Environmental and Social Management Plan Checklists will be used for Low Risk subprojects that are likely to no environmental and social impacts, and that are typical for small scale construction and rehabilitation investments.

To address potential environmental and social impacts in the case of rehabilitation of social infrastructure facilities it is proposed to use an ESMP Checklist, which was designed for a project in Serbia and which is fully applicable for the similar works in Serbia. Those projects related to the description of ESMP Checklists should be presented only in relation with LOW RISK sub-projects.

The ESMP Checklist has three sections: (a) *Part 1* constitutes a descriptive part ("site passport") that describes the project specifics in terms of physical location, the project description and list of permitting or notification procedures with reference to relevant regulations. Attachments for additional information can be supplemented if needed; (b) *Part 2* includes the environmental and social screening in a simple Yes/No EMS format as well as specifies mitigation measures; and (c) *Part 3* is a monitoring plan for activities carried out during the rehabilitation activities.

For all projects that would require an ESMP should be organized local public consultations. For that purpose, it is necessary to disclose in advance the ESMP document (about two weeks) in on the MAFWM PMT website as well as providing hard copies to local public administrations and key interested parties (environmental authorities). During the consultations, the subproject applicants will register all comments and suggestions on improving the ESMP documents and will prepare relevant reports to be included in the final version of the ESMP documents. Furthermore, other specific information related to the project activities and ESMP should be also publicly available on-line on the MAFWM PMT website. Based on that the public consultation can be done virtually receiving relevant questions/proposals on-line and taking them into consideration while finalizing the s ESMPs.

Table 8 indicates the process flow for the ESF instruments development:

Table 8. Environmental and Social Instruments Development for Grant Program

Step 1.	<p>a) PMT/ performs screening of the subproject with regard to prohibited/excluded activities;</p> <p>b) If the subproject passes the screening for the list of prohibited/excluded activities, PMT specialists assist Extension Service and Technical Assistance Provider to complete <i>Section 1</i> of the Environmental Screening table;</p> <p>c) Based on the Environmental and Social screening Checklist, the environmental category and the type of EA to be conducted is determined—either an ESMP Checklist or an ESMP;</p> <p>d) d) The results of the screening, including potential negative impacts and possible measures to mitigate impacts, are presented to the PMT/ Grant Coordinator</p>
Step 2.	<p>a) If the subproject requires a complete ESMP it should be referred to MAFWM PMT for further action.</p> <p>b) For <i>Substantial and Moderate Risk subprojects</i>, MAFWM PMT specialist notes potential environmental risks and indicates how they will be prevented/mitigated in the Environmental Screening Table</p>
Step 3.	If the subproject is selected for funding, PMT E&S specialist assisted by the Extension Service and Technical Assistance Provider is to prepare the ESMP or ESMP Checklist, if needed;
Step 4.	PMT submits the draft ESMP or ESMP Checklist for No Objection to the WB
Step 5.	PMT assisted by the Extension Service and Technical Assistance Provider will organize disclosure of the draft ESMP and organizes a public consultation, involving NGOs, community representatives, affected groups, etc. Formal minutes will be prepared to record inputs provided by the participants.
Step 6.	PMT discloses the ESMP
Step 7.	Extension Service and Technical Assistance Provider and grantee can proceed to implementation once the ESMP or ESMP Checklists are completed and updated based on community consultations, approved by the WBs,
Step 8.	<p>a. The subproject applicant will submit the full set of environmental documents for consideration and further decision on funding;</p> <p>b. Upon approval of subprojects, PMT will complete subproject appraisal and proceed with signing of the financing agreement with respective subproject beneficiaries.</p>
Step 9.	Extension Service and Technical Assistance Provider, Field Coordinators, and PMT E&S specialist conduct periodical supervision, monitoring and reporting, as per agreed monitoring plan.

ESMP Review Process

As explained above, a site-specific evaluation will be conducted in accordance with the WB’s Environmental and Social Framework (ESF), and site-specific ESMPs will be prepared as a result of such evaluation. These will be the responsibility of MAFWM PMT, which will be supported by the Enablers and Field Coordinators. Typically, the ESMP or ESMP checklist should be a part of the grant proposal package and must form an annex of bidding documents for any construction contract. Labor management procedure will also form a part of bidding documents for construction contract. Implementation of ESMP on the ground will be the part of the construction grantee’s task, however in case of any non-compliance; MAFWM PMT through Advisory Services will still be expected to take corrective action as the primary responsible party. Distribution of the responsibilities of all parties involved in the project is given in Table 12.

The preparation and implementation of ESMPs is expected to cost only a small fraction of design and construction cost, as most mitigation measures will be very generic, off-the-shelf, and implementable without specialized skills, experience or equipment. MAFWM PMT will submit site specific ESMPs to WB for prior review. When the WB is confident that MAFWM PMT has demonstrated that the process is accurate, WB will transfer this prior review to post review.

Table 9: Roles and Responsibilities in ESMP Review and Implementation

Responsible Party	Responsibilities
World Bank	<ul style="list-style-type: none"> Review, approve and disclose ESMF and SEP on WB's official website.
Responsible Party	Responsibilities
	<ul style="list-style-type: none"> Review the site-specific ESMPs and provide no objections to PMT. Conduct implementation support and supervision missions in order to ensure that the Project is in compliance with WB ESF requirements and standards.
PMT	<ul style="list-style-type: none"> Prepare and implement the ESMF, SEP, and submit for Bank approval Disclose the ESMF, SEP on PMT website Prepare ESMPs according to ESMF a Submit ESMPs to the WB for prior review. Perform the quality control and review of ESMPs Disclose ESMPs on the official website of MAFWM PMT and incorporate ESMPs and LMP to bidding documents. Assign field specialists for the environmental and social monitoring. Monitor implementation of labor management procedures Perform inspections of the implementation of ESMP by the construction contractor, make recommendations and decide whether additional measures are needed or not. In case of non-compliance, ensure that the contractor eliminates the noncompliance and inform the WB about the noncompliance. Prepare, update and implement a Stakeholder Engagement Plan (SEP) that considers vulnerable groups in addition to paying attention to the gender aspect of the Project, Set up a GRM, monitor and address grievances related to the project under specified timelines. Provide guidance to the Grant Coordinator, Extension Service and Technical Assistance Provider on E&S Risk prevention and mitigation measures. Summarize the environmental and social issues related to project implementation to WB in regular progress reports. Be open to comments from affected groups and local environmental authorities regarding environmental aspects of project implementation. Meet with these groups during site visits, as necessary. Coordinate and liaise with WB supervision missions regarding environmental and social safeguard aspects of project implementation. Conduct regular monitoring activities for the implementation of site specific ESMPs and RAPs
Grant Coordinator	<ul style="list-style-type: none"> Manage the grievance mechanism at the grantee level; communicate grievances to PMT regularly through monitoring reports. Monitor site activities on a regular basis (weekly monthly etc.) Include ESMP progress summary into the regular reports to be submitted to the F PMT.
M&E PMT Staff	<ul style="list-style-type: none"> Ensure that ESMP is implemented correctly and in a timely manner by the contractor. Perform environmental and social monitoring as defined in ESMF and subproject specific ESMPs Collect information on environmental and social issues for Grant Coordinator's progress reports submitted to the PMT and make sure that these are all compliant with the Bank's requirements.
Grantees	<ul style="list-style-type: none"> Implement ESMPs on project sites Report on regular basis on the ESMP Flag any unexpected environmental and social issues during implementation.

Step 4. Sub-Project Approval and Monitoring

PMT shall be responsible of review and approval of environmental documentation. For sub-projects subject to ESMP as a result of limited and site-specific impacts, ESMP shall be approved by PMT, and certain number of selected applications shall be approved by the World Bank team. Sub-project shall be eligible for financing only after ESMP approval. ESMP approval shall follow public disclosure and completion of public consultations, as described in detail in the Section 6 of this document.

PMT would include in each sub-project financing agreement, the Applicant's obligation to comply with the requirements specified in the ESMP. The Applicant would be required to invest all efforts to ensure sub-project implementation in environmentally and socially acceptable manner.

Monitoring and Reporting

PMT shall monitor implementation of this Framework, both at overall Project level and individual sub-projects level. Within its usual monitoring activities, the PMT shall perform monitoring (including on-site monitoring, as needed) to ensure that Applicants comply with their grant agreement obligations.

Applicant's labor management compliance with local legislation on labor and safety at work shall be monitored based on brief Report on Compliance with Legal Obligations Related to Labor, which shall be submitted on annual basis by the applicant to PMT. Template of the Report is provided in the Annex.

Particularly, PMT shall monitor:

- Number of received and approved applications;
- Participation of SMEs managed or established by women or youth (SME breakdown by manager/founder gender/age);
- Number of received complaints (see Section 6.8 of the Project Grievance Mechanism);
- Regular submission of Annual Reports on Implementation of Activities and Spending (on annual basis).

PMT shall establish and maintain records on information and engagement of all stakeholders, which records would as a minimum contain the following information:

- List of disclosed relevant documentation,
- Summary of received comments and public opinion,
- Summary of how general public comments and opinion are addressed;
- Date and place of each public consultation with specified purpose of the consultation, minutes, number and list of participants,
- Issues to be addressed in the next period,
- Form of engagement and communication (e.g. written communication, public consultations, extraordinary communication as a result of occurred changes) specifying its purpose (e.g. to inform stakeholders on certain change in the Project),
- Number of stakeholders' complaints related to the communication (with gender breakdown) and number of complaints which resulted with positive outcome,
- Number of received and approved applications (broken down by SME and intermediary owner/manager gender),
- Number received and addressed complaints and grievance redressing timeframe,

PMT would report on regular basis to the World Bank on sub-projects screening, approval and monitoring results.

Monitoring Plans

The environmental and social issues included within the mitigation measures are monitored by the local specialists and supervised by the MAFWM PMT. Although the environmental and social impacts are expected to be low, the potential negative environmental and social impacts are planned to be prevented or mitigated during the construction and operation stages.

Environmental and social monitoring system starts from the grant preparation and implementation phases of through the operation phase in order to prevent negative impacts of the project and observe the effectiveness of mitigation measures. This system helps the WB and the Client to evaluate the success of mitigation as part of project supervision and allows taking an action when needed. The monitoring system provides technical assistance and supervision when needed, early detection of conditions related to mitigation measures, follows up on mitigation results, and provides information of the project progress.

Environmental and social monitoring to be implemented by the MAFWM PMT has to provide information about key environmental and social aspects of the subprojects, particularly the environmental and social impacts and the effectiveness of taken mitigation measures. Such information enables to evaluate the success of mitigation as part of project supervision and allows corrective action(s) to be implemented, when needed. In this regard the Monitoring Plan identifies monitoring objectives and specifies the type of monitoring, and their link to impacts and mitigation measures. Specifically, the monitoring section of the ESMP provides: (a) a specific description, and technical details, of monitoring measures, including the parameters to be measured, methods to be used, sampling locations, frequency of measurements; and, (b) monitoring and reporting procedures to: (i) ensure early detection of conditions that necessitate particular mitigation measures, and (ii) furnish information on the progress and results of mitigation. A Monitoring Plan Format is presented in the Part C of the ESMP Checklist enclosed in this document in Annex 9.

Monitoring and Reporting Responsibilities

Through the designated Enablers and Grant Coordinator's staff, the MAFWM PMT will monitor all subprojects that they finance to ensure conformity to safeguard requirements during construction, operation and maintenance. They will ensure full compliance with the contract conditions and the ESMP. Final payment to the grantee should be contingent on the final inspection, with particular attention to the requirement to restore the site to its original condition upon completion of rehabilitation activities.

The environmental monitoring of the rehabilitation sites will include regular observations of soil and water and vegetation within and around the rehabilitation sites; the involvement of the environmental inspectors in monitoring and evaluation will help in developing systematic environmental monitoring on rehabilitated sites.

MAFWM PMT's E&S Specialist will visit to subproject sites as and when necessary. Based on safeguard performance of different subprojects, they will advise on the subsequent disbursements that should be done for the grantees awarded a contract to implement subprojects under the CAP. If it is found that there is ESMF and/or ESF non-compliance, further disbursements will be stopped until ESSs compliance is ensured.

In addition, in the project areas the PMT will be responsible for the environmental and social monitoring activities identified above as part of the preventive actions and mitigation measures proposed to address potential adverse impacts. This monitoring will be incorporated into the overall project monitoring plan required by the World Bank as part of project performance.

As part of its environmental and social monitoring activities, the MAFWM PMT/GMC conduct random inspections of project sites to determine the effectiveness of measures taken and the impacts of sub project activities on the surrounding environment. The MAFWM PMT/GMC are also responsible for processing, addressing and monitoring complaints and other feedback, including that on environmental and social issues.

The MAFWM PMT will be responsible for ESMP reporting and will:

- Record and maintain the results of project supervision and monitoring throughout the life of the project. It will present summary progress reports on ESMF/ESMP implementation and the environmental and social aspects of subprojects on a semi-annual basis to the World Bank, and as a part of this reporting, provide updates on any CAP related as grievances/feedback that was received, that has been addressed and that may be pending.
- Prepare quarterly or biannual reports on the progress of implementation of measures proposed by the ESMP for selected subprojects;
- Prepare semi-annual reports on the environmental impacts originated during implementation of subprojects and analyze the efficiency of mitigation measures applied to minimize negative consequences;
- Prepare outlines and requirements for Contractors' reports on environmental protection and mitigation measures, and review Contractor's monitoring plan and reports
- Present the impact of mitigation and environmental and social protection measures for general public via specific publications or/and by annual public seminars.

9.3.2 List of Non-Eligible Activities

The determination of eligibility of the subproject will rely upon the screening against excluded activities that will be not be admitted as part of the Project. Any sub-project proposal founded on excluded activities as listed below will not be eligible.

List of Non-Eligible Activities for Grants

- Have negative environmental or social impacts, including cumulative impacts, that are irreversible or unmitigable, sub-projects categorized as high-risk;
- Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, ozone depleting substances, PCB, wildlife or products regulated under CITES;
- Production or trade in tobacco;
- Production or trade in wood or other forestry products other than from sustainably managed forests;
- Production, trade, storage, or transport of substantial volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals (gasoline, kerosene, and other petroleum products);
- Production and processing of genetically modified organisms (GMOs);
- Use of banned pesticides;
- Use of species provided in Appendix 1 to the Bonn Convention on International Trade in Endangered Species of Wild Fauna and Flora;
- Will cause high negative impact on income/livelihood resources;
- Involve any kind of forceful evictions of people;
- Exclude the poor/marginalized population or otherwise vulnerable groups;

- Do not provide equal pay for equal work for women and men;
- Include the payment of compensation for land or asset loss from the proceeds of the World Bank financing;
- Finance the construction of any new dams or the rehabilitation of existing dams including structural and or operational changes;
- Production or activities involving forced labor⁴⁰
- Involve activities that cause or lead to child abuse, child labor exploitation or human trafficking; No child under the age of 15 should work on sub-project
- Involve development of new settlements or expansion of existing settlements in critical habitats,
 - protected areas or areas proposed for certain levels of national protection (e.g., reserved forests).
 - Activities that include physical resettlement of people, loss of assets, limited access to assets or loss of sources of livelihood.

9.4. Institutional Arrangements and Capacity for ESMF Implementation

The following entities are the main pillars of CAP implementation: (a) MAFWM PMT, (b)MOF CFU, (c) Extension Services and Technical Assistance Providers, (d) Directorate for Agrarian Payment (e) Local Municipal Structures.

9.4.1 MAFWM PMT

Ministry of Agriculture, Forestry and Water Management (MAFWM) will be the implementing agency for the project will be the through the Project Management Team to be set up under the Directorate for Agrarian Payments (DAP). The implementation role will be supported by other relevant departments and units, namely Sector for Rural Development, Sector for Agrarian Policy, and Information Technology Group. A Project Management team (PMT) will be established to support project implementation and it will be placed with the Directorate for Agrarian Payments which is responsible for execution of the rural development investment support programs financed through the national budget and IPARD as DAP's capacity has been built over the past 10 years to meet the requirements of IPARD accreditation and within the MAFWM they are best positioned to support the implementation of the project's matching rural development grants program.

PMT will carry out day to day risk management actions and all necessary coordination with. MAFWM PMT will directly plan and implement social and environmental monitoring and reporting.

During project implementation, the PMT E&S specialist supported by Enablers will be responsible for:

- (a) Verifying environmental screening an evaluation of subproject eligibility from the environmental and social point of view;
- (c) ensuring proper implementation of the ESMP and ESMP Checklist requirements during the subprojects' realization;

⁴⁰ Forced labour means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty

- (d) addressing complaints and feedback from Project stakeholders and the public, including grievances regarding environmental/social impacts of subprojects;
- (f) monitoring of environmental and social impacts as part of overall monitoring of the subproject implementation;
- (g) reporting on environmental impacts originated during implementation of subprojects and analyze the efficiency of mitigation measures applied to minimize negative consequences.

The PMT will conduct regular supervision of environmental and social screening, documentation, and mitigation measures for project activities, and include the summaries of these supervision activities in its regular reports. The reporting requirements are set forth in the Project Operational Manual.

An M&E Unit will be established in MAFWM at the central level to oversee the M&E activities of the whole agricultural and rural development sector, including the Project. It is envisaged that the Unit will comprise of two staff members from Ministry's existing staff structure, and the Head of the Unit or Project Manager recruited (local consultancy) by the PHRD Grant. The M&E Unit at MAFWM will be supported by the Central Fiduciary Unit (CFU) An M&E specialist will be hired under the project (and be part of the PMT) to oversee project-specific M&E and will liaise with the M&E Unit of MAFWM.

The Directorate for Agrarian Payments (DAP), as a part of the Ministry of Agriculture Forestry and Water Management (MAFWM), is established by the Law on Agriculture and Rural Development (Official Gazette of the Republic of Serbia 41/09). The Directorate performs the activities related to the implementation of the subsidies program in agriculture, making calls for applications, decides upon the right to assistance, making payments to the final beneficiary, performs administrative and on the spot checks, establishes and keeps accounting records of contractual obligations and payments, implements international assistance to agricultural policy in the Republic of Serbia, and manages the Farm Register. The Directorate has extensive experience in implementing grants using both the IPA and national procedures, including experience in beneficiary outreach, awareness campaign. Despite the extensive experience DAP will need to be strengthened by a Grant Coordinator and a Grant Procurement Specialist, and active participation of commercial banks in the appraisal of sub-project proposals and possibly the help to review the proposals. Additional capacity needed to support the implementation of the investment loan financed by the Bank will be provided through the recruitment of consultants to form the PMT. It is envisaged that the PMT integrates into the current structures of the MAFWM and DAP to ensure longer term sustainability of built management capacity, as DAP will need to recruit additional staff in the medium to longer term to obtain accreditation for available IPARD measures (so far it has been accredited for only 2.)

9.4.2 MOF CFU

The Central Fiduciary Unit (CFU) housed in the Ministry of Finance will perform the fiduciary function for the project. The CFU was established within the Ministry of Finance in October 2017 to provide fiduciary support (procurement and financial management activities) to all World Bank supported projects in Serbia. The CFU is currently comprised of the following staff: Director, Head of Operations, Procurement Specialist and Financial Management Specialist. The CFU has an Operation Manual and is currently responsible for procurement and financial management of two WB financed projects (ECEC and TAMP) which share the CFU costs on a rotation basis. The Team will likely be strengthened with a Procurement Specialist and Financial Management Specialist. The CFU also supports project preparation process and will be guiding the MAFWM and DAP through the preparation of Project Procurement Strategy for Development (PPSD), Procurement Plan and Project Operational

9.4.3 Grant Coordinator

The Grant Coordinator will be responsible to implement the grants scheme and to ensure the supervision and good disbursement of the grants to targeted beneficiaries. The role of the grant manager will include (i) design, (ii) launch and (iii) monitoring of the calls for grants. Additionally, they would monitor program indicators, evaluate intermediary program results, and make recommendations for improvement in program implementation. They would develop annual work plans and progress reports and monitor the implementation of these plans. Ensure all deliverables are submitted to the Government of Serbia are of high quality and on time. Participate in regular field visits to the project areas to assure project progress towards activity objectives and goals.

As a part of the grant eligibility screening the Coordinator will check for accuracy of the grant proposal package and availability of the ESMP Checklist completed for the subproject. Also, it will submit progress reports on grants implementation, including the status of the ESMP implementation based on the reports submitted by the enablers.

9.4.4. Technical Assistance Providers

ToR, who will recruit them and how, how many of them etc. can consist of recognized international or local organizations that have experience in providing technical assistance in the agribusiness and tourism fields in Serbia.

The CAP team expects that enablers provide technical assistant to potential applicants and beneficiaries with three types of business development services:

- 1) pre-application services: outreach, identification, mobilization, support with registration and business plans, designs, feasibility studies, support with writing grant applications, E&S screening;
- 2) after care services: necessary technical assistance will be provided to beneficiaries to implement the grant, ESMP implementation; and
- 3) monitoring and evaluation of beneficiaries and ESMP implementation.

The Enablers in collaboration with local structures will carry out the day to day ESMF implementation actions in the target sites.

9.4.5 Local Governments

The local governments will play a key role in the project working with the communities, MOF PMT, Enablers and district authorities in subproject planning and implementation (including environmental and social screening). They will be required to assign the project focal point with the following responsibilities at the local level: (i) to support and represent the target communities in the subproject implementation process; (ii) to communicate to CFD complaints and grievances received from the project affected people, community members and sub-contractors; (iii) to provide timely support to the local stakeholders in developing grant proposals (including their compliance with environmental and social requirements), (iv) to inform MAFWM PMT about the subproject challenges faced in the target communities; (iv) to contribute to implementation of any ESF-related requirements; and (v) to coordinate with MAFWM PMT and other relevant stakeholders (line departments, utilities, NGOs).

9.5 Training and Technical Assistance

As this is the first project with MAFWM PMT prepared under the Bank's new Environment and Social Framework (ESF), the client's capacity to deliver an ESF based project is limited; therefore, capacity

building for the client including Grant Coordinator, Enablers and local structures will be included in the ESMF as well in other environmental and social instruments to be prepared during preparation and implementation.

To improve institutional capacities with regard to ESMF implementation the WB Environmental and Social Specialists will provide special training for the MAFWM PMT, Extension Services and TA service providers staff focused on: (i) Procedural aspects of ESA (stages, key actors, main responsibilities etc.); (ii) Assessment of environmental and social impacts potentially related to the subproject supported within the project; (iii) Consulting and approval of the ESA and monitoring plans; and (iii) preparing ESMP Checklist; (iv) Conducting field supervision and preparing progress reports.

Technical Assistance and capacity building support will be also provided to Grant Coordinator. The MAFWM PMT will procure the services of a Grant Coordinator and temporary processors, including engineers and/or specialists with experience in environmental and social impacts identification, mitigating measures. These specialists will verify ESMF implementation reports to be submitted by the Enablers and build their capacity on environmental and social management issues and possible mitigating measures.

9.6 ESMF Implementation Budget

In order to ensure successful ESMF implementation, a series of capacity building activities are necessary for which the project has to provide adequate funding. It is difficult to prepare budget for capacity building activities and trainings on this stage of ESMF preparation. Estimated budget for proposed institutional arrangements, capacity building activities and trainings will be updated in the procurement plan after the project be commenced.

9.7 Environmental & social training and capacity building

In the first 6 months of the start of the project, the PMT will prepare Guidelines, sector specific ESMPs, and will prepare capacity building manuals for end users and relevant stakeholders necessary for environmental & social enforcement and implementation.

Also, PMT will prepare an annual environmental/social training plan which will be agreed with the Bank. It will include information on the title of training, institution that shall provide it, timeline, cost, number, position and names of relevant people to be trained. The training plan shall be updated in agreement with the Bank through the duration of the Project at least annually or as required to reflect the actual project implementation needs.

With the aim of achieving as good environment & social protection as possible, the Contractors should enhance the proficiency of all employees through training and mobilization of all persons involved in the project.

All employees at the construction sites should be familiarized with:

- guidelines for the implementation of good construction practice,
- Environment Monitoring Plan requirements,
- their tasks and responsibilities for achievement of the conformity with Environment Monitoring Plan requirements,

- possible consequences in the case of breaching the established procedures,
- labor management procedures,
- grievance mechanism.

Supervising Consultants that supervises the works execution should have adequate qualifications, i.e. to have a diploma of a civil engineer with at least 5 years of experience in the supervising body activities execution.

To ensure that social risks are adequately managed, and social development opportunities enhanced, the PMT will deliver a series of relevant trainings, including and not limited to:

- targeting strategies to ensure that identified vulnerable groups including small producers, women entrepreneurs and youth adequately benefit from the project activities.
- screening criteria to mitigate negative risks (including resettlement) and enhance positive risks
- activities and strategies that are tailored to the specific needs of these groups

This will be delivered to relevant project implementors including the service providers and Grant Coordinator.

The PMT will also be expected to report specifically on the delivery of the identified targeted activities to the identified targeted groups.

1. Modes of Environmental & Social Training

A key concept in training programs is to provide training through a combination of formal classroom training and practical on-the job sessions. Technical assistance should be made available to provide training, guidance and advisory support in all aspects of works implementation in order that the key players (environmental/social as well as technical team) become fully conversant with, and capable of carrying out their respective duties. Training for the various categories of staff needs to be carried out with varying durations and through different approaches, such as on-site and classroom training, workshops, seminars and practical on-the- job training.

2. Capacity Building

Capacity building that will be taken into consideration, assessed, approved and prepared specific instruments for its implementation, are, but are not limited to:

1. Project Selection Workshops:

The main objective of Project Selection Workshops is to explore the opportunities of cooperation between the PMT and the potential applicant/applicants or applicant organizations, in order to introduce the SCAP project, explain the relevant procedures, E&S standards and their management, together with discussing and elaborating potential ideas of the applicants.

2. Perspective Building:

Perspective building workshops are held for the eligible and selected beneficiaries before the commencement of their projects. The purpose of the workshops is to identify the problems, understand and find solutions, develop strategies.

3. Review Workshops:

Review workshops include Monitoring management, Review of BAT/BAP, discussion of the present and future impacts of the Project, how it can be improved, etc. It will also assist the beneficiaries to better understand the role and responsibilities of relevant stakeholders.

4. ICT and Open data Training Workshop:

These workshops will assist the borrowers in the information acquiring, dissemination among other farmers and custom-made training manuals to assist the farmers in their use of modern technologies to raise the level of competitiveness of their production.

5. Leadership Training for Women:

In order to enhance the level of inclusion, decision making and applicants percentage being female, the PMT will custom make and organize specific leadership training for women.

6. Business development Training:

The borrowers that the project will support can belong to the grassroots and often lack expertise in areas like accounting, documentation and reporting which are essential to run successful projects. The Training Workshops focus on business plan development, risk assessment and mitigation, accounting, transparency and credibility. Training is imparted on basic book-keeping, internal control, income-tax, registration/prior permission, annual reporting, budgeting, documentation, annual return, etc.

7. Thematic workshops:

The thematic workshops include environmental enforcement and legislation, managing of packaging waste that becomes hazardous, measures for improvement of living conditions in rural areas, etc.

10 PROJECT SPECIFIC GRIEVANCE MECHANISM

A Project level grievance mechanism (GM) will be established with two main entry points for grievances: i) DAP's existing Information Centre for the national support program and ii) feedback space made available through the Open Data Platform developed by the project. To ensure GM access, potential beneficiaries, communities and other stakeholders may submit grievances through Local Governments and numerous Ministry channels as outlined below. The GM will provide the opportunity for continued feedback on the grant scheme and resolution of individual grievances

during implementation. Procedures related to complaints handling will be included in the Grant Operational Manual and posted on the MAFWM's website to ensure full transparency.

The GM shall serve as both Project level information centre and grievance mechanism, available to those affected by implementation of all Project sub-components and be applicable to all Project activities and relevant to all local communities affected by project activities.

The GM shall be responsible for receiving and responding to grievances and comments from following groups:

- i. Persons/legal entities directly affected by the project, potential beneficiaries of the Project,
- ii. Stakeholders - people with interest in the project,
- iii. Residents/communities interested in and/or affected by project activities,
- iv. Grantee workers and workers of project contractors (service providers)

Project grievance mechanism is applied to both Project Components and can be used by any person who believes that any of his/her right is or might be violated by the Project, including Applicant's workers.

The GM shall be effective prior to commencement of the Grant Program, in order to manage and appropriately answer complaints during its different phases. It will be authorized to receive questions/complaints in respect to the marching grant scheme, including the eligibility criteria, adequacy of support to women, adequacy of TA services, adequacy of stakeholder engagement and the Environmental and Social performance of sub-grants. In addition to the GM, legal remedies available under the national legislation are also available (courts, inspections, administrative authorities etc.). MAFWM is responsible for establishing a functioning GM and informing stakeholders about the GM role and function, the contact persons and the procedures to submit a complaint in the affected areas. Information on the GM will be available:

- on the website of the MAFWM ([http://www.minpolj.gov.rs/.](http://www.minpolj.gov.rs/))
- on the notice boards and websites of Local Governments,
- through the Ministry's social media account <https://twitter.com/poljoprivredars>.

10.1 Raising grievances

Effective grievance administration strongly relies on a set fundamental principle designed to promote the fairness of the process and its outcomes. The grievance procedure shall be designed to be accessible, effective, easy, understandable and without costs to the complainant. Any grievance can be brought to the attention of the GM personally or by telephone or in writing by filling in the grievance form by phone, e-mail, post, fax or personal delivery to the addresses/numbers to be determined. The access points and details on local entry points shall be publicized and shall be part of the awareness building once the micro locations of the Project are known.

10.2 Grievances administration

Any grievance shall follow the path of the following mandatory steps: Receive, Assess and assign, Acknowledge, Investigate, Respond, follow up and close out.

Once logged, the GM shall conduct a rapid assessment to verify the nature of grievances and determine on the severity. Within 3 days from logging it will acknowledge that the case is registered

and provide the grievant with the basic next step information. It will then investigate by trying to understand the issue from the perspective of the complainant and understand what action he/she requires. The GM will investigate the facts and circumstances and articulate an answer. The final agreement should be issued and grievant be informed about the final decision not later than 30 days after the logging of the grievance. Closing out the grievance occurs after the implementation of the resolution has been verified. Even when an agreement is not reached, or the grievance was rejected, it is important to document the result, actions and effort put into the resolution, and close out the case. If the grievance could not be resolved in amicable endeavor, the grievant can resort to the formal judicial procedures, as made available under the Serbian national legal framework. Logging a grievance with the GM does not preclude or prevent seeking resolution from an official authority, judicial or other at any time (including during the grievance process) as provided by the Serbian legal framework.

In case of anonymous grievance, after acknowledgment of the grievance within three days from logging, the GM will investigate the grievance and within 30 days from logging the grievance, issue the final decision that will be disclosed on the PMT's website.

The GM shall keep a central grievance register log, which will include grievances received through all admission channels, containing all necessary elements to disaggregate the grievance by gender of the person logging it as well as by type of grievance. However, the personal data of each Grievant shall be protected under the Data Protection Law. Each grievance will be recorded in the register with the following information at minimum:

- description of grievance,
- date of receipt acknowledgement returned to the complainant,
- description of actions taken (investigation, corrective measures),
- date of resolution / provision of feedback to the complainant,
- verification of implementation, and
- closure.

10.3 Grievance and beneficiary feedback reporting

The role of the GM, in addition to addressing grievances, shall be to keep and store comments/grievances received and keep the Central grievance log administered by the MAFWM. In order to allow full knowledge of this tool and its results, quarterly updates disaggregated by gender, type of grievances /complaints, from the GM shall be available on the MAFWM website and will be presented at annual regional workshops used to proactively generate feedback from stakeholders.

10.4 Constitution of GM

MAFWM will add the role of GM for this Project to DAP's Info Centre for Grants by the time public consultations on this SEP have been completed. This will allow any potential grievance to be addressed even at the planning stage. The info Centre will be responsible for GM administration, take any action necessary to address the grievance and inform the complainant about the outcome of the process, and maintain an exhaustive data base of stakeholders, their responsible persons and representatives.

Figure 1: Grievance Value Chain

	Grievance Mechanism (GM)
Level	At the level of MAFWM i.e. DAP`s Info Centre
Role	Project information center and grievance mechanism related to Environmental and Social Performance of the Project eligibility criteria or lack of adequate information sharing or inequitable access to TA and Extension Services
Focus	All components of the Project
Responsibility	Addressing concerns and grievances from potential beneficiaries of the Project and other interested parties
Methods for raising grievances	Grievances can be logged in writing, by e-mail or phone at the GM or at the Local designated Grievance admission points at local Municipalities
Registry of Grievances	GM Registration Log
	Central Grievance Log administered by GM
	Local Grievance Logs at local entry points
Administration of Grievances	The GM shall, within three days after the day of receipt, acknowledge such receipt and take 30 days to decide on the grievance or to inform the complainant why the grievance cannot be resolved within the given time.
Reporting	GM shall keep and store all grievances in a Central Grievance Log and publish quarterly reports on the PMT website and at annual regional workshops. Workshops will be used to pro-actively generate feedback from stakeholders

Grievances may arise from members of communities who are dissatisfied with eligibility criteria use and actual implementation. The existence of a GM should not prevent citizens or communities from pursuing their rights and interests by seeking redress through the courts, administrative law procedures, or other formal dispute resolution mechanisms available.

10.5 Grievance Log

The Info Centre will maintain grievance log to ensure that each complaint has an individual reference number and is appropriately tracked, and recorded actions are completed. When receiving feedback, including grievances, the following is defined:

- Type,
- Category,
- Deadline for resolving the appeal, and

- Agreed action plan.

Each complaint should be assigned with an individual reference number and is appropriately tracked, and recorded actions are completed. The log should contain the following information:

- Name of the grievant, location and details of the grievance.
- Date of submission.
- Date when the Grievance Log was uploaded onto the project database.
- Details of corrective action proposed,
- Date when the proposed corrective action was sent to the complainant (if appropriate).
- Date when the grievance was closed out.
- Date when the response was sent to the grievant.

10.6 Grievance admission channels

Any grievance can be brought to the attention of the GM by filling the grievance form in hard copy or on-line, or in any other format as chosen by the grievant. The Grievance form is provided in Annex 1.

Any type of grievance can be submitted by mail, fax, phone, e-mail or in person using the below access details:

Ministry of Agriculture, Forestry and Water Management

Directorate for Agrarian Payment, Info Centre

No: 22-26 Nemanjina Street

11000 Beograd

10.7 Monitoring and Reporting on Grievances

The Info Centre will be responsible for:

- Collecting data from local Extension Services serving as local admission points on the number, substance and status of complaints and uploading them into the single regional database;
- Maintaining the grievance logs on the complaints received at the regional level
- Monitoring outstanding issues and proposing measures to resolve them;
- Disclosing quarterly reports on GM mechanisms.
- Summarizing and analyzing the qualitative data received from the local Grievance Admission points on the number, substance and status of complaints and uploading them into the single project database;
- Monitoring outstanding issues and proposing measures to resolve them;

The quarterly reports to the WB shall be submitted through the PMT, which shall include a section related to GM which provides updated information on the following:

- Status of GM implementation (procedures, training, public awareness campaigns, budgeting etc.);
- Qualitative data on number of received grievances \ (applications, suggestions, complaints, requests, positive feedback) and number of resolved grievances;
- Quantitative data on the type of grievances and responses, issues provided and grievances that remain unresolved;
- Level of satisfaction by the measures (response) taken;
- Any corrective measures taken.

10.8 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.

11. PUBLIC CONSULTATIONS AND DISCLOSURE

On October 11, the draft ESMF, Stakeholder Engagement Plan and draft Environmental and Social Commitment Plan for SCAP were disclosed and made available to the public in a Serbian language on the MAFWM website <http://www.minpolj.gov.rs/obavestenje-2/> and in printed version at the joint access office of the Ministry in No. 22-26, Nemanjina Street. Public consultations were announced in newspapers with national coverage (Blic, daily newspaper) on October 14, 2019. The public consultations on the three documents were held on October 23, 2019. in "Klub poljoprivrednika" (Farmer's club), No. 84, Bulevar kralja Aleksandra, the Ministry of Agriculture, Forestry and Water Management premises in the city of Belgrade.

Total number of attendees was 19, coming from relevant national and local institutions, environmental and social non-government sector, farmer's representatives, regional development agencies, etc. Once the Consultations have been completed, Minutes of the Meeting was prepared and included in below. The prepared Minutes reflected feedback received from the audience, questions raised and all of this is incorporated into the final document. The attendance of Stakeholders verified through a signed attendance list (with contact details of the attendees) with permission to disclose. The ESMF with incorporated comments and outcome of the consultation shall be reviewed by the WB, and upon final No Objection disclosed in its final form and kept in public domain throughout the life of the Project.

Discussion/questions from the audience were:

- *Mr. Milan Markovic, environmental non-government organization representative:*
 - 1) The project should take into consideration the development of the relevant missing legislation that manages the environmental standards in agriculture (for example, the Rulebook on chemicals and biocides hazardous waste management in rural areas in agriculture).
 - 2) Having in mind the ban of the EU for one-time use plastics, the project should support the local farmers that have the traditional production and crafts so that they could be innovative and start producing, for example, wooden straws instead of plastic ones.
 - 3) The dissemination of information, knowledge and experience on the local level, by the project, should be carefully taken care of.

- *Mr. Nenad Manic, Agriculture chamber of farmers representative:*
 - 1) Huge national problem for farmers, especially small and medium ones, is the social and pension tax that has not been paid by the farmers to the State. Almost 2 billion euros is the matter of the debt. This can be an issue for the farmers who wish to apply for the grant by the project, if they cannot submit to the Bank the "NO DEBT" tax certificate. This requires national approach and solution,
 - 2) Regarding the waste management in agriculture, the farmers have been proposing the depository system for the packaging that becomes the hazardous waste, and in some future legal amendments, this could be proposed as a solution.

The final English version will be published on the WB website, and local language version will be published on the website of the Ministry.

ANNEX INTRODUCTION AND OVERVIEW

We have provided the ESMF with the following samples of documentation:

- Examples of adverse environmental and social risks and impacts and proposed mitigations measures
- The Questionnaire in order to determine whether the project is excluded or not from financing
- The Questionnaire in order to understand the level of E&S risks
- The Generic list of E&S risks with generic mitigation measures
- The Generic list of low, moderate and substantial environmental risks that do not or do have an EIA mandatory
- ESMP example model: 1) General project data, 2) E&S screening, 3) Mitigation measures, 4) Monitoring plan
- Sample screening checklist for the annual environmental & social report

The results of the screening may constitute the following:

1. Approved without additional requirements.
2. Approved with use of readymade EMP.
3. Approved with requirements to produce specific ESMP for this grant.
4. Approved with requirements to produce specific ESMP for this grant.
5. Not approved.

Besides these most relevant Annexes for the ESF, the Annexes contain as well:

- Labor and working conditions compliance report
- Occupational health and safety report
- Compliance statement template for service and goods (ICT) providers
- Contents of the ESMP checklist
- Template for grievance redress log
- Statement of legal and regulatory compliance
- Serbian legislation – EIA management and list for which full EIA is mandatory
- Scenarios on future climate change with projections
- List of consolidated regulations
- List of key sector international treaties and convention ratified by the Republic of Serbia
- The competencies of the provincial government of Vojvodina in terms of environmental protection

ANNEX I EXAMPLES OF ADVERSE ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS AND PROPOSED MITIGATIONS MEASURES

1. Mitigation measures

1.1. General

The environmental impacts identified at this stage are preliminary in nature and will need to be further elaborated specifically (subproject wise) and potential for occurrence has to be ascertained during further stages of subproject design and implementation.

This section details out the potential environmental impacts of the sub-projects funded by WB under CAP.

The overall mitigation measures will broadly fit in the following strategies:

- Impact avoidance, adjust project tasks if necessary
- Impact minimization: where impacts cannot be avoided, implementing mitigation measures to reduce the impact to acceptable levels.
- Compensation: where impacts cannot be avoided or sufficiently mitigated, arranging compensation.
- Enhancement: measures, which, at little cost to the project, give appreciable environmental benefits.
- Information, training and awareness rising in regard to BAT/BAP from the WB, WHO, FAO, EU and national legislation

Mitigation measures will be considered starting with the Environmental Assessment process. Impacts identified severe in consequence category and or likelihood category will be further analyzed to identify additional mitigation measures that are potentially available to eliminate or reduce the predicted level of impact. Potential mitigation measures will include:

- habitat compensation program
- species specific management program
- engineering design solutions
- alternative approaches and methods to achieving an activity 's objective
- stakeholders participation in finalizing mitigation measures
- construction practice, including labor welfare measures.
- operational control procedures
- management systems

Mitigation is an integral part of impact evaluation. It looks for better ways of doing things so that the negative impacts of the proposal are eliminated or minimized, and the benefits are enhanced. As soon as substantial adverse impacts are identified, discussions should be held to see if they can be designed out through changes in project design, location or operation. It is important therefore, that there is good integration between the EIA team and project design engineers.

Strong emphasis will be given to the training activities of the end users. It is important to develop adequate manuals that will present the BAT/BAP from the WB, WHO and FAO, as well as the national regulation and EU practices.

The EU practices examples can be found at:

- Reference Document on Best Available Techniques in the Slaughterhouses and Animal By-products Industries: https://eippcb.jrc.ec.europa.eu/reference/BREF/sa_bref_0505.pdf
- Reference Document on Best Available Techniques for Intensive Rearing of Poultry and Pigs https://eippcb.jrc.ec.europa.eu/reference/BREF/irpp_bref_0703.pdf
- Reference Document on Best Available Techniques in the Food, Drink and Milk Industries https://eippcb.jrc.ec.europa.eu/reference/BREF/fdm_bref_0806.pdf
- Reference Document on the application of Best Available Techniques to Industrial Cooling Systems https://eippcb.jrc.ec.europa.eu/reference/BREF/cvs_bref_1201.pdf

Together with the end users, the TA component from Sub-component 1.1 will be used to increase the capacity of the waste management operators, and the representatives of the environmental enforcement institutions and organizations.

1.2. Environmental Impacts and adequate Mitigation Measures

1) Generation of solid and hazardous waste

Impact - Potential contamination of soils and watercourses as a result of improper disposal of liquid and solid wastes from rehabilitation activities. Potential pollution from waste generation as a result of farming practices, intensive agriculture, processing industry, livestock breeding, etc.

Mitigation Measures - The mitigation measure to avoid contamination of soils and watercourses is to ensure that waste materials are properly disposed to the suitable locations. Partly, inert waste materials can be used as filling material. Separation of wastes, their usage and recycling together with disposal on authorized landfills and full utilization of manure as organic fertilizers represent some of the potential mitigation activities.

Contractor should produce a Waste Management Plan for the Project. Mitigation measures should, among other requirement, contain contractor obligations to:

2) Potential water contamination

Impact - Water contamination may occur during the execution of the project from site run off, spills from the equipment maintenance areas and sanitary wastewater effluent. As for the potential pollution during operation, these are mostly limited to accidents. In such a case, procedures for action in incidental situations, as defined by the Ministry of Interior and in the Water Law, will apply. Also, the waste waters from the food processing facilities, together with the pollution of surface and underground waters as a result of use of chemicals and biocides should not be discarded.

Mitigation Measures - Fuel and lubricant spills can occur at the Contractor's work camp while maintaining and washing equipment and work vehicles. During the normal operations, these areas should be equipped with the adequately sized, gravity oil separator. Should spills occur, to mitigate the problem the Contractor should use absorbing materials, such as absorbent mats/fabrics, or sand and scrape off the contaminated soils and dispose them in approved facility, in accordance with the Water Law.

3) Erosion of soil

Impact - The earthworks for the agriculture investment activities might cause negative impacts in form of erosion of soil, dust, noise and vibration to disturb the local people.

Mitigation Measures - Excavation and/or filling will be done in such a way that the slope of the embankment should be within right of way and will not disrupt drainage problems. The Contractor should use erosion control measures such as re-vegetation of disturbed areas and placing of tarps. The Contractor shall stabilize the cleared areas not used for rehabilitation activities with vegetation or with the appropriate surface treatments as soon as practicable following completion of activities. If the soil erosion occurs as a result of intensive agriculture, the mitigation measures are as follows:

Impact - Potential contamination of soils due to increased use of pesticides

Mitigation Measures - Integrated Pest Management Approach (IPM) is mandatory during project execution. Ensuring of appropriate selection and safe use of pesticides when they are needed by project demands. Avoiding of use of pesticides that fall in WHO classes IA, IB or II.

4) Potential air pollution

Impact - Possible sources of air pollution will be dust due to maintenance activities, machinery movement and other sources. Rehabilitation works involve breaking up, digging, crushing, transporting, and dumping small quantities of dry materials. Locally, the air quality may experience some moderate and temporary deterioration due to dust from construction traffic and elevated levels of nitrogen oxide (NOx) and sulphur oxide (SOx) from construction equipment exhausts. The dust may settle on vegetation, crops, structures and buildings.

Mitigation Measures - Spraying of water is the main way of controlling dust. Water is, in any case, required to be added to fill material during the rehabilitation works. It should always be kept in mind that the water should be used in an efficient manner. If the potential investments would result in the increase of the pollutant emissions, the mitigation measures should be as follows:

5) Land, habitats, protected areas and biodiversity

Impacts - Potential negative impact in natural or critical habitats due to the increased economic activity. Potential activities in modified habitats and/or protected areas in various stage of protection in line with the Serbian national legislation (I, II and III category of protection). Loss of biodiversity as a result of overuse of chemicals and biocides.

6) Occupational Health and Safety

Impacts - Construction workers may be affected adversely due to hazardous working environments where high noise, dust, unsafe movement of machinery etc. may be present.

Mitigation Measures - The Contractor shall instruct his workers in health and safety matters and require from the workers to use the provided personal safety equipment. Contractor has to ensure that all operators of heavy or dangerous machinery are properly trained/certified, and also insured. He will have to provide first aid facilities, rapid availability of trained paramedical personnel, and emergency transport to nearest hospital with accident and emergency facilities.

7) Equipment maintenance and fueling

Impact - equipment maintenance and fueling may cause contamination of soils and watercourses, including groundwater, if handling of lubricants, fuels and solvents is improper or careless.

Mitigation Measures - To avoid damage to natural environment there is a need to ensure proper handling of lubricants, fuels and solvents while maintaining the equipment.

8) Noise

Impact - Noise caused by the rehabilitation works will have only a temporary impact. Although temporary and mostly moderate, noise impacts in the vicinity of residential areas may cause negative health impact, if not mitigated.

Mitigation Measures - In sensitive areas (schools, nature parks, hospitals) special care regarding noise emission will be taken by the Contractor, strictly respecting the EMP requirements. In case of noise disturbance with noise emissions which are above permitted level, temporary noise barriers should be considered as appropriate mitigation measure. Awareness building and administrative measures should be taken to ensure proper maintenance of vehicles. In case of exceeded noise limits for sensitive areas the Contractor should erect temporary shields to prevent a free noise spreading to the sensitive receptors.

9) Impacts on cultural and historic heritage

If cultural and historic values are located in the zone of works, they can be jeopardized with construction works.

If during the works the contractor finds archaeological sites or archaeological objects or natural goods of geological and paleontological or mineral-petrographic origin, which are assumed to have a capacity of natural monument, he is obliged to immediately disrupt works and notify the Republic Institution for Protection of Cultural Monuments (I P C M) and take measures to prevent the finding from destruction and damages and to keep it in the position where it was discovered.

2. Pest management

2.1. Introduction

Integrated Pest Management (IPM) is seen as the way to achieve sustainable agricultural production with less damage to the environment.

IPM has evolved from a solely technical approach to a more holistic view of the agricultural production system that connects the long-term sustainability of agricultural production with environmental, economic, and social issues, including public health. A range of important stakeholders beyond the research and farming community increasingly are expressing their interest in IPM. A watershed was reached when the 1992 United Nations Conference on Environment and Development (UNCED), or Rio Earth Summit, adopted IPM as a cornerstone of Chapter 14 of Agenda 21. National governments, international agencies, and other players were asked to increase assistance to increase adoption of IPM in agriculture.

Now, 10 years after the Rio conference, a relatively realistic view of sustainable development has been reached. Case studies demonstrate the economic benefits at the farm level, as well as IPM' s contribution to reducing environmental and health externalities. Despite this progress, farmers' adoption of IPM is proceeding rather slowly. Even though traditional low-input farming systems often use similar techniques, in many countries, in the context of raising productivity and household income, IPM techniques still are used by only a small number of farmers, primarily in pilot initiatives supported by external donors.

The World Bank's position on IPM was published in 1997. Since that time, several important developments have taken place. The Safeguard Policy on Pest Management was strengthened in 1998. Since IPM also is included in strategy documents, such as the Agriculture and Rural Development Strategy, Reaching the Rural Poor (World Bank forthcoming 2003), it is time to review the recent developments in IPM itself and the achievements that the Bank has made in IPM.

2.2. Specific actions to mitigate negative impact of the SCAP

Component 1, Subcomponent 1.2 of the SCAP could lead to increased use of pesticides. This ESMF indicate what measures will be in place to promote an Integrated Pest Management Approach (IPM) and to help ensure appropriate selection and safe use of pesticides when they are needed.

Criteria for Pesticide Selection and Use

The procurement of any pesticide in the project is contingent on an assessment of the nature and degree of associated risks, taking into account the proposed use and the intended users. With respect to the classification of pesticides and their specific formulations, the World Bank refers to the World Health Organization's Recommended Classification of Pesticides by Hazard and Guidelines to Classification (Geneva: WHO 1994-95). § The following criteria apply to the selection and use of pesticides in SCAP project:

- (a) They must have negligible adverse human health effects.
- (b) They must be shown to be effective against the target species.
- (c) They must have minimal effect on nontarget species and the natural environment. The methods, timing, and frequency of pesticide application are aimed to minimize damage to natural enemies. Pesticides used in public health programs must be demonstrated to be safe for inhabitants and domestic animals in the treated areas, as well as for personnel applying them.
- (d) Their use must take into account the need to prevent the development of resistance in pests.

MEP/PMT will require that any pesticides used within the project must be manufactured, packaged, labelled, handled, stored, disposed of, and applied according to standards acceptable to the WB. MEP/PMT took into account that WB does not finance products that fall in WHO classes IA and IB, or formulations of products in Class II, if (a) the country lacks restrictions on their distribution and use; or (b) they are likely to be used by, or be accessible to, lay personnel, farmers, or others without training, equipment, and facilities to handle, store, and apply these products properly.

2.3 Procurement of Pesticides

The following criteria apply to the selection and use of pesticides:

- They must be negligible adverse human health effects;
 - They must be shown to be effective against target species;
 - They must have minimal effect on non-target species and the natural environment. The methods, timing and frequency of pesticide applications are aimed at minimizing damage to natural enemies;
 - Pesticides used in public health programs must be demonstrated to be safe for inhabitants and domestic animals in the treated areas, as well as for personnel applying them; and
 - Their use must take into account the need to prevent the development of resistant pests.
- Selection of pesticides will also be based on careful evaluation of possible hazard to the environment and to important natural resources. For example, materials having high acute toxicity to fish or aquatic invertebrates will not be used where there are aquatic resources which could be affected by runoff, drift or soil erosion and those highly toxic to honeybees will not be used when they will present a

threat to important pollinators. Information on toxicity to non-target organisms will be available from the manufacturer if it is not in published literature.

Where pesticides are procured for supply to farmers, it is essential for the MAP/PMT to select materials which can be applied safely and effectively without close supervision. Staff in the implementing agency will also be adequately supported and trained in the use of the materials so that they may demonstrate the correct techniques and give appropriate advice, including advice for on-farm storage of concentrates and eventual disposal of surplus pesticides and empty containers.

Technical specifications for the procurement of pesticides will define all the critical characteristics in the formulation of the pesticide required. To ensure effective competition among suppliers who formulate a particular active ingredient under one or more different trade names, the IFB and other tender documents will use accepted generic names of the material or materials to be purchased.

Foreign suppliers/manufacturers will be required to submit with their bids certification that the product is exactly the same (in terms of physical and chemical properties, formulating ingredients and manufacturing process) as that marketed and registered in the country of origin and state any deviations and provide rationale for them.

Specifications will also indicate any special features of packaging and labelling which are necessary for product protection during handling and storage to ensure effective use. This includes requirement in the bidding documents that materials used for seed treatment be formulated with warning colorants or dust which will persist under anticipated storage and handling conditions. Reference may also be made to internationally accepted packaging and labelling standards. In case of products which are not water soluble, Bidding documents will require suppliers/manufacturers to recommend and provide a suitable solvent for washing application equipment and containers. Where available containers which discourage re-use for storing liquids will be specified.

MAFWM/PMT will establish internal control which will require that any pesticides used within the project will be manufactured, packaged, labelled, handled, stored, disposed of and applied in accordance with Food and Agriculture Organization's (FAO) Guidelines for Packaging and Storage of Pesticides, Guidelines on Good Labelling of Pesticides, and Guidelines for the Disposal of Waste Pesticide and Pesticide Containers on the Farm. This will be indicated in bidding documents.

PMT will also ensure rigid restrictions on distribution and use of any potential products that fall in WHO classes IA and IB, or formulations of products in Class II. The PMT will also ensure that any of these products will not be used by, or be accessible to lay personnel, farmers, or others without training, equipment and facilities to handle, apply and store these products properly.

Bidding documents will specify the standards of packaging of pesticides, in order to ensure that they are adequate to withstand the considerable abuse which can occur during transport and storage. Clear and durable labelling of all packages to depict the hazardous nature of the contents will be mandatory. Bidding documents will also require that the labels be in a specified language(s), and be consistent with internationally accepted standards.

The MAFWM/PMT will encourage suppliers to pack the pesticides in single dose packages or small containers to reduce the need for measuring concentrates. This alleviates some of the problems of on-farm storage of open pesticide containers. Bidding documents can permit repackaging in properly licensed and inspected facilities meeting acceptable safety standards and preferably under the control of the supplier winning the bid, who will be fully responsible for the suitability of the new package

including labelling and instructions for use, the quality of the repackaged product and the safety of the repackaging process.

Bidding documents will also require that manufacturers design containers which discourage reuse. This is because, although all empty containers will be destroyed, there may be countries in which adherence to regulations requiring their destruction is difficult to enforce due to a shortage of empty containers to store liquids.

PMT will not approve of re-use of pesticide containers and will strongly recommend that all possible deterrent measures be taken. However, in instances where the only available and suitable package offered by suppliers is a non - returnable drum and where destruction of all empty containers cannot be ensured, their thorough washing with an appropriate solvent and numerous water rinses will be ensured by the MAFWM/PMT. The latter can be done through requiring bidders to include detailed instructions in the containers to enable final users and the implementing agency's staffed to carry out this process satisfactorily.

Where pesticides are applied by contractors, they will be required in the bidding documents to take all necessary precautions to protect the public and the environment from damage due to spray drift or other accidental contamination. For particularly toxic materials, it may be expedient for bidding documents to require the supplier to supervise the correct handling and application of the materials in accordance with accepted safety standards.

Evaluation of bids for procurement of pesticide would follow the normal Bank accepted evaluation policies. However, in the particular case of pesticides, in order for the MAFW/PMT to effectively evaluate tenders from different sources offering different materials for the control of the same pest, prior comparison of the different materials in field tests is necessary to evaluate their relative efficiencies.

Where adequate information is available, efficiency weightings may be given to different materials and used in the evaluation of bids, but to do so, the weights must be made public in the bidding documents supplied to potential bidders so that in making offers they are aware of the conditions under which their product will be evaluated. Such weights may be used to reflect the advantage a particular material might offer by:

- controlling other pests besides the one for which the pesticide sought by the MAFW/PMT is intended;
- being less harmful to predators; or
- by being less dangerous to handle.

Where data is insufficient to apply such efficiency factors, materials are compared on the basis of their cost per unit area when applied, in accordance with the local recommended practices in the MAFWM/PMT country and taking account of the manufacturers recommendations, at the rate and frequency of control of the pest concerned. Where one material has been shown in trials and practice to offer a longer period of control than another, and thus requires fewer applications, the saving in the application costs will be taken into account in evaluating the bids.

Environmental Impacts and Risks	Mitigation Measures
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<p>Soil Erosion: does the project involve crop agriculture? If so, which crops? Is agricultural field is located on the slopes and/or on the plain areas? Does the project involve ploughing/plant cultivation on the slopes?</p>	<ol style="list-style-type: none"> 1) Ploughing across the slope 2) Contour tillage 3) Avoid creation of new terraces since it is linked with loss of topsoil, etc. 4) Appropriate crop rotation: fallow land - wheat - maize - sunflower - Lucerne - Lucerne (2 years long)- legumes (pea, haricot, etc.) / wheat maize, etc. 5) On lands which are subject to erosion preferable cultivation of plants with require dense sowing (e.g. wheat, rye, etc.) and avoid cultivation of tilled crops (e.g., maize, sunflower), 6) Orchards: creation of grass strips between the rows, deep cultivation between the rows, 7) Where possible, to use the branch of field crops with the branch of cattle-breeding and gardening, upstream reforestation and planned watershed management also helps mitigate etc.
<p>Habitats and Biodiversity Loss: Will the project involve use or modification of natural habitats (pasturing on and ploughing up the steppe areas, cutting or removal of trees or other natural vegetation, etc.)</p>	<ol style="list-style-type: none"> 1) Avoiding use of remained natural or semi-natural steppe areas for pasturing and crop production 2) Avoid, where possible, cutting of trees and other natural vegetation, etc. 3) Minimize loss of natural vegetation/ Protection of vegetation during construction activities
<p>Soil pollution: Will the project applies pesticides? If yes which types and their amount?</p>	<ol style="list-style-type: none"> 1) Use of less harmful (non-persistent) pesticides 2) Not to apply more pesticides than needed 3) Develop integrated pest management plans for activities using pesticides.
<p>Land, habitats & ecosystems degradation: Is the area which is to be used currently a natural (not converted) habitat (forest, wetland, natural grassland, etc.)? Does the project involve production of livestock? If so, what type and how many? Will the animals be stall- fed, pastured or free-ranging?</p>	<ol style="list-style-type: none"> 1) Not to exceed pastures' capacity (on degraded lands this is 0,3-0,5 conv. cap/ ha; on good lands - 1,5 conv. cap/ per ha) and avoid overgrazing 2) Where possible, use of stabling 3) Where possible, do develop sown pastures 4) Where possible, fencing the grazing areas to use them subsequently, giving to others possibility to restore, etc. 5) Not to graze in natural areas in early spring and late autumn, etc.) 6) Use natural meadows and grasslands rather for mowing than grazing, etc.
<p>Land degradation: Will the project involve land excavation?</p>	<ol style="list-style-type: none"> 1) Removal of topsoil to adjacent agricultural lands
<p>Generation of solid wastes - what type of wastes will be generated (various types of construction wastes, wastes from geoprocessing activities, livestock manure) and their approximate amount</p>	<p>Separation of wastes, their usage and recycling</p> <p>Disposal on authorized landfills</p> <p>Full utilization of manure as organic fertilizers</p>
<p>Generation of toxic wastes - what types of toxic waste will be generated (obsolete and unusable pesticides and mineral fertilizers; chemicals used in agro processing activities; asbestos) and their approximate amount.</p>	<ol style="list-style-type: none"> 1) Clearly marking toxic wastes on the project site as hazardous material and securely enclose them inside closed containments, as well as label them with details of composition, properties and handling information; 2) Disposal on special toxic wastes disposal sites. 3) Usage of specially licensed carriers for transportation and disposal of toxic wastes 4) Ensure containers with hazardous substances are placed in a leak-proof container to prevent spillage and leaching; 5) Ensure the asbestos is not reused.

<p>Biodiversity and Habitats Loss: Will the project located in vicinity of protected areas or other sensitive areas supporting important habitats of natural fauna and flora?</p> <p>Is it planned enlargement of area under agricultural crop production based on transformation of natural habitats?</p>	<ol style="list-style-type: none"> 1) Consideration of alternative locations, where possible 2) Careful timing of works and work seasonally, as appropriate: no construction during breeding season 3) Where possible, to fence the area under construction to lessen even occasional disturbance on habitats and biodiversity 4) Inform personnel about importance of adjacent environmentally important area, if any 5) Where possible, to plant (or maintain) green corridors to ensure movement of terrestrial fauna
<p>Underground water pollution - does the project involve usage of fuel and lubricants? if the project involves production of stall-fed livestock does it has a manure platform?</p>	<ol style="list-style-type: none"> 1) Fuel and lubricants: use of specially arranged sites (with concrete floor) for fuel and lubricants handling and storage to avoid their leakages into the soil and runoff into water bodies 2) Pesticides: see above 3) Use of special platforms and tanks with a waterproof bottom for accumulation of manure and preparing of organic fertilizers, etc.
<p><u>Construction</u></p>	<ol style="list-style-type: none"> 1) Careful selection of location for and planning of the project 2) To minimize construction site's size and design work to minimize land affected, 3) Where possible, to execute construction works during dry season to avoid excessive contaminated runoff Properly arranged waste disposals 4) Cleaning of construction site, replacing lost trees, boundary structures, re-vegetation of work area 5) During interior demolition use debris-chutes above the first floor; 6) Keep demolition debris in controlled area and spray with water mist to reduce debris dust; 7) Suppress dust during pneumatic drilling/wall destruction by ongoing water spraying and/or installing dust screen enclosures at site; 8) Keep surrounding environment (sidewalks, roads) free of debris to minimize dust; 9) There will be no open burning of construction / waste material at the site; 10) There will be no excessive idling of construction vehicles at sites; 11) Construction noise will be limited to restricted times agreed to in the permit; 12) During operations the engine covers of generators, air compressors and other powered mechanical equipment should be closed, and equipment placed as far away from residential areas as possible; 13) 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. 14) Waste collection and disposal pathways and sites will be identified for all major waste types expected from demolition and construction activities. 15) 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. 16) Construction waste will be collected and disposed properly by licensed collectors 17) The records of waste disposal will be maintained as proof for proper management as designed. 18) Whenever feasible the contractor will reuse and recycle appropriate and viable materials (except asbestos).

Inadvertent damage to cultural heritage sites	<ol style="list-style-type: none"> 1) Develop Cultural Heritage Management Plans; 2) If case of chance finds, notify relevant authorities of found objects or sites by cultural heritage experts; 3) Fence-off the area of finds or sites to avoid further disturbance; 4) Conduct an assessment of found objects or sites by cultural heritage experts; 5) Identify and implement actions consistent with the requirements of this ESS and national law; and 6) Train project personnel and project workers on chance find procedures.
Air quality: <u>Will the project provide pollutant emissions?</u>	<ol style="list-style-type: none"> 1) Use of approved methods and techniques to prevent and control emissions (e.g. absorption) 2) Where possible, enclosure of dust producing equipment, and use of local exhaust ventilation 3) Arrange barriers for wind protection (if raw material is stored in open piles 4) Where possible, use of fuels with a low sulfur content, such as natural gas or liquefied petroleum gas and use of low-sulfur raw material 5) Where possible, installation of dedicated filtration systems, etc. 6) Selection of materials or processes with no or low demand for VOC-containing products 7) Where possible, to install and modify equipment to reduce solvent use in manufacturing process 8) To execute strict primary and secondary control of air emissions, etc.
<u>Water Quantity:</u> will the project involve water use? Which volumes and from which water source (centralized water supply system and/or from water reservoir)?	<ol style="list-style-type: none"> 1) To ensure natural flow of water/ minimum disruption of natural streams flows 2) To install water meters to control and minimize water use 3) Avoid or minimize surface water abstraction in case of downstream the wetland is situated, etc.
Water Quality/Pollution: Will the project contribute to surface water pollution - what will be the approximate volumes of wastewater discharge? Does the project involve discharges of waste waters in water reservoirs and/or in centralized sanitation network/septic tank?	<ol style="list-style-type: none"> 1) For small rural enterprises: to install local wastewater treatment facilities (e.g., septic tanks) b. For big enterprises: not to exceed established limits of pollutants in effluents 2) To minimize water and mud collection 3) Renovation of existing sewerage system/ connection to municipal sewerage system 4) Properly arranged waste disposals 5) Where possible, to plant at least bush vegetation down slope to reduce pollutants runoff into surface water bodies
Loss of Biodiversity: Will the project involve introduction of alien species (in case of aquaculture projects)?	<ol style="list-style-type: none"> 1) Where possible, to avoid introduction of alien species 2) In case of use of already introduced alien species to ensure their non-coming into natural ecosystems, e.g., during water discharge from ponds, etc.
Loss of Biodiversity: Will the project located in vicinity of protected area or wetlands?	<ol style="list-style-type: none"> 1) Not to exceed established limits of pollutants in effluents and emissions 2) To avoid or minimize construction and operational activities during breeding and migration periods, etc.
<u>Degradation of water ecosystems</u>	<ol style="list-style-type: none"> 1) Avoid application of pesticides in the strip with width of 300 m along the natural surface water bodies, 2) Avoid cutting of trees and other natural vegetation along the water bodies 3) Avoid coming of alien species into natural water bodies, 4) Properly arranged waste disposals sites, etc.

Weeds, pests, diseases: will the project contribute to spreading of weeds, pests and animal and plant diseases?	<ol style="list-style-type: none"> 1) Avoid cultivation of plant monoculture on agricultural lands 2) Appropriate pest management 3) Giving the priority to the agro-technical and biological measures for the control of weeds, pests, and diseases, 4) In cattle farms, to adhere carefully established rules to prevent or minimize animal diseases, etc.
Sedimentation of water bodies - will the project contribute to sedimentation of water bodies due to soil erosion?	<ol style="list-style-type: none"> 1) To avoid excessive soil erosion: see above 2) Minimize soil processing 3) Provide retention/ sedimentation ponds, as necessary 4) To control reed harvesting (to avoid overharvesting)
Socio-economic environment	
Involuntary land acquisition - does the project involve the following: (a) involuntary land acquisition or displacement of third parties using land; (b) loss of the access to sources of income; (c) loss of physical and/or economic assets.	<p>Appropriate project design: location, methods of construction, use of safe technologies during operation period, work timing, careful decommissioning, etc.</p> <p>Projects which result in involuntary land acquisition or displacement of third parties using land; relocation or loss of shelter, loss of assets or access to assets, or loss of income sources or means of livelihood whether or not there is displacement will not be financed under SCAP.</p>
Will the project assure non-deterioration of human health, occupational safety and non-disturbance of residents living near project area? If no, is it possible by applying proposed mitigation measures to reduce the project environmental and social impacts to admissible levels?	<ol style="list-style-type: none"> 1) To ensure collective and individual protective measures (work clothes, masks, shoes), when needed. 2) To adhere established occupational safety requirements as well as simple rules, e.g.: <ol style="list-style-type: none"> a. water spaying twice a day during construction to avoid dust b. ventilation of internal areas during and post construction c) timing of work 3) To conduct regular instructing of employees on health and occupational safety requirements 4) To restrict vehicle speeds and through-traffic in residential areas, especially trucks, using signing and appropriate design
Disturbance and/or unrest of residents living near the project area and anticipated public concerns, e.g., project location, waste disposal sites, harmful emissions into environment, and aesthetic arrangement of constructed sites?	<ol style="list-style-type: none"> 1) Public consultations and meetings should be held on regular basis to discuss community concerns and to take relevant actions. 2) Make the GRM accessible to the community members to file their concerns, complaints.
Labor management and OSH: Are all the existing and new external employees (non-family members) of the applicant regularly registered for pension and disability insurance? OHS measures are applied in accordance with the job types, and the workers are provided with resources to apply and promote OHS principles.	<ol style="list-style-type: none"> 3) Comply fully with Labor Law, Law on Simplified Work Engagement for Seasonal Workers and Law on OSH 4) Grants only provided to applicants that confirm that they will comply with regulations on formal employment (in the application stage by filling out the Environmental and Social Screening Checklist and submitting a signed statement; in the contracting stage by including in the contract provision on compliance with the said laws; and in the implementation stage by reporting on employment issues) 5) In case breach of legal obligation is identified, contract termination and reimbursement of funds

ANNEX II RISK CATEGORIES OF PROPOSED SUBPROJECTS AND RELEVANT E&S INSTRUMENTS

I.	Subprojects with Low level Risk <i>(subprojects which are likely to have low direct and adverse impacts - ESMP Checklist or site specific ESMP is required if necessary)</i>
	<p><i>Small scale agricultural subprojects, if they were not established through conversion of natural habitat, do not use pesticide, and have not some other adverse impacts on the environment.</i></p> <ul style="list-style-type: none"> - Agriculture, horticulture, vineyards and orchards (small scale 5 ha) - Livestock (small-scale - less than 10 head of cattle, small cattle or 500 birds) - Construction of silos for drying, cleaning, storage of grains - Construction of greenhouses (without boiler houses) - Flax production - Purchase of tractors and other agricultural machinery* - Argo-tourism - Seeds purchasing - Bee keeping - Agricultural machinery* (tractors, winnowers, sowing machines, etc.) - Nutrition; - Flour milling <p><i>Trade</i></p> <p>Wholesale and retail trade by non-hazardous goods*</p> <p><i>Services</i></p> <p>The projects marked by "*" are the ones that is not necessary, or required, to have a site specific ESMP, but ESMP checklist.</p>
II.	Subprojects with Moderate Risk <i>(subprojects which may have some environmental and social impacts development of a site specific ESMP is mandatory)</i>
	<p><i>Small scale agricultural subprojects (listed as the "WB Moderate Risk Category» above), if they were established through conversion of natural habitat, consider using pesticide or substantial amount of chemical fertilizers, and may have other adverse impacts on the environment. For repetitional subprojects with significant risk a detailed ESMP will work, like for the subprojects with moderate risk.</i></p> <p><i>Medium scale agricultural subprojects</i></p> <ul style="list-style-type: none"> - Agriculture, horticulture, vineyards and orchards (medium-scale intensive operations 5-300 ha) - Animal husbandry (medium scale - from 10 to 500 head of cattle and up to 1000 small ruminants) * - Production of poultry meat from 500-3000 birds (special measures are required to reduce the impact) - Construction and operation of surface irrigation and drinking water supply - Cultivation of fallow lands (up to 100 ha); - Creation of maricultural and aquaculture farms on rivers or lakes over 0.5 0.25 ha (without exotic species) - Use of agricultural land (10-25ha) for non-agricultural commercial purposes - Use of virgin soils and a whole space for intensive farming - Construction of buildings for storage of agricultural goods and products - Construction of warehouses for chemical pesticides and mineral fertilizers - Warehouses of agricultural products; <p>Note: *Although medium animal husbandly is in principle can be considered as eligible activity, but taking into account the level of pastures erosion in Serbia this type of activity directed to increasing of livestock number should be excluded or carefully reviewed (location n, status of pastures etc.).</p> <p><i>Food industry (medium scale)</i></p> <ul style="list-style-type: none"> - Argo-processing plants, food, beverages, seeds, fibers (medium scale -> output 1000ton / year) - Canning industry (annually process from 3000 to 20,000 tons of products). - Complex of livestock farms (up to 1000 animals) - Dairy products, milk and dairy plants - Slaughterhouses, meat processing plants and plants for processing the remains of animals (medium scale -500 5000t / year) - Construction of new facilities, or planting perennials. <p><i>Manufacturing/agro-processing (small scale)</i></p> <ul style="list-style-type: none"> - Canning industry (processing of raw materials <1000 tons / year). - Collection and processing of medicinal herbs - Construction of buildings, structures and enterprises for processing agricultural products - Creation of food industries for semi-finished products (production capacity <1000 tons / year) - Manufacture of soft drinks

III. Other Moderate Risk subprojects (types of activities from the list of the National category III of the environmental impact) - site-specific ESMP is mandatory :	
1.	Service stations, car parks;
2.	Cattle-breeding complexes;
3.	Granaries;
4.	Small workshops for wine making and production of fermented beverages,
5.	Small workshops for the production of clay products and building materials;
6.	Small shops for processing leather;
7.	Small hydroelectric power stations (with a capacity of less than 30 mw);
8.	Meat industry (slaughterhouses and processing);
9.	Wool processing enterprises;
10.	Public catering enterprises with more than 50 seats;
11.	Poultry farms;
12.	Reconstruction and reclamation of irrigated lands on the area from 100 to 1000 hectares;
13.	Repair of engines and machines, as well as their coloring;
14.	Repair of rubber products with restoration of tires;
15.	Fisheries, including fish processing;
16.	Markets with more than 50 seats;
17.	Assembly and repair of electrical equipment;
18.	Greenhouses with boiler rooms;
19.	Factories for the manufacture of confectionery;
20.	Refrigeration plants with a capacity of more than 50 tons
IV. Substantial Risk subprojects (objects and activities from the list of the National category IV of the environmental impact) - site-specific ESMP is mandatory :	
1.	Construction and reconstruction of on-farm water management systems, construction of water pipelines of intra-farm level;
2.	Veterinary clinics;
3.	Vulcanization and minor car repairs;
4.	Garages and parking lots of enterprises, organizations and public use;
5.	Small carpet shops;
6.	Small weaving and sewing shops;
7.	Small carding shops (processing of wool, cotton wool);
8.	Mini mills;
9.	Small enterprises for smoking meat and fish products
11.	Processing of facing stones;
12.	Recreational and civil-purpose facilities, as well as social and cultural facilities that do not have boiler houses and treatment facilities connected to sewers;
13.	Points of acceptance and snoring of cocoons;
14.	Markets with less than 50 seats;
15.	Reconstruction and land reclamation improvement of the old irrigated lands on an area of less than 100 hectares;
16.	Bakery, production of bakery and pasta.

ANNEX III Environmental and Social Screening Checklist

(preliminary – Expression of Interest phase)

(Applicant to fill out for subproject)

A. This document could be used as a support material in order to ensure that the major environmental and social issues have been taken into consideration during preparation of the section- specific EMP. Check appropriate column as Yes (Y), No (N) or Beneficial (B) in comment field. Briefly explain Y, N and B checks in next Section, "Explanations". A "Y" response does not necessarily indicate a substantial effect, but rather an issue that requires focused consideration.

PART I – ADMINISTRATIVE AND INSTITUTIONAL DATA				
1.	Name of subproject			
2.	Location of the subproject	<i>(Municipality/ City, canton, entity)</i>		
3.	Institutional arrangements (names and contact information)	<i>Applicant</i>	<i>Co-Applicant</i>	
4.	Description of the subproject <i>(describe the main characteristics of the subproject and the location of the subproject)</i>			
PART II – CRITERIA FOR PROJECT ELIMINATION				
		Yes	N o	Comment
5.	Does the project fall under any of the activities on the Project / Activity Elimination List?			
PART III – BASIC INFORMATION ON THE PROPOSED PROJECT AND THE APPLICANT				
		Yes	N o	Comment
6.	Is the project on the list of projects that are subject to obligatory environmental assessment on the basis of domestic laws and regulations?			
7.	Is the project included in the list of projects for which an environmental / ecological license is obligatory?			
	If yes, does the applicant have an environmental / ecological license or is in the process of its acquisition?			
8.	Can the proposed subproject be deemed relevant for adaptation to climate changes or increasing resilience to climate changes?			
PART IV – ADVERSE PROJECT IMPACTS AND RISKS – INFORMATION OF IMPORTANCE FOR PROJECT CATEGORIZATION				
		Ye s	N o	Comment
9.	Are there any indications that the applicant could use informal labor for the needs of the subproject?			
10.	Are there any indications that the applicant could employ persons of age 15 to 18 without complying with legislated provisions concerning employment and protection of such workers?			

11.	Does the subproject include a substantial potential physical hazards for workers?			
	<p>Earth Resources</p> <ul style="list-style-type: none"> a. grading, trenching, or excavation in cubic meters or hectare b. geologic hazards (faults, landslides, liquefaction, un-engineered fill, etc.) c. contaminated soils or ground water on the site d. offsite overburden/waste disposal or borrow pits required in cubic meters or tons e. loss of high-quality farmlands in hectares 			
	<p>Agricultural and Agrochemical</p> <ul style="list-style-type: none"> a. impacts of inputs such as seeds and fertilizers b. impact of production process on human health and environment c. other adverse impact 			
	<p>Industries</p> <ul style="list-style-type: none"> a. impacts of run-off and run-on water b. impact of farming such as intensification c. impact of other factors 			
	<p>Air Quality</p> <ul style="list-style-type: none"> a. Substantial increase in onsite air pollutant emissions (construction/operation) b. violation of applicable air pollutant emissions or ambient concentration standards c. Substantial increase in vehicle traffic during construction or operation d. demolition or blasting for construction e. Substantial increase in odor during construction or operation f. Substantial alteration of microclimate 			
	<p>Water Resources and Quality</p> <ul style="list-style-type: none"> a. river, stream or lake onsite or within 30 meters of construction b. withdrawals from or discharges to surface or ground water c. excavation or placing of fill, removing gravel from, a river, stream or lake on-site storage of liquid fuels or hazardous materials in bulk quantities 			
	<p>Cultural Resources</p> <ul style="list-style-type: none"> a. prehistoric, historic, or paleontological resources within 30 meters of construction b. site/facility with unique cultural or ethnic values or protected heritage site within 30 meters of construction 			
	<p>Biological Resources</p> <ul style="list-style-type: none"> a. vegetation removal or construction in wetlands or riparian areas 			

	<ul style="list-style-type: none"> b. use of pesticides/rodenticides, insecticides, or herbicides in hectare c. construction in or adjacent to a designated wildlife refuge d. existence of protected natural resources – water, flora, fauna 			
	<p>Planning and Land Use</p> <ul style="list-style-type: none"> a. potential conflict with adjacent land uses b. non-compliance with existing codes, plans, permits or design factors c. construction in national park or designated recreational area d. create substantial annoying source of light or glare e. relocation of individuals for +6 months f. interrupt necessary utility or municipal service > 10 individuals for +6 months g. Substantial loss of inefficient use of mineral or non-renewable resources <p>increase existing noise levels >5 decibels for +3 months</p>			
	<p>Traffic, Transportation and Circulation</p> <ul style="list-style-type: none"> a. increase vehicle trips >20% or cause substantial congestion b. design features cause or contribute to safety hazards c. inadequate access or emergency access for anticipated volume of people or traffic 			
	<p>Hazards</p> <ul style="list-style-type: none"> a. Substantially increase risk of fire, explosion, or hazardous chemical release b. bulk quantities of hazardous materials or fuels stored on site +3 months c. creates or substantially contribute to human health hazard 			
12.	<p>Would subproject implementation involve use of pesticides or their formulations? If yes, kindly specify which.</p>			
13.	<p>Is there any other aspect of the subproject that would, in normal business operations or under special circumstances, cause a risk or adversely impact the environment, population or could be deemed a disturbance?</p>			
PART V – SUMMARY OF MAIN PROJECT CHARACTERISTICS				
PART VI – DECISION				

The subject subproject is:

- Category 1 (low risk) – approved pending the requirement to fill out an ESMP checklist
- Category 2 (moderate risk) – approved pending the requirement to develop a location-specific ESMP for the needs of the subproject
- Category 3 (substantial risk)– approved pending the requirement to develop a location-specific ESMP for the needs of the subproject
- Category 4 (high risk) – not approved for financing.

Applicant's name:

Date:

Location:

Signature:

Seal:

With its signature and seal the applicant hereby confirms the accuracy and completeness of all data provided in this template.

Evaluator's name:

Date:

Location:

Signature:

ANNEX IIIA Environmental and Social Screening Checklist

(final – appraisal stage)

(Applicant to fill out for subproject)

A. This document could be used as a support material in order to ensure that the major environmental and social issues have been taken into consideration during preparation of the section- specific EMP. Check appropriate column as Yes (Y), No (N) or Beneficial (B) in comment field. Briefly explain Y, N and B checks in next Section, "Explanations". A "Y" response does not necessarily indicate a substantial effect, but rather an issue that requires focused consideration.

PART I – ADMINISTRATIVE AND INSTITUTIONAL DATA				
14	Name of subproject			
15	Location of the subproject	<i>(Municipality/ City, canton, entity)</i>		
16	Institutional arrangements (names and contact information)	<i>Applicant</i>	<i>Co-Applicant</i>	
17	Description of the subproject <i>(describe the main characteristics of the subproject and the location of the subproject)</i>			
PART II – DETERMINED PROJECT CATEGORIZATION BASED ON PREVIOUSLY IDENTIFIED IMPACTS AND RISKS				
18	LOW	MODERATE	SUBSTANTIAL	Comment
PART III – DETAILED INFORMATION ON THE PROPOSED PROJECT AND THE APPLICANT				
		Yes	No	Comment
19	Is the level of environmental assessment sufficient?			
20	Is the quality of environmental assessment sufficient?			
21	Does the project documentation have approvals of relevant environmental authorities?			
22	Was the level of public involvement sufficient?			
23	Were the public concerns adequately addressed?			
24	What is the desired level, frequency, scope of environmental monitoring at construction phase? <ul style="list-style-type: none"> • High • Substantial • Low 			
25	What is the desired level, frequency, scope of environmental monitoring at operation phase? <ul style="list-style-type: none"> • High • Substantial • Low 			
26	Does the applicant have a valid operating license as well as other permits and consents? Permits can include: - Urban development consent / location requirements - Construction license / construction permit - Use permit - Water management enactment			

	<i>If not, will these investments be used to rectify that condition?</i>			
27	Has the applicant submitted a signed statement that the conditions of work are in compliance with the current entity legislation on labor and protection at work?			
28	Are all the existing employees of the applicant regularly registered for pension and disability insurance (i.e. has a certificate been submitted on paid contributions, which was issued by the competent tax authority)?			
29	Would new workers be recruited for the requirements of the sub project (enter the number in the comment field)?			
PART V – SUMMARY OF MAIN PROJECT CHARACTERISTICS				
<p>Applicant's name: Date: Location: Signature: Seal:</p> <p><i>With its signature and seal the applicant hereby confirms the accuracy and completeness of all data provided in this template.</i></p>				
<p>Evaluator's name: Date: Location: Signature:</p>				
<p>PART VI – DECISION</p> <p>The subject subproject is: <input type="checkbox"/> Approved for financing <input type="checkbox"/> Not approved for financing</p>				

B. EXPLANATION OF ENVIRONMENTAL CONSEQUENCES: explain Y, M and B responses

C. RECOMMENDED ACTION (Highlight Appropriate Action):

1. The project has no potential for adverse environmental effects. No further Environmental Management Plan is required.
2. The project has low potential for adverse environmental concerns (baselines section and water quality issues) and/or environmental impacts; however, the recommended mitigation measures will be developed and incorporated into the project design phase. The recommended mitigation measures and their monitoring will be included in an ESMP Checklist which will be approved by the PMT in consultation with the end user. Monitoring of mitigation done will be documented in a monitoring report.

3. The project has potential for adverse environmental effects, but these are moderate and mitigatable through the development of a location-specific ESMP. The location-specific ESMP must be approved by the PMT prior to implementation. The location specific ESMP is to be attached to the Scope of Work.
 4. The project has potentially for substantial adverse environmental effects but requires more analysis to form a conclusion. A Scoping Statement must be prepared and be submitted for approval. Following the approval, an Environmental Assessment (EA) will be conducted and the recommended mitigation measures and their monitoring will be included in a location specific ESMP. Project will not be implemented until the PMT approves the final EA and the location specific ESMP. For activities related to the procurement, use, or training related to Pesticides an additional PERUSAP will be prepared for PMT approval.
 5. The project has potentially substantial adverse environmental effects, and revisions to the project design or location or the development of new alternatives might be required. All the recommended mitigation measures and their monitoring will be included in a location specific ESMP which must be approved by the PMT prior to implementation.
 6. The project has high and unmitigable adverse environmental effects. Mitigation is insufficient to eliminate these effects and alternatives are not feasible. The project is not recommended for funding.
- D. IDENTIFIED ENVIRONMENTAL and SOCIAL IMPACTS (including physical, biological and social), if any:
(Use EMP tools such as Leopold Matrix to identify substantial environmental impacts)
- E. RECOMMENDED MITIGATION MEASURES (if any):
- F. RECOMMENDED MONITORING MEASURES (if any):

ANNEX IV FORMAT FOR LABOUR MANAGEMENT and OHS REPORT (for grantees under component 1)

Project: Serbia Competitive Agriculture Project
Name of Beneficiary that is Submitting the Report:
Report number:
Reporting period:
Date of report:

LABOR MANAGEMENT AND OHS REPORT TO CONFIRM COMPLIANCE WITH NATIONAL LEGISLATION ON LABOR CONDITIONS

General

Name of registered holder of the family holding:
 Owner of the land used by the family holding (if land is leased):
 Number of members of the family holding: Above 18 Below 18
 Number of members with access to health insurance out of total members: XXX/XXX

Number of the members with access to pension insurance: M _____ F _____

How many members of the family holding have a source of income other than agriculture out of total and disaggregated by gender? T _____ M _____ F _____

Are all members of the family holding paid for agricultural work they perform?

If yes, specify and explain/ If no, explain their source of income If no explain who is not covered

Company employees* statistics:

Total number of employees (gender disaggregated)¹: M _____ F _____

Number of employees who have a labor contract (of the total number of employees)	Number of employees who have other grounds for labor engagement (for example, an authorship contract) (of the total number of employees)	Number of employees who are registered for pension, disability and health insurance (of the total number of employees)	Number of employees who receive compensation / salary at least once a month (of the total number of employees)
Number of employees who have left the company in the reporting period (of the total number of employees)	Number of new employees who are engaged in the company in the reporting period	Average number of hours of work in one month per one employee	Average number of hours of overtime work in one month per one employee
Number of injuries at work (in the reporting period and cumulatively since the entry of the grant agreement into effect)	Number of fatalities at work (u in the reporting period and cumulatively since the entry of the grant agreement into effect)	Number of visits of the labor inspectorate	

*For the requirements of this report, an employee shall pertain to any natural person who is employed or in any manner engaged to work for or to provide services for the employer, regardless of the type of contract (contract on temporary work, contract on permanent work, authorship contract etc.)

*Employee is a natural person other than holding family member employed or engaged to work or perform service for the employer

¹The number of employees refers to the actual number/headcount on the date of the report.

²The numbers imply the total number of incidents in the reported period.

Project workers statistics:

Total number of project workers**:	Number of project workers with an employment contract:	Number of project workers without an employment contract	Number of project workers with access to social security, pension and health insurance verified by confirmation from registry

Number of seasonal workers engaged in the reported period and cumulatively since the matching grant receipt	How many seasonal workers were registered through the e-portal managed by the Tax Administration? (if more than 0 provide evidence of registration)	How many days on average per year was one seasonal worker engaged?	How many hours on average did a seasonal worker work a day?

Working and Labor Conditions Screening Check List

	Requirements	Yes	No	Notes
1	All project workers have concluded a written contract on their labor engagement (labor contract, authorship contract etc.)?			If the answer is "no", kindly explain.
2	All project workers are registered to pension, disability and health insurance?			If the answer is "no", kindly explain.
3	All project workers are 18 years old or older?			If employees of age 15 to 18 are engaged, please state under which conditions they are engaged (whether all the requirements of the Labor Code have been fulfilled that concern employment of minors of age 15-18?).
4	All project workers are paid for their work at least once a month.			If the answer is "no", kindly explain.
	The number of working hours in a week for all the project workers is in compliance with provisions of the Labor Code?			If the answer is "no", kindly explain what the average number of hours of overtime per employee is and whether all the project workers have received increased compensation for working overtime.
5	All project workers have rest as envisaged under the Labor Code (rest during working hours, daily rest, weekly rest, annual holidays)?			If the answer is "no", kindly explain.
6	One or more workers have been served with notices?			If the answer is "yes", kindly state under which conditions the notices had been served (whether the requirements of the Labor Code that concern deadlines and the manner of giving notice to employees have been met?).
7	Project workers (all or some) are working in jobs that require a special type of protection at work?			If the answer is "yes" please answering the following questions, too: Training on safety and protection at work had been organized for project workers and the test of the workers' knowledge was taken after the training?

			All the measures of protection at work prescribed under the Law are being applied (including use of personal protective equipment)?
8	At the start of their engagement, were seasonal workers informed on work-related risks, measures for their prevention and provision of first aid, including specific information on and OHS training?		If yes, specify and explain
8	Project workers have sustained injuries at work, occupational disease, or there have been fatalities?		If the answer is "yes" please providing the number of injured / diseased / deceased workers and explain circumstances under which that had occurred. In addition, state whether the labor inspectorate had been informed of the case.
9	Workers are acquainted with the Project Grievance Mechanism?		If the answer is "no", kindly explain.
	The labor inspectorate has visited the employer during the reporting period?		If the answer is "yes" please providing the number of visits and the potential instructions / warnings of the inspectorate. <i>Please attach minutes of the labor inspectorate to this report.</i>

ANNEX V COMPLIANCE STATEMENT TEMPLATE FOR SERVICE AND GOODS (ICT) PROVIDERS

Date and place of issuance: _____

Name and address of the issuer: _____

STATEMENT OF LEGAL AND REGULATORY COMPLIANCE

Hereby we declare that

- We are aware of, and comply with, the standards laid down in World Bank Environment and Social Framework;
- We conform to all national laws and applicable regulations concerning employment, labor and employee relations, and labor and working conditions;
- We are committed to providing a safe and healthy environment for our employees and to implementing all occupational health and safety requirements as stipulated by national legislation;
- We do not tolerate any form of child, forced or slavery work.
- We prohibit any form of harassment, abuse and violence at work and forbid direct or indirect discrimination against any employee or groups of employees on any ground and for whatever reason.
- Unless already available, we confirm that a worker Grievance Mechanism will be established by the time the contract is signed.

We hereby state that should we be awarded with the contract; we shall adopt the Labor Management Procedures applicable to the project and incorporate them in our practice.

We understand that the failure to respect any of the above stated commitments could lead to termination of the contract and exclusion from the project.

Signature:

Name:

Position:

ANNEX VI CONTENTS OF THE ESMP CHECKLIST - EXAMPLE

- A. General Project and Site Information
- B. Environmental and Social Impacts Screening
- C. Mitigation Measures
- D. Monitoring Plan

PART A: GENERAL PROJECT AND SITE INFORMATION

SITE DESCRIPTION	
Name of site	
Describe site location	Attachment 1: Site Map <input type="checkbox"/> Y <input type="checkbox"/> N
Who owns the land?	
Description of geographic, physical, biological, geological, hydrographic and socio-economic context	
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	
INSTITUTIONAL CAPACITY BUILDING	
Will there be any capacity building?	<input type="checkbox"/> N or <input type="checkbox"/> Y if Yes, Attachment 2 includes the capacity building program

PART B: ENVIRONMENTAL AND SOCIAL SCREENING

ENVIRONMENTAL /SOCIAL SCREENING			
	Activity/Issue	Status	Triggered Actions
Will the site activity include/involve any of the following?	A. Building rehabilitation	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section A below
	B. New construction	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section A below
	C. Individual wastewater treatment system	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section B below
	D. Historic building(s) and districts	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section C below
	E. Acquisition of land ⁴¹	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section D below
	F. Hazardous or toxic materials ⁴²	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section E below
	G. Impacts on forests and/or protected areas	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section F below
	H. Handling / management of medical waste	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section G below
	I. Traffic and Pedestrian Safety	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section H below

⁴¹ Land acquisitions includes displacement of people, negative impact on livelihood, encroachment on private property, land that is purchased/transferred and affects people who are living and/or squatters and/or operate a business (kiosks) on land that is being acquired.

⁴² Toxic / hazardous material includes but is not limited to asbestos, toxic paints, noxious solvents, removal of lead paint, etc.

PART C: MITIGATION MEASURES

ACTIVITY	PARAMETER	MITIGATION MEASURES CHECKLIST
0. General Conditions	Notification and Worker Safety	(a) The local construction and environment inspectorates and communities have been notified of upcoming activities (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. (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.
A. 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 (sidewalks, 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. (e) Whenever feasible the contractor will reuse and recycle appropriate and viable materials (except asbestos)

B. Individual wastewater treatment system	Water Quality	<p>(a) The approach to handling sanitary wastes and wastewater from building sites (installation or reconstruction) must be approved by the local authorities</p> <p>(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</p> <p>(c) Monitoring of new wastewater systems (before/after) will be carried out</p> <p>(d) Construction vehicles and machinery will be washed only in designated areas where runoff will not pollute natural surface water bodies.</p>
C. Historic building(s) and Cultural Heritage	Cultural Heritage	<p>(a) If the building is a designated historic structure, very close to such a structure, or located in a designated historic district, notification shall be made, and approvals/permits be obtained from local authorities and all construction activities planned and carried out in line with local and national legislation.</p> <p>(b) It shall be ensured that provisions are put in place so that artifacts or other possible "chance finds" encountered in excavation or construction are noted, and registered, responsible officials contacted, and works activities delayed or modified to account for such finds.</p>
ACTIVITY	PARAMETER	MITIGATION MEASURES CHECKLIST
D. Acquisition of land	Land Use Criteria	<p>(a) No land will be involuntarily acquired</p> <p>(b) Land can be purchased, or leased, on a willing buyer-willing seller basis</p> <p>(d) Works will utilize vacant government land, occur within existing footprint, or follow right -of-way or easements</p>
E. Toxic Materials	Asbestos management	<p>(a) If asbestos is located on the project site, it shall be marked clearly as hazardous material</p> <p>(b) When possible, the asbestos will be appropriately contained and sealed to minimize exposure</p> <p>(c) The asbestos prior to removal (if removal is necessary) will be treated with a wetting agent to minimize asbestos dust</p> <p>(d) Asbestos will be handled and disposed by skilled & experienced professionals</p> <p>(e) If asbestos material is being 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.</p> <p>(f) The removed asbestos will not be reused</p>
	Toxic / hazardous waste management	<p>(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</p> <p>(b) The containers of hazardous substances shall be placed in a leak-proof container to prevent spillage and leaching</p> <p>(c) The wastes shall be transported by specially licensed carriers and disposed in a licensed facility. (d) Paints with toxic ingredients or solvents or lead-based paints will not be used</p>

F. Affected forests, wetlands and/or protected areas	Protection	<p>(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.</p> <p>(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</p> <p>(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</p> <p>(d) There will be no unlicensed borrow pits, quarries or waste dumps in adjacent areas, especially not in protected areas.</p>
G. Disposal of medical waste	Infrastructure for medical waste management	<p>(a) In compliance with national regulations the contractor will insure that newly constructed and/or rehabilitated health care facilities include sufficient infrastructure for medical waste handling and disposal; this includes and not limited to:</p> <ul style="list-style-type: none"> ▪ Special facilities for segregated healthcare waste (including soiled instruments “sharps”, and human tissue or fluids) from other waste disposal; and ▪ Appropriate storage facilities for medical waste are in place; and ▪ If the activity includes facility-based treatment, appropriate disposal options are in place and operational
H Traffic and Pedestrian Safety	Direct or indirect hazards to public traffic and pedestrians by construction activities	<p>(a) In compliance with national regulations the contractor will ensure that the construction site is properly secured, and construction related traffic regulated. This includes but is not limited to</p> <ul style="list-style-type: none"> ▪ Signposting, warning signs, barriers and traffic diversions: site will be clearly visible, and the public warned of all potential hazards ▪ Traffic management system and staff training, especially for site access and near-site heavy traffic. Provision of safe passages and crossings for pedestrians where construction traffic interferes. ▪ Adjustment of working hours to local traffic patterns, e.g. avoiding major transport activities during rush hours or times of livestock movement ▪ Active traffic management by trained and visible staff at the site, if required for safe and convenient passage for the public. ▪ Ensuring safe and continuous access to office facilities, shops and residences during renovation activities, if the buildings stay open for the public.

PART D: MONITORING PLAN

Activity	What (Is the parameter to be monitored?)	Where (Is the parameter to be monitored?)	How (Is the parameter to be monitored?)	When (Define the frequency / or continuous?)	Why (Is the parameter being monitored?)	Who (Is responsible for monitoring?)
1. Type of activity						
2. Type of activity						
3. Type of activity						

EXAMPLE OF AN ENVIRONMENTAL MONITORING PLAN FOR SMALL SCALE CONSTRUCTION/REHABILITATION UNDER SELECTED SUBPROJECTS

PHASE	WHAT is the parameter to be monitored?	WHERE is the parameter to be monitored?	HOW is the parameter to be monitored??	WHEN is the parameter to be monitored? (frequency)?	WHY is the parameter being monitored?	COST	RESPONSIBILITY
Designing	Implementation of ESMP guidelines (RECOMMENDATIONS)	Design project for construction, reconstruction and adaptation.	Review of elaborated and adaptation designs.	Prior approval for construction as part of project monitoring program.	Recommended due to national legislation requiring a construction permit.	Should be part of the Project	CEP Designer, Contractor

PHASE	WHAT is the parameter to be monitored?	WHERE is the parameter to be monitored?	HOW is the parameter to be monitored??	WHEN is the parameter to be monitored? (frequency)?	WHY is the parameter being monitored?	COST	RESPONSIBILITY
Construction	Parameters given in construction permit - all special conditions of construction issued by different bodies	Main Project documentation	A part of regular inspection by the Committee for Environmental Protection (CEP) and the Construction Inspection	During construction and prior to issuance of the Operation permit	Regular review stipulated in the Law, and if any public complaint is sent to the CEP, or the Construction Inspection.	Included in the construction phase, costs of Contractors	PMU E&S Specialist, inspectorate of the CEP and Construction Inspection
	Construction waste management (including hazardous)	Supporting documents for waste, which is submitted to the competent communal enterprise	A part of regular inspection by the CEP and Construction Inspection	After reporting on waste management	Needed in accordance with the waste-related regulations	Expenditure of the CEP and the Construction Inspection and low costs for the Contractor	PMU E&S Specialist, inspectorate of the CEP and Construction Inspection

PHASE	WHAT is the parameter to be monitored?	WHERE is the parameter to be monitored?	HOW is the parameter to be monitored??	WHEN is the parameter to be monitored? (frequency)?	WHY is the parameter being monitored?	COST	RESPONSIBILITY
	Cultural Heritage- "chance finds" encountered during excavation or construction. If the building is a designated historic structure, very close to such a structure, or located in a designated historic district, for such finds.	Notification shall be made, approvals/permits are obtained from local authorities and all construction activities planned and carried out in line with local and national legislation.	A part of regular inspection by the CEP and Construction Inspection	During construction as part of project monitoring program.	It shall be ensured that provisions are put in place so that artifacts or other possible "chance finds" encountered in excavation or construction are noted and registered, responsible officials contacted, and works activities delayed or modified to account	Transportation costs for the contractor	NSIFT/PMU branches
Operation	Waste management	Based on the supporting documents for waste, which is submitted to the CEP	Reports to the CEP	After reporting to the CEP on waste management.	Should be monitored in line with the regulations on waste management.	Costs of the project beneficiary and the CEP	Project beneficiary, competent company and the CEP communal

PART 2: ENVIRONMENTAL /SOCIAL SCREENING		
ACTIVITY	ENVIRONMENTAL ISSUE/ PARAMETER	MITIGATION MEASURES CHECKLIST
A. Contractor mobilization (General Conditions)	Notification and Worker Safety	<ul style="list-style-type: none"> • The local construction and environment inspectorates and communities have been notified of upcoming activities • 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) • All legally required permits have been acquired for construction and/or rehabilitation • All work will be carried out in a safe and disciplined manner designed to minimize impacts on neighboring residents and environment. • Workers' PPE will comply with international good practice (always hardhats, as needed masks and safety glasses, harnesses and safety boots) • Appropriate signposting of the sites will inform workers of key rules and regulations to follow.
B. Rehabilitation and /or Construction Activities (civil works)	Air Quality	<ul style="list-style-type: none"> • Keep demolition debris in controlled area and spray with water mist to reduce debris dust • Suppress dust during pneumatic drilling/wall destruction by ongoing water spraying and/or installing dust screen enclosures at site • Keep surrounding environment (sidewalks, roads) free of debris to minimize dust
	Noise	<p>E. Construction noise will be limited to restricted times agreed to in the permit</p> <p>F. During operations the engine covers of generators, air compressors and other powered mechanical equipment should be closed, and equipment placed as far away from residential areas as possible</p>

	Waste management	<ul style="list-style-type: none"> • Waste collection and disposal pathways and sites will be identified for all major waste types expected from demolition and construction activities. • 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. • Construction waste will be collected and disposed properly by licensed collectors
C. Wastewater	Water Quality	<ul style="list-style-type: none"> • 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. • The approach to handling sanitary wastes and wastewater from building sites (installation or reconstruction) must be approved by the local authorities • 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 into the water courses/canals without special settling in dams (pools) and without passing through special gravel filters and other processing. quality and wastewater treatment

D. Cultural Heritage Chance Finds	Cultural Heritage	If any cultural artefacts or other possible archeological “chance finds” are encountered during excavation or construction, work activities will be stopped, the items noted and registered, and responsible Ministry of Culture officials contacted. Work will only be recommenced upon authorization of the responsible officials.
E. Toxic Materials/Substances	Asbestos management	<ul style="list-style-type: none"> • If asbestos is located on the project site, mark clearly as hazardous material • When possible, the asbestos will be appropriately contained and sealed to minimize exposure • The asbestos prior to removal (if removal is necessary) will be treated with a wetting agent to minimize asbestos dust • Asbestos will be handled and disposed by skilled & experienced professionals

	Toxic / hazardous waste management	<ul style="list-style-type: none"> • Temporarily storage on site of all hazardous or toxic substances will be in safe containers labeled with details of composition, properties and handling information • The containers of hazardous substances should be placed in a leak-proof container to prevent spillage and leaching
	Oil substances/wastes	<ul style="list-style-type: none"> • Car washes and places of mechanisms and machines service must be equipped with sumps and oil and petrol catchers; • Used oil and technical liquids should pour off into containers and then should send to the recovery; • Exclude leakage of petroleum products during transportation; • All the oil wastes of operational materials of maintenance should be collected and stored in specially designated areas with following cleaning in established order.
	Polychlorinated Biphenyls (PCBs)	<ul style="list-style-type: none"> • • Used only glass bottles for oil sampling; • In order to prevent the skin from coming into contact with PCBs, use one-way protective gloves. • Protect eyes against possible oil splashes by wearing goggles; • The sample should be taken by using the drain tap, located at the bottom of the transformer; • As there is a risk that highly toxic dioxins are unintentionally formed and released during the Chlorine identification testing should only be performed in a laboratory by experienced chemists. •

<p>F. Dismantling/installing old/new equipment and conducting earthworks</p>	<p>Crane/excavators/bulldozers operations</p>	<ul style="list-style-type: none"> • It is strictly imperative to obey the existing national regulations on conducting these activities; • While approaching to the air electrical lines under tension the works should be carried out under the supervision of electricians; • The cranes should be installed and fixed in a stable position to prevent their tipping or spontaneous displacement under the action of its own weight, and the engine. • For mechanized management of earthworks, it is necessary to check the serviceability of machineries, availability of their fencing and safety devices. Working on defective machines is not permitted; • To exclude injuries members of mechanized brigades operating cranes and bulldozers should know and strictly follow all safety engineering rules during operations of relevant machines; • Workers serving machines should be provided with instructions, comprising following: (a) Machine controlling instruction and caring about the workplace; (b) Safety engineering requirements; (c) Guidance of signals system; (d) The maximum loads and speeds of machines; (e) The measures have to be taken by the worker in the case of accident or malfunction of the machines. • To control the machines are allowed people specially trained and have certificate of competence of controlling machines. • The basic requirements of cranes and bulldozers operations are as follows: (a) all rotating parts of machines - gears, chain and temporary transfer, fans, flywheels, etc. must be fenced by casing. Turning on the mechanisms without fences is prohibited; (b) Examination, adjustment, tightening bolts, lubrication and preventive maintenance of the equipment during their work is banned; and (c) In areas where these machines work implementation of any other works and existence of people are not allowed. If in exploit soil will be found large stones, stumps or other objects the machine must be stopped and the objects which can cause an accident should be removed.
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	Welding activities	<ul style="list-style-type: none"> • Strictly imperative to obey the existing national regulations on conducting these activities; • The personal should have protective equipment, rubber gloves, special boots, as well as special helmets. • Prior to starting welding operations, all workers have to pass labor safety training course. • Use the protective gear which as minimum includes: (a) Respirator/Welders Mask; (b) Protective clothing: All skin areas need to be protected to protect against molten metal and sparks. This includes: Long sleeve shirts; Pants that cover the tops of shoes; Gloves; Shoes or boots; (c) Eye protection devices against injuries from debris and from the effects of the ultraviolet light; (d) Helmets. • Fire protection: prepare and use extinguishers as well as sand and water.
	Dismantling/installing electrical equipment	<ul style="list-style-type: none"> • Strictly obey the existing national regulations on conducting these activities; • Carry out the routine inspection of the machinery and equipment for the purpose of trouble shooting and observance of the time of repair; • Organize training and instruction of the workers engaged in maintenance of the machinery, tools and equipment on safe methods and techniques of work; • It is prohibited: to distribute faulty or unchecked tools for work performance as well as to leave off-hand mechanical tools connected to the electrical supply network or compressed air pipelines; to pull up and bend the cables and air hose pipes; to lay cables and hose pipes with their intersection by wire ropes, electric cables, to handle the rotating elements of power driven hand tools.

PART 3: MONITORING PLAN							
Phase/project activity	What (Is the parameter to be monitored?)	Where (Is the parameter to be monitored?)	How (Is the parameter to be monitored?)	When (Define the frequency / or continuous?)	Why (Is the parameter being monitored?)	Cost (if not included in project budget)	Who (Is responsible for monitoring?)
During project implementation							
Transformer oil testing on PCBs	Presence of Chlorine/ safety rules of PCBs testing	At the stations taking samples from transformers and testing the	Using Belstien method	Once in the beginning at the project implementation	Avoiding health impacts	Covered by MAFWM PMT	MAFWM PMT Environmental Protection Department
Civil works (construction/ rehabilitation)	Parameters given in construction permit - all special conditions of construction issued by different bodies	Project documentation, Construction permits	A part of regular inspection by MAFWM PMT	During construction and prior to issuance of the Operation permit	Regular review stipulated in the construction permits to ensure compliance with the specified by national legislation and EMP environmental requirements	Included in the costs of Contractors	Supervision MAFWM PMT Engineer and Social Specialist
	Air quality and noise	At the construction site	Visually	During construction phase	To avoid environmental pollution and workers health impacts	PMC expenditures as part of the project implementation costs	MAFWM PMT Environmental Specialist

	Wastewater	At the construction site	Visually	During construction phase	To avoid environmental pollution and workers health impacts	PMC expenditures as part of the project implementation costs	MAFWM PMT Environmental Department and IP Environment Specialist
	Construction waste management, hazardous materials and asbestos	At the construction sites and	Visual observations and analyzing supporting documents for waste collection and transportation,	During the construction phase and after reporting on waste management	Avoiding environmental pollution and health impacts and needed in accordance with the waste-related	Expenditure of the MAFWM PMT and operating costs for the Contractor	IP Environmental Specialist

			which is submitted to the competent communal enterprise; Reporting		national regulations		
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<i>Dismantling/installing new electrical equipment/welding operations</i>	Labor safety	At the construction site (for dismantling or installing of equipment)	Visual observation and analysis of presented report on conducted works, accidents, if any, reports on conducted training	Before and during construction and per national requirements in terms of ensuring labor safety	Avoiding accidents and health impacts	Contractors expenditure on training and ensuring labor safety, including costs for protective gear; Supervision costs of Environmental Specialist	PMC Environmental Specialist
During operation							
<i>Electrical station operation</i>	Labor safety	At the electrical stations	Protective gears, obeying of safety rules, conducted training	Periodically per specified in national norms and standards	Avoiding accidents and health impacts to station workers	MAFWM PMT own expenses	Chief Engineer of the station

ANNEX VII Environmental and Social Management Plan Content and Format

General Remarks. 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 (Moderate and substantial risk projects), ESMP may also be an effective way of summarizing the activities needed to achieve effective mitigation of negative environmental impacts (description of Environmental and Social Management Plan is provided in **Attachment 1** below).

The Management Plan format provided in **Attachment 2 below**. It represents a model for development of an ESMP. The model divides the project cycle into three phases: construction, operation and decommissioning. For each phase, the preparation team identifies any substantial environmental impacts that are anticipated based on the analysis done in the context of preparing an environmental assessment.

For each impact, mitigation measures are to be identified and listed. Estimates are made of the cost of mitigation actions broken down by estimates for installation (investment cost) and operation (recurrent cost). The ESMP format also provides forth identification of institutional responsibilities for operation of mitigation devices and methods.

To keep track of the requirements, responsibilities and costs for monitoring the implementation of environmental mitigation identified in the analysis included in an environmental assessment for Moderate and substantial Risk projects, a monitoring plan may be useful. A **Monitoring Plan format** is provided in **Attachment 3 below**. Like the ESMP the project cycle is broken down into three phases (construction, operation and decommissioning). The format also includes a row for baseline information that is critical to achieving 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.

When a monitoring plan is developed and put in place in the context of project implementation, the PMU will request reports at appropriate intervals and include the findings in its periodic reporting to the World Bank and make the findings available to Bank staff during supervision missions.

Attachment 1

Description of the of the Environmental and Social Management Plan

The Environmental and Social Management Plan (ESMP) identifies feasible and cost-effective measures that may reduce potentially substantial adverse environmental impacts to acceptable levels. The plan includes compensatory measures if mitigation measures are not feasible, cost effective, or sufficient. Specifically, the ESMP (a) identifies and summarizes all anticipated substantial adverse environmental impacts (including those involving indigenous people or involuntary resettlement); (b) describes--with technical details--each mitigation measure, including the type of impact to which it relates and the conditions under which it is required (e.g. continuously or in the event of contingencies), together with designs, equipment descriptions, and operating procedures, as appropriate; (c) estimates any potential environmental impacts of these measures; and (d) provides linkage with any other mitigation plans (e.g., for involuntary resettlement, indigenous peoples, or cultural property) required for the project.

Monitoring

Environmental monitoring during project implementation provides information about key environmental aspects of the project, particularly the environmental impacts of the project and the effectiveness of mitigation measures. Such information enables the borrower and the Bank to evaluate the success of mitigation as part of project supervision and allows corrective action to be taken when needed. Therefore, the ESMP identifies monitoring objectives and specifies the type of monitoring, with linkages to the impacts assessed in the ESA report and the mitigation measures described in the ESMP. Specifically, the monitoring section of the ESMP provides (a) a specific description, and technical details, of monitoring measures, including the parameters to be measured, methods to be used, sampling locations, frequency of measurements, detection limits (where appropriate), and definition of thresholds that will signal the need for corrective actions; and (b) monitoring and reporting procedures to (i) ensure early detection of conditions that necessitate particular mitigation measures, and (ii) furnish information on the progress and results of mitigation.

Capacity Development and Training

To support timely and effective implementation of environmental project components and mitigation measures, the ESMP draws on the EA's assessment of the existence, role, and capability of environmental units on site or at the agency and ministry level.³ If necessary, the ESMP recommends the establishment or expansion of such units, and the training of staff, to allow implementation of EA recommendations. Specifically, the ESMP provides a specific description of institutional arrangements—who is responsible for carrying out the mitigatory and monitoring measures (e.g., for operation, supervision, enforcement, monitoring of implementation, remedial action, financing, reporting, and staff training). To strengthen environmental management capability in the agencies responsible for implementation, most EMPs cover one or more of the following additional topics: (a) technical assistance programs, (b) procurement of equipment and supplies, and (c) organizational changes.

Implementation Schedule and Cost Estimates

For all three aspects (mitigation, monitoring, and capacity development), the ESMP provides (a) an implementation schedule for measures that must be carried out as part of the project, showing phasing and coordination with overall project implementation plans; and (b) the capital and recurrent cost estimates and sources of funds for implementing the ESMP. These figures are also integrated into the total project cost tables.

Integration of ESMP with Project

The borrower's decision to proceed with a project, and the Bank's decision to support it, are predicated in part on the expectation that the ESMP will be executed effectively. Consequently, the Bank expects the plan to be specific in its description of the individual mitigation and monitoring measures and its assignment of institutional responsibilities, and it must be integrated into the project's overall planning, design, budget, and implementation. Such integration is achieved by establishing the ESMP within the project so that the plan will receive funding and supervision along with the other components.

Environmental & Social Management Plan

(sub-project, location, description)

Environmental and Social Elements	Impacts	Proposed mitigation measures ⁴¹	Institutional responsibility for mitigation	Cost of mitigation activities ⁴²
Construction period				
<i>Physical Environment</i>				
Soils				
Water Resources				
Air Quality				
<i>Biological Environment</i>				
Fauna and Flora				
<i>Social Environment</i>				
Aesthetics and Landscape				
Human Communities				
Traffic				
Land acquisition/resettlement				

⁴¹Activities requiring financial expenses are to be included in BoQ.

⁴² Cost of mitigation activities is defined by a contractor in relevant items in bidding documents.

Income losses				
Health and safety				
Historical and Cultural Sites				
Safety and health of staff and population				
Labor management				
Operation period				
<i>Physical Environment</i>				
Soils				
Water Resources				
Air Quality				
<i>Biological Environment</i>				
Fauna and Flora				
<i>Social Environment</i>				
Aesthetics and Landscape				
Human Communities				
Historical and Cultural Sites				
Safety and health of staff and population				

Environmental & Social Monitoring Plan

(subproject, location, description)

Subproject 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 ⁴³ 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 VIII TEMPLATE FOR GRIEVANCE REDRESS LOG

#	Priority	Date Feedback Received	Feedback Channel	Category of feedback	Summary Description	Anonymous (Yes/No)	Person assigned to address feedback	Status (resolved, pending, escalated)	Date of resolution of feedback	Communication about resolution
1										
2										
3										
4										
5										
6										

ANNEX IX STATEMENT ON COMPLIANCE WITH PROVISIONS OF LABOR LEGISLATION AND LEGISLATION ON PROTECTION AT WORK

APPLICANT'S STATEMENT ON COMPLIANCE WITH THE PROVISIONS OF THE LEGISLATION ON LABOR AND OHS

STATEMENT

I /full name of declarant/, /director – responsible person/, with headquarters in /address/, under material and criminal liability hereby certify that we comply with and will comply with the provisions of the applicable labor and OHS legislation, and I declare the following:

1. All workers are registered for pension, disability and health insurance;
2. All workers regularly receive their salary and compensation during any absences from work;
3. All workers are entitled to breaks and absences as defined by the Labor Law;
4. Any employees aged 15 to 18 are employed upon full compliance with the conditions set forth in the Law;
5. OHS measures are applied in accordance with the job types, and the workers are provided with resources to apply and promote OHS principles.

By signing this statement, I confirm that the above data are correct and complete, and that I am aware that providing untrue and incorrect information may result in termination of the contract and refunding of the received financial means.

Place and date:

Name:

Signature and seal:

ANNEX X Format for Report on Compliance of Conditions of Work with ESS 2 (for contractors)

Contract:

Contractor/Service Supplier:

Reported period:

Date of report:

COMPLIANCE REPORT

Company employees* statistics:

Total number of employees¹: _____

Number of employees with an employment contract	Number of employees outside the employment relationship	Number of employees with access to social security, pension and health insurance	Number of employees who receives wages/salaries at least once a month
Number of employees who left the company in the reported period	Number of employees hired in the reported period	Number of hours worked per employee (monthly average)	Total overtime (monthly average)
Number ² of injuries at work	Number of fatalities at work	Number of reported violence	Number of reported harassment/ abuses
Number of reported discriminations	Number of grievances raised	Number of grievances resolved	
Number of suits filed with regard to labor, employment and OHS issues	Number of disputes brought to peaceful settlement/ voluntary arbitration procedure	Number of visits by labor/ OHS inspection	

*The employee is any natural person employed or engaged to work or perform service for the employer

¹ The number of employees refers to the actual number/headcount on the date of the report.

² The numbers imply the total number of incidents in the reported period.

Project workers statistics:

Total number of project workers**:	Number of project workers with an employment contract:	Number of project workers outside the employment relationship	Number of projects workers with access to social security, pension and health insurance

Working and Labor Conditions Screening Check List

	Terms and conditions	Yes	No	Notes
1	All project workers have an employment contract or engagement agreement in writing			<i>If "No" please specify and explain</i>
2	Project workers are paid at least once a month			<i>If "No" please specify and explain</i>
3	Project workers worked 8 hours a day, 40 hours a week			<i>If "No" please explain and specify the hours worked</i>
4	Project workers had a regular daily and weekly rest			<i>If "No" please specify and explain</i>
5	Project workers were terminated from employment			<i>If "Yes" please specify and explain</i>
6	Project workers attended a training programme			<i>If "Yes" please specify and explain</i>
7	Project workers were granted leaves they are entitled to			<i>If "Yes" Please specify the type and number of leaves</i>
8	Project workers were involved in accidents at work resulting in injuries or fatalities			<i>If "Yes" please specify and explain</i>
9	Project workers reported on cases of discrimination, harassment, sexual harassment or non-compliance with law			<i>If "Yes" please specify and explain</i>
10	Project workers raised grievances or started voluntary arbitration / legal proceedings to settle a dispute			<i>If "Yes" please specify and explain</i>
11	In the reported period there were some incidents on noncompliance with the LMP			<i>If "Yes" please specify and explain</i>

** Project workers are natural persons assigned to the project by the contractor/ service provider.

ANNEX XI SAMPLE SCREENING CHECKLIST FOR THE ANNUAL ENVIRONMENTAL & SOCIAL REPORT

1. General		
Is the project materially compliant with all relevant Performance Requirements (taking account of agreed action plans, exemptions or derogations)?	Yes <input type="checkbox"/> No <input type="checkbox"/>	If No, please provide details of any material non-compliances:
Is the project materially compliant with all applicable environmental and social laws and regulations?	Yes <input type="checkbox"/> No <input type="checkbox"/>	If No, please provide details of any material non-compliances:
Have there been any accidents or incidents that have caused damage to the environment, brought about injuries or fatalities, affected project labor or local communities, affected cultural property, or created liabilities for the company?	Yes <input type="checkbox"/> No <input type="checkbox"/>	If yes, please describe, including details of actions to repair and prevent reoccurrence:
Have there been any changes to environment, social, labor or health and safety laws or regulations that have materially affected the company?	Yes <input type="checkbox"/> No <input type="checkbox"/>	If yes, please describe:
How many inspections did you receive from the environmental authorities during the reporting period?	Number:	Please provide details of these visits, including number and nature of any violations found
How many inspections did you receive from the health and safety authorities during the reporting period?	Number:	Please provide details of these visits, including number and nature of any violations found
How many inspections did you receive from the labor authorities during the reporting period?	Number:	Please provide details of these visits, including number and nature of any violations found:
Have these visits resulted in any penalties, fines and/or corrective action plans?	Yes <input type="checkbox"/> No <input type="checkbox"/>	If yes, please describe, including status of implementing corrective actions to address any violations found:

<p>Has the Company engaged any contractors for project-related work in the reporting period?</p>	<p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>	<p>If yes, please state for which types of work, and how the company has monitored the compliance of contractors with Performance Requirements and the Environmental and Social Action Plan:</p>
<p>Were any of the violations stated above the responsibility of contractors?</p>	<p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>	<p>If yes, please provide details, including how the Company is ensuring that corrective actions are implemented by the Contractor?</p>
<p>Have any operations been reduced, temporarily suspended or closed down due to environmental, health, safety or labor reasons?</p>	<p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>	<p>If yes, please describe:</p>
<p>Please describe any environment or social programmes, initiatives or sub-projects undertaken during the reporting period to improve the company's environmental or social performance and/or management systems:</p> <p>Please indicate the level of associated expenditure (capital expenditure and operating expenditure), and whether this relates to the requirements of the Environmental and Social Action Plan, or to any other initiative:</p>		

2. Status of the Environmental and Social Action Plan

Please provide information on the status of each item in the Environmental and Social Action Plan (ESAP). If the ESAP has been updated during the reporting period, please attach a copy of the new plan.

3. Environmental Monitoring Data¹

Please provide the name and contact details for your environmental manager:

Parameter ²	Value ³	Unit	Compliance Status ⁴	Comments ⁵
Wastewater				
Total wastewater generated				
BOD				
COD				
Suspended Solids				
Phosphorus				
Nitrates				
Heavy metals				
[Other]				
Air Emissions				

Please provide the name and contact details for your environmental manager:

Parameter ²	Value ³	Unit	Compliance Status ⁴	Comments ⁵
SO2				
NOX				
Particulates				
CO2				
CH4				
N2O				
HFCs				
PFCs				
SF6				
[Other]				
Other Parameters				
Noise				
[Other]				
Solid Waste				
<p>Please provide details of the types and amounts of solid wastes generated by the project. Indicate where wastes are classified as hazardous. Indicate the final re-use, recycle or disposal method for each waste type.</p>				

Please provide the name and contact details for your environmental manager:				
Parameter ²	Value ³	Unit	Compliance Status ⁴	Comments ⁵

4. Resource Usage and Product Output			
Parameter	Value	Measurement Unit	Comments ⁶
Fuels used			
Oil			
Gas			
Coal			
Lignite			
Grid Electricity			
Heat Purchased			
Feedstocks and raw materials consumed			
Name 1			
Name 2			
Product output			
Product 1			
Product 2			

5. Human Resources Management			
Please provide the name and contact details for your Human Resources manager:			
	Total	Recruited in this reporting period	Dismissed in this reporting period
Number of direct employees:			
Number of contracted workers:			
Were there any collective redundancies during the reporting period?	Yes <input type="checkbox"/> No <input type="checkbox"/>	If yes, please describe the redundancy plan, including reasons for redundancies, number of workers involved, how they were selected, consultation undertaken, and measures to mitigate the effects of redundancy:	
Are there any planned redundancies to the workforce in the next year?	Yes <input type="checkbox"/> No <input type="checkbox"/>	If yes, please describe the redundancy plan, including reasons for redundancies, number of workers involved, and selection and consultation process:	
Were there any changes in trade union representation at Company facilities during the reporting period?	Yes <input type="checkbox"/> No <input type="checkbox"/>	If yes, please provide details, and summarize engagement with trade unions during reporting period:	
Were there any other worker representatives (e.g. in the absence of a trade union)?	Yes <input type="checkbox"/> No <input type="checkbox"/>	If yes, please provide details and summarize engagement with them during reporting period:	
Were there any changes in the status of Collective Agreements?	Yes <input type="checkbox"/> No <input type="checkbox"/>	If yes, please provide details:	
Have employees raised any grievances with the project during the reporting period?	Yes <input type="checkbox"/> No <input type="checkbox"/>	If yes, please state how many, split by gender, summarize the issues raised in grievances by male and female staff and explain how the Company has addressed them:	
Have employees raised any complaints about harassment or bullying during the reporting period?	Yes <input type="checkbox"/> No <input type="checkbox"/>	If yes, please state how many, split by gender, summarize the issues raised by male and female staff and explain how the Company has addressed them:	
Have there been any strikes or other collective disputes related to labor and	Yes <input type="checkbox"/> No <input type="checkbox"/>	If yes, please summarize nature of, and reasons for, disputes and explain how they were resolved	

working conditions at the Company in the reporting period?		
Have there been any court cases related to labor issues during the reporting period?	Yes <input type="checkbox"/> No <input type="checkbox"/>	If yes, please summarize the issues contested and outcome:
Have there been any changes to the following policies or terms and conditions during the reporting period in any of the following areas: <ul style="list-style-type: none"> • Union recognition • Collective Agreement • Non-discrimination and equal opportunity • Equal pay for equal work • Gender Equality • Bullying and harassment, including sexual harassment • Employment of young persons under age 18 • Wages (wage level, normal and overtime) • Overtime • Working hours • Flexible working / work-life balance • Grievance mechanism for workers • Health & safety 	Yes <input type="checkbox"/> No <input type="checkbox"/>	If yes, please give details, including of any new initiatives:

6. Occupational health and safety data					
Please provide the name and contact details for your Health and Safety manager:					
	Direct employees	Contracted workers		Direct employees	Contracted workers
Number of man-hours worked this reporting period:			Number of Fatalities ⁷ :		
Budget spent on OHS in this period (total amount and currency):			Number of disabling injuries:		
OHS training provided in this period in person-days:			Number of Lost Time Incidents (including vehicular) ⁸ :		
Number of lost workdays ⁹ resulting from incidents:			Number of cases of occupational disease:		
Number of sick days:					
Accident causes (falling, heavy loads, struck by object, contact with energy source etc.):					
Please provide details of any fatalities or major accidents that have not previously been reported to Banks, including total compensation paid due to occupational injury or illness (amount and currency):					

Please summarize any emergency prevention and response training that has been provided for company personnel during the report period:

Please summarize any emergency response exercises or drills that have been carried out during the report period:

7. Stakeholder Engagement

Please provide the name and contact details for your external relations or community engagement manager:

How many complaints or grievances did the project receive from members of the public or civil society organizations during the reporting period? Please split by stakeholder group. Summarize any issues raised in the complaints or grievances and explain how they were resolved:

Please provide information on the implementation of the stakeholder engagement plan and summarize interaction with stakeholders during the reporting period, including:

- Meeting or other initiatives to engage with members of the public or public organizations during the report period,
- information provided to members of the public and other stakeholders during the report period relating to environmental, social or safety issues
- coverage in media,
- and interaction with any environmental or other community groups.

ANNEX XIISERBIAN LEGISLATION – EIA MANAGEMENT AND LIST FOR WHICH FULL EIA IS MANDATORY

Срб	Eng
<p>Постројења за:</p> <p>1) прераду нафте, нафтних деривата и природног гаса</p> <p>2) гасификацију и топљење угља, или битумених шкриљаша, тешких остатака сирове нафте</p>	<p>Installations for</p> <p>(a) refinement of crude-oil, derivatives or natural gas</p> <p>(b) the gasification or liquefaction of coal or bituminous shale, heavy residues of crude oil</p>
<p>Постројења:</p> <p>1) за производњу електричне енергије, водене паре, топле воде, технолошке паре или загрејаних гасова, употребом свих врста горива, као и постројења за погон радних машина (термоелектране, топлане, гасне турбине, постројења са мотором са унутрашњим сагоревањем и остали уређаји за сагоревање укључујући и парне котлове) са снагом од 50 MW или више</p> <p>2) нуклеарни реактори, укључујући демонтажу или искључење из погона таквих реактора, изузев научноистраживачких постројења за производњу и конверзију фициониких и обогаћених материјала, чија укупна снага не прелази 1 kW сталног термалног оптерећења</p>	<p>Installations</p> <p>(a) for the production of electric energy, steam, hot water, technological steam and warm gas, using all kinds of fuels, as well as installations for driving working machines (thermoelectric plants, heating plants, gas turbines, facilities with combustion motors and other appliances with combustion) including steam kettle) with a heat output of 50 megawatts or more, and</p> <p>(b) nuclear reactors including the dismantling or decommissioning of such reactors (*) except scientific research installations for the production and conversion of fissionable and fertile materials, whose maximum power does not exceed 1 kilowatt continuous thermal load</p>
<p>Постројења:</p> <p>1) за прераду истрошеног нуклеарног горива</p> <p>2) предвиђена:</p> <ul style="list-style-type: none"> - за производњу или обогаћење нуклеарног горива - за прераду истрошеног нуклеарног горива или високо радиоактивног нуклеарног отпада - за трајно одлагање истрошеног нуклеарног горива - за трајно одлагање нуклеарног отпада <p>- за прераду, складиштење и одлагање радиоактивног отпада</p>	<p>Installations</p> <p>(a) for the processing of irradiated nuclear fuel</p> <p>(b) designed:</p> <ul style="list-style-type: none"> - for the production or enrichment of nuclear fuel - for the processing of irradiated nuclear fuel or high-level radioactive waste - for the final disposal of irradiated nuclear fuel - for the final disposal of nuclear waste - for the processing, storage and disposal radioactive waste
<p>Постројења:</p> <p>1) за печење или синтеровање металне руде (укључујући сулфидну руду)</p> <p>2) за производњу сировог гвожђа или челика (примарно или секундарно топљење) укључујући континуално ливење, са капацитетом који прелази 25 t/h</p> <p>3) за прераду у црној металургији:</p> <ul style="list-style-type: none"> - топле ваљанице са капацитетом изнад 20 t/h сировог челика - ковачнице са аутоматским чекићима чија енергија прелази 50 kJ по једном чекићу, код којих употребљена топлотна снага прелази 20 MW 	<p>Installations for</p> <p>(i) roasting and sintering of metal ore including sulphide ore</p> <p>(ii) production of pig iron or steel (primary and secondary liquefaction including continuous casting, with capacities over 25 t/h</p> <p>(iii) for processing of ferrous metals:</p> <ul style="list-style-type: none"> - hot-rolling mills with capacity over 20 t/h crude iron - smitheries with automatic hammers with energy exceeding 50 kJ for one hammer where the calorific power used exceeds 20 KW - installations for applying metal protecting coating using liquefying baths with
<ul style="list-style-type: none"> - постројења за наношење металних заштитних слојева на металне површине помоћу топљених купки, са улазом који прелази 2 t/h сировог материјала 4) ливница црне металургије са производним капацитетом преко 20 t/dan 5) Постројења:- за производњу обојених сирових метала из руде, концентрата или секундарних сировина путем металуршких и/или хемијских процеса и/или електролитичких процеса - за топљење укључујући и израду легура од обојених метала, као и израду корисних нуспроизвода (рафинација, ливење итд) са капацитетом топљења од преко 4 t дневно за олово и кадмијум или 20 t дневно за све остале метале 6) за површинску обраду метала и пластичних материјала коришћењем електролитичких или хемијских процеса, где запремина када за третман прелази 30 m 	<p>inputs over 2 t/h raw materials</p> <p>(iv) ferrous metal foundries with over 20 t/day</p> <p>(v) Installations:</p> <ul style="list-style-type: none"> -for the production of non-ferrous crude metals from ore, concentrates or secondary raw materials by metallurgical, chemical or electrolytic processes -for smelting including alloying of non ferrous metals, as well as recovered products (refinement, casting) with smelting liquefaction capacities of over 4 t/day for Mercury and Cadmium or 20 /day for all other metals (vi) for surface treatment of metal and plastic materials using electrolytic and chemical processes, where the volume of baths for treatment exceeds 30 m
<p>Постројења за:</p> <p>1) екстракцију, производњу, прераду и обраду азбеста и производа који садрже азбест</p> <p>2) производња цементног клинкера, цемента и креча у ротационим или другим пећима капацитета преко 500 t дневно за производњу цементног клинкера или креча капацитета преко 50 t дневно у ротационим пећима</p> <p>Комбинована хемијска постројења, тј. постројења за индустријску производњу супстанци код којих се примењују поступци хемијске промене и у којима се поједини погони налазе један поред другог и функционално су повезани, а намењени су за производњу:</p> <ul style="list-style-type: none"> - основних органских хемикалија - основних неорганских хемикалија - вештачких ђубрива на бази фосфора, азота или калијума (проста или сложена ђубрива) - основних (базних) производа за заштиту биља, као и биоцида 	<p>Installations for</p> <p>(a) the extraction, production, processing and transformation of asbestos and for products containing asbestos</p> <p>(b) for production of cement clinker, cement and lime; in rotating and other furnaces with a capacity of 500 t/day for the production of cement clinker and lime; for 50 t/day in rotating furnaces</p> <p>Integrated chemical installations, i.e. those installations for the manufacture on an industrial scale of substances using chemical conversion processes, in which several units are juxtaposed and are functionally linked to one another and which are for the production:</p> <p>(i) of basic organic chemicals</p> <p>(ii) of basic inorganic chemicals</p> <p>(iii) of phosphorous-, nitrogen- or potassium-based fertilizers (simple or compound fertilizers)</p> <p>(iv) of basic plant protection products and of biocides</p>

- основних фармацевтских производа уз примену хемијских или биолошких поступака - и/или прераду и/или обраду експлозива	(v) of basic pharmaceutical products using a chemical or biological process (vi) for the processing or treatment of explosives
Изградња 1) магистралних железничких пруга укључујући припадајуће објекте (мостове, тунеле и станице) 2) магистралних аутопутева и путева са четири или више трака, или реконструкција и/или проширење постојећег пута са две траке или мање, са циљем добијања пута са четири или више трака, у случају да такав нови пут или реконструисана и/или проширена деоница имају непрекидну дужину од преко 10 km или више, укључујући припадајуће објекте, осим пратећих садржаја магистралног пута 3) аеродроми за обављање јавног авио-транспорта ² чија је полетна писта дужа од 2 100 m	Construction of (a) major lines for railway traffic including adjoining infrastructure such as bridges, tunnels and stations (b) major express roads and roads of four or more lanes, or reconstruction and/or widening of an existing road of two lanes or less, so as to provide four or more lanes, where such new road, or realigned and/or widened section of road would be 10 km or more in a continuous length including adjoining infrastructure, except service and rest areas (c) airports for public transport (1) with a runway length of 2 100 m or more
Унутрашњи пловни путеви на којима важи међународни или међудржавни режим пловидбе, као и луке и пристаништа које се налазе на унутрашњем пловном путу на којем важи међународни или међудржавни режим пловидбе регулациони радови на унутрашњим пловним путевима којим се омогућава пролаз пловилима објектима од преко 1.350 t	Inland waterways with an international navigation regime and ports and piers on inland waterways with an international navigation regime river regulation for inland waterways which permit the passage of vessels exceeding 1350 t
Постројења за третман опасног отпада спаљивањем, термичким и/или физичким, физичко-хемијским, хемијским поступцима као и централна складишта и/или депоније за одлагање опасног отпада ³	Installations for incineration, thermal and/or mechanical, mechanical-chemical, chemical treatment of hazardous waste as defined in Annex IIA to Directive 75/442/EEC (1) under heading D9, as well as central storehouses or landfills for disposal of hazardous waste (i.e. waste to which Directive 91/689/EEC (2) applies)
Постројења за третман отпада који није опасан спаљивањем или хемијским поступцима ⁴ капацитета више од 70 t на дан депоније комуналног отпада за преко 200 000 еквивалент становника	Waste installations for the incineration or chemical treatment as defined in Annex IIA to Directive 75/442/EEC under heading D9 of nonhazardous waste with a capacity exceeding 70 tonnes per day municipal landfills exceeding 200 000 equivalent inhabitants
Експлоатација подземних вода или обogaћивање подземних вода код којих је годишња запремина експлоатисане или обogaћене воде једнака количини од 10 милиона м ³ или више.	Groundwater use or groundwater recharge where the annual volume of water used or recharged is equivalent to or exceeds 10 million cubic metres
Објекти: 1) Хидротехнички објекти за пребацивање вода између речних сливова,	Structures (a) hydrotechnical structures for the transfer of water resources between river
намењени спречавању могућих nestaшица воде код којих количина пребачене воде прелази 100 милиона кубних метара годишње 2) У свим другим случајевима, објекти намењени за пребацивање вода између речних сливова код којих вишегодишњи просек протока у сливу из ког се вода захвата прелази 2 000 милиона м ³ годишње и где количина пребачене воде прелази 5% од овог протока, осим у преносу воде за пиће цевоводима	basins where this transfer aims at preventing possible shortages of water and where the amount of water transferred exceeds 100 million cubic metres/year (b) In all other cases, objects for the transfer of water resources between river basins where the multi-annual average flow of the basin of abstraction exceeds 2 000 million cubic metres/year and where the amount of water transferred exceeds 5 % of this flow. Transfers of piped drinking water are excluded
Постројења за пречишћавање отпадних вода у насељима преко 100 000 становника	Waste water treatment plants with a capacity exceeding 100 000 population
Вађење нафте и природног гаса	Extraction of petroleum and natural gas
Бране и други објекти намењени задржавању и акумулацији воде код којих вода која дотиче, или додатно задржана, или акумулирана вода прелази количину од 10 милиона м ³	Dams and other installations designed for the holding back or permanent storage of water, where a new or additional amount of water held back or stored exceeds 10 million cubic metres
Цевоводи за транспорт гаса, течног гаса, нафте и нафтних деривата или хемикалија пречника већег од 800 mm и дужине која прелази 40 km	Pipelines for the transport of gas, liquefied petroleum gas, oil and oil derivatives or chemicals with a diameter of more than 800 mm and a length of more than 40 km
Објекти за интензиван узгој живине или свиња са капацитетом преко: - 85.000 места за производњу бројлера - 40 000 места за живину у узгоју и експлоатацији - 2000 места за производњу свиња (преко 30 kg тежине) - 750 места за крмаче	Installations for the intensive rearing of poultry or pigs with more than: (a) 85 000 places for broilers (b) 40 000 places for poultry in rearing and use (c) 2 000 places for production pigs (over 30 kg) or (d) 750 places for sows
Индустријска постројења за производњу: 1) целулозе из дрвне масе, сламе или сличних влакнастих материјала 2) папира и картона са производним капацитетом који прелази 20 t/dan	Industrial plants for the production of: (a) pulp from timber, straw or similar fibrous materials (b) paper and board with a production capacity exceeding 20 tonnes per day
Површински копови минералних сировина чија површина прелази 10 ha, или вађења тресета кад површина терена за експлоатацију прелази 100 ha	Open-cast mining of mineral ore where the surface of the site exceeds 10 hectares, or peat extraction, where the working surface of the site exceeds 100 hectares
Изградња надземних далековада чија волтажа износи 220 kV или више и чија дужина прелази 15 km	Construction of overhead electrical power lines with a voltage of 220 kV or more and a length of more than 15 km
Активности и постројења за које се издаје интегрисана дозвола у складу са Уредбом о врстама активности и постројења за које се издаје интегрисана дозвола ("Сл.Гласник РС" бр 84/05)	Activities and installations requiring a permit based on the Regulation on activities and installations requiring an integrated pollution prevention and control permit (Official Journal of Serbia, No 84/05)

Environmental Approval Procedure

Legislative base for EIA in Serbia is found in LEP and LOEIA. The Department of EIA (DoEIA), under MEP, is the regulatory body responsible for enforcing LEP and LOEIA. It is the responsibility of PMT to conduct EIA of development proposals (road sections to be rehabilitated), while the responsibility to review EIA for the purpose of issuing FEA rests on DoEIA.

Final Environment Approval has to be obtained by PMT from DoEIA for all CAP sub-projects which are found to be adjacent or within the nature/cultural protected area. The EIA could be required for such sub-projects in accordance with the Serbian legislation.

The procedure for “B” Environmental Category (which in major part correspond to Projects on List No.2 of the Decree on establishing the List of Projects for which the Impact Assessment is mandatory and the List of projects for which the EIA can be requested (“Official Gazette of RS” No. 114/08)) includes submission of:

- Request for Decision about Need for EIA (RDNEIA)
- Environmental Impact Assessment (EIA)
- Environmental Management Plan (EMP)

Most of the CAP sub-projects will be implemented within the non-sensitive areas in environmental point of view, so they could be categorized as a “Low B” Environmental Category. Such projects require only EMP, Checklist EMP or application of regulations/standards. Environmental management process, including obtaining of FEA includes:

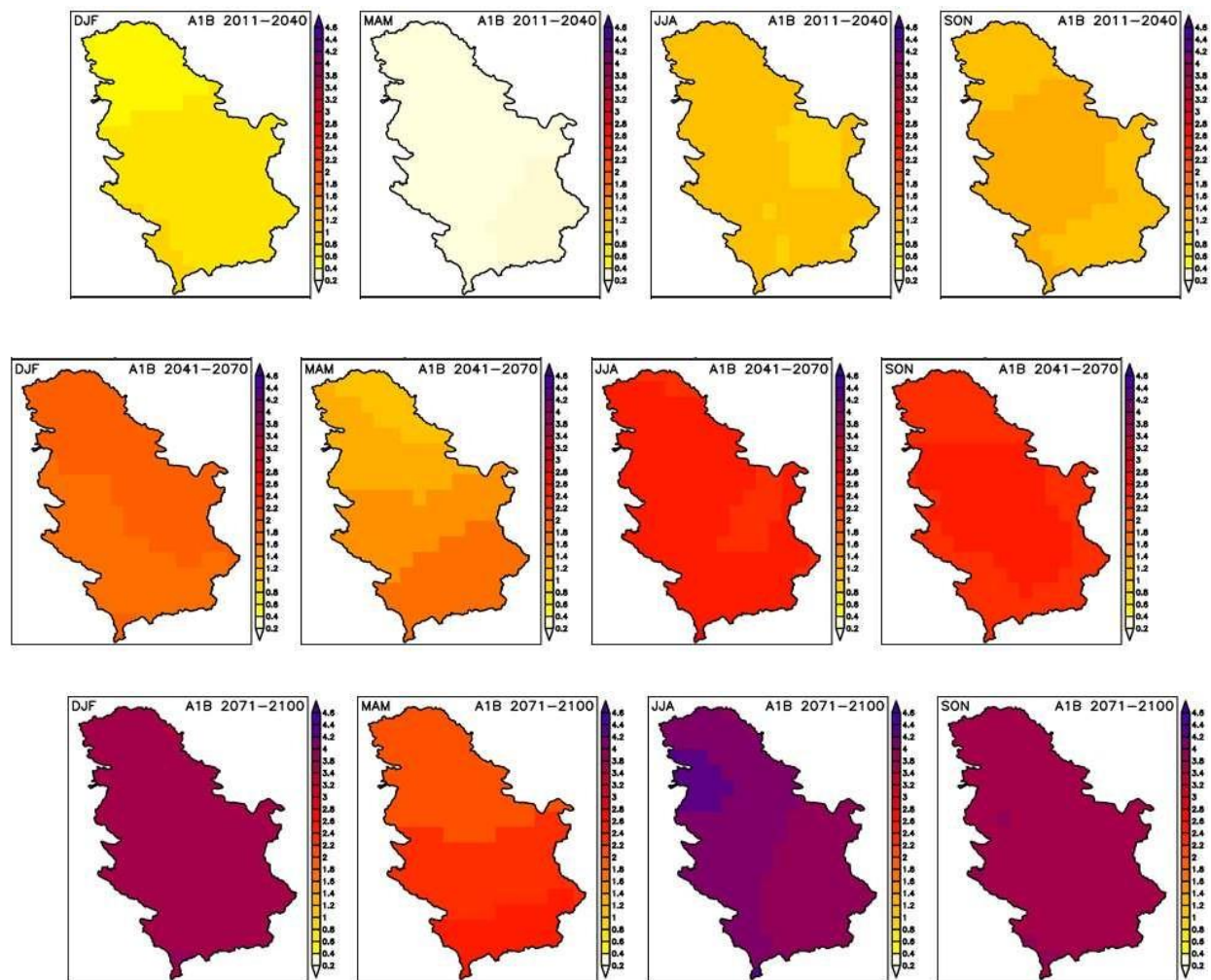
- Screening/Scoping in order to determine what are the likely potential issues;
- Request for the Opinion about Need for EIA, submitted to MEP/PSEP;
- Full Environmental Impact Assessment Procedure, only in case where MEP/PSEP issue an Opinion that EIA is needed for these projects;
- In case where MAEP/PSEP issue an Opinion that EIA is not needed for the project, Environmental Approval is obtained by collecting subject Opinion.
- ESMP

The environmental impact assessment, based on LOEIA, has been the most efficient regulatory instrument since it was implemented in Serbia over 15 years ago. With this instrument, impacts of any pollution originating from the future facilities and/or related activities can be foreseen and prevented or mitigated.

ANNEX XIII SCENARIOS ON FUTURE CLIMATE CHANGE WITH PROJECTIONS

Scenarios A1B and A2 (Figures 1 and 2) give a visual representation of the projections of future temperatures by seasons until 2100.

A1B scenario, temperature projections in regard to seasons



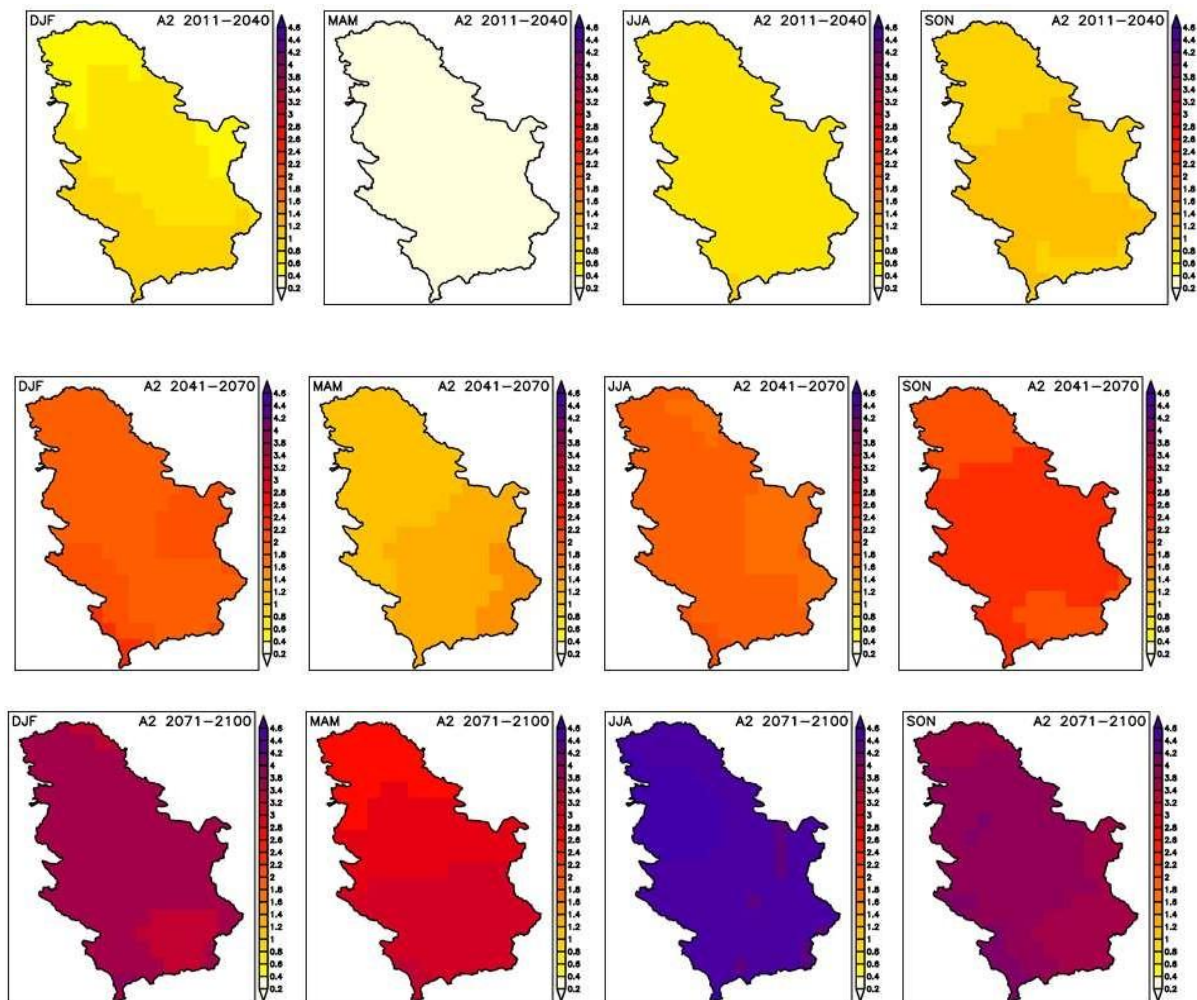
Picture 1: Seasonal temperature projections for the Republic of Serbia according to the A1B scenario.

Scenario A1B

- In the period 2011-2040. The highest temperature increase is expected in autumn when temperatures can rise by 1-1.4 ° C.
- In the period 2011-2040. For the months of March, April and May, the smallest temperature increase is forecast compared to the reference period where temperatures can rise to 0.4 ° C in the southeastern regions. December, January and February 2011-2014 years, show a substantial increase in temperature. The temperature is projected to rise to 1 ° C, especially in the southern and western regions compared to the reference. Finally, an even higher temperature increase is expected in July, June and August, from 1-1.2 ° C across the country, except in the eastern regions where the expected value is closer to 0.8 ° C if scenario A1B is met.
- In the period 2041-2070. The highest temperature increase is expected in summer and autumn when temperatures can rise by 1-1.4 ° C. According to A1B, values from the upper part of this scale will be recorded over the summer during most of the territory.

- In the period 2041-2070. In the spring, the smallest temperature increase is projected, however, the greatest variation of temperature from region to region is observed compared to the reference period. A temperature increase of 1-1.8 ° C is foreseen, where an increase of 1-1.2 ° C may occur in the northern areas, while an increase of 1.6-1.8 ° C could be observed in the southern areas. It is projected that in winter the temperature will rise by 1.6-2 ° C, and the northeast and far south regions will record values from the upper part of this scale.
- From 2071 to 2100. The most substantial increase in temperature is projected for the summer, with temperatures increasing by 3.8-4.4 ° C, and values from the upper part of this scale can be recorded in the northwestern areas.
- The most substantial increase in temperature compared to the reference period can be expected in the spring, if scenario A1B is fulfilled. Scenario A1B projects an increase of 2-2.6 ° C in the spring, when southern areas can record values from the upper part of this scale. For autumn and winter, scenario A1B projects similar temperature increases, from 3.2 to 4.0 ° C.

A2 scenario, temperature projections in regard to seasons



Picture 2: Seasonal temperature projections for the Republic of Serbia according to the A2 scenario.

Scenario A2

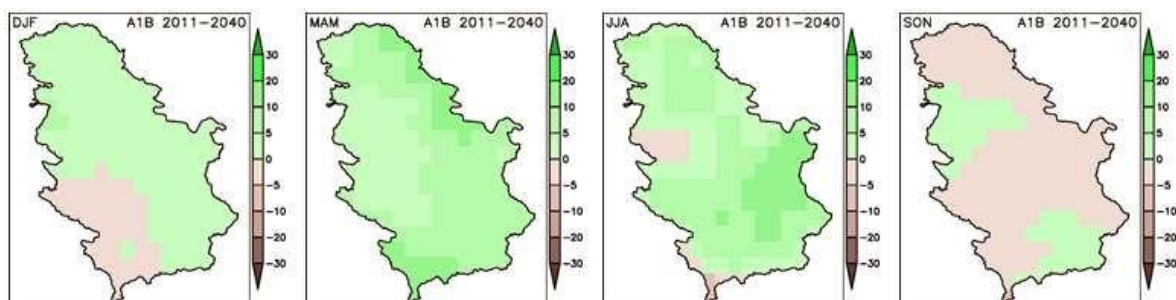
- In the period 2011-2040. The highest temperature increase is expected in the autumn, when it is expected to increase from 0.8 to 1.2 ° C.
- A uniform temperature increase of 0.2 ° C compared to the reference period is projected for spring across the country. In winter and summer, a substantial but similar temperature increase of 0.6-1 ° C can be expected. The only difference can be seen during the winter, when a larger area of the southern part of the country will have a temperature rise of almost 1 ° C compared to the summer season when only isolated far southern regions will see a temperature increase of 1 ° C.
- In the period 2041-2070. The highest temperature increase is expected in the autumn, when it is expected to rise from 2.2 to 2.6 ° C.
- The smallest substantial increase in temperature is expected in the summer, when northern areas can record temperatures up to 1.2 ° C and southeast regions of 1.6 ° C. The summer and winter temperatures are forecast to increase by 1.8-2.2 ° C and 2.0-2.4 ° C respectively.
- From 2071 to 2100. The highest temperature increase is expected in the summer, when it is expected to rise from 4.2 to even more than 4.6 ° C.
- The most substantial increase in temperature compared to the reference period can be expected in the spring if scenario A2 is realized. Scenario A2 projects an increase of 2.2-3.0 ° C, where the extreme southern regions record temperatures from the upper end of the scale. According to Scenario A2 projections, temperatures will increase by 3.2-4.2 ° C during the fall and winter compared to the reference period, where a higher temperature rise will be seen in the fall. Southeastern and northeastern regions would record values from the lower part of the winter during winter, while isolated southwestern areas would record temperatures up to 4.2 ° C during the fall.

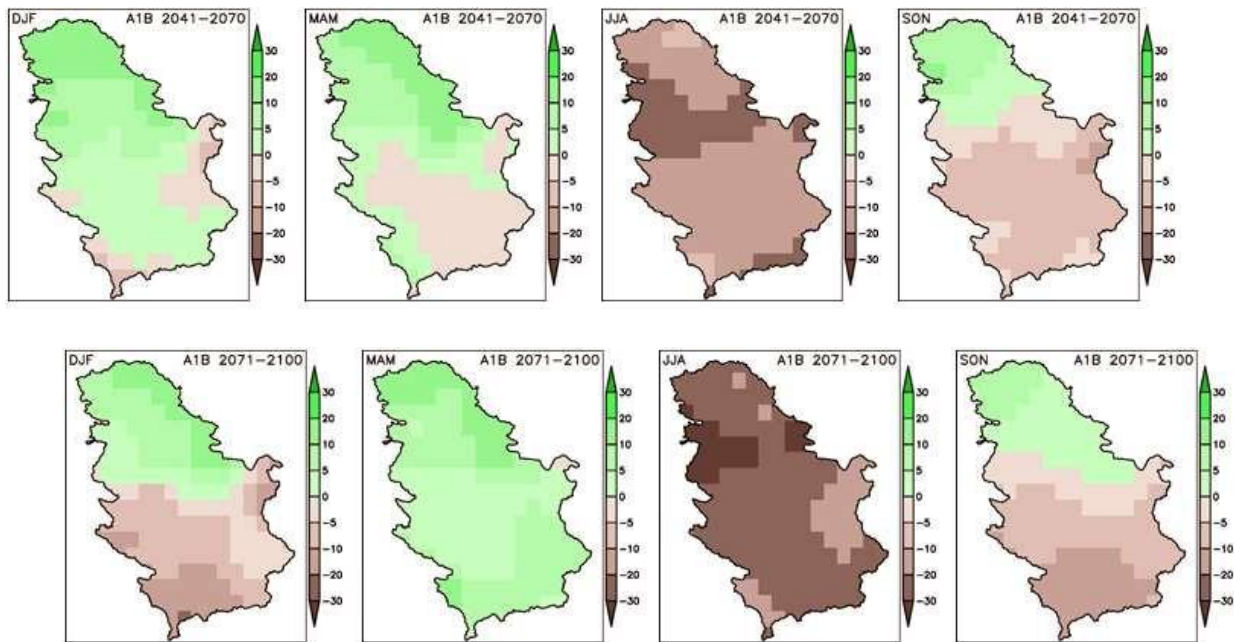
Conclusions

Generally, both scenarios indicate that autumn will be the hottest season in 2011-2040, and spring will be the least affected season. For the period 2041-2070, the warmest seasons according to A1B will be summer and autumn, while scenario A2 places greater emphasis on autumn. It is projected that the highest temperature increase in the period 2071-2100 will be seen in summer.

Scenarios A1B and A2 (Figures 3 and 4) give a visual representation of projected rainfall by seasons until 2100.

A1B scenario, projections of rainfall by seasons



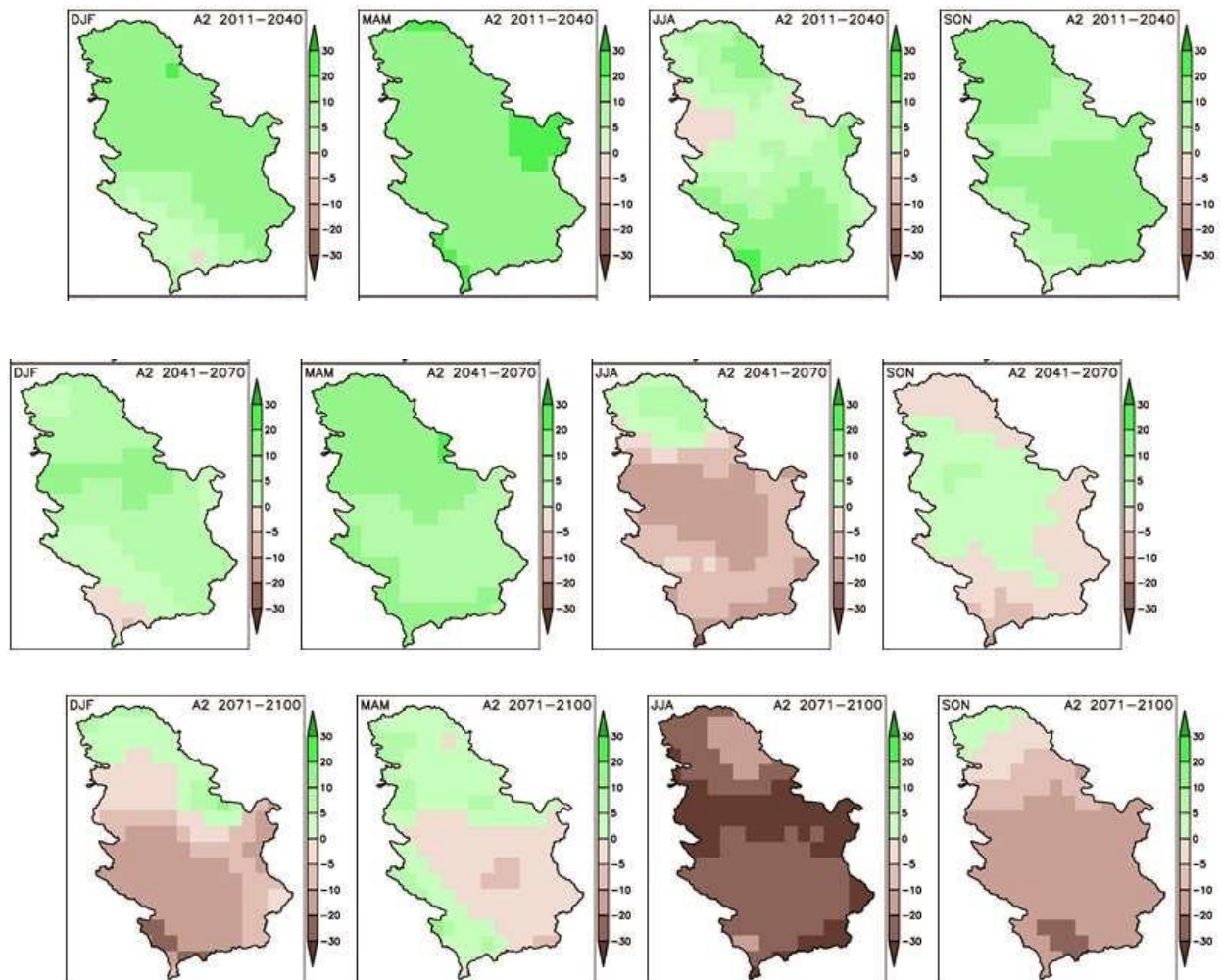


Picture 3: Seasonal temperature projections for the Republic of Serbia according to the A1B scenario.

Scenario A1B

- Between 2011 and 2040, the most substantial rainfall increase for a large part of the country under scenario A1B is projected for spring (0-20%). For the northern, eastern and southern parts of the country values from the upper end of the scale are projected.
- Summer projections for the period 2011-2040. years show the highest variability in the distribution of precipitation in the country (-10% -20%). Rainfall of 10% can be expected in the far south. In the winter and autumn, precipitation and volatility are generally not expected to increase substantially for 2011-2040. years (-5% -5%).
- In the period from 2041 to 2070, the most substantial precipitation increase for a large part of the country according to scenario A1B is projected in the spring (5-20%, especially in the northeastern regions), while the most substantial precipitation decrease is projected in the summer (5-30%) , especially in the central and southern parts).
- Rainfall will increase and decrease depending on the region in winter and autumn. Rainfall is expected in the eastern and southern areas of at least 5%, while the northern region may have a 20% increase during the winter. It could be droughty in the fall, with at least a 5% reduction in rainfall in much of the country. However, isolated northwestern areas can record up to a 30% increase in rainfall.
- In the period from 2071 to 2100, the most substantial precipitation reduction under scenario A1B is projected for summer throughout the country, with 20% -30% less.
- Under scenario A1B, precipitation is projected to increase from 0 to 20% in spring (with isolated eastern areas of 5% precipitation), and northern and isolated southwest areas will record values from the upper end of the scale. The central and southern regions of the country will have a 0-30% decrease in rainfall and the southern regions will record values from the upper end of the scale (-30%) for the winter and autumn periods.

A2 scenario, projections of rainfall by seasons



Picture 4: Seasonal temperature projections for the Republic of Serbia according to the A2 scenario.

Scenario A2

- Between 2011 and 2040, the most substantial rainfall for much of the country under scenario A2 is projected for spring (10-30%). For the northern, eastern and southern parts of the country, values from the upper end of the scale are predicted.
- According to Scenario A2, projections for the years 2011-2040. showed the highest variability in the distribution of precipitation across the country (-5% -30%, A2). Scenario A2 projects a 30% increase in rainfall for areas in the far south. The lowest rainfall for summer is forecast for the western areas of the country. Scenario A2 projects that autumn will record 0-20%, with isolated increases of 0% (south) and 30% (north) with increases of 5-20%.
- In the period from 2041 to 2070, the most substantial rainfall for a large part of the country is projected in the spring (0-30%). Northeastern regions will see the largest increase, close to 30%. It is projected that summer will be the driest season, when rainfall in the central areas can be reduced by 10-20% compared to the reference, with isolated cases of 30% in the far southern parts. In contrast, the northern regions will record up to 10% rainfall.

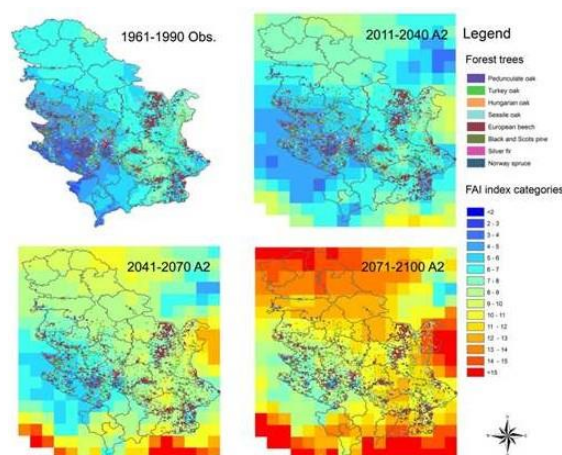
- Under the A2 scenario, winter will also have an increase in rainfall throughout the territory, with the isolated exception in the far southern regions where a reduction of 10% is possible. Central regions can have rainfall growth of up to 20%. It is projected that autumn will be drier compared to winter, and in southern areas there may be a 20% reduction in rainfall compared to the reference. In isolated areas of central regions, a 10% increase in rainfall can occur.
- In the period from 2071 to 2100, the most substantial precipitation reduction for the whole country is forecast for summer, with a projected reduction of as much as 20% -30%.
- Scenario A2 shows that north and southwest will have an increase in precipitation during the spring. Generally, up to 5% increases can be expected in northern areas with isolated 10% and 20% in southwestern areas. However, a reduction of up to 10% is projected in the central and eastern parts of scenario A2. Projections for the period 2071-2100. compared to the reference period for autumn, winter and summer generally show a decrease in rainfall and increased variability across the country, with some exceptions. Rainfall up to 5% (A2) in autumn and 10% (A2) in winter is projected in the northern parts of the country, both for winter and autumn. Central and southern regions may have a 20% reduction in rainfall with isolated 30% in areas in the far south.

Conclusion

Generally, both scenarios show an increase in precipitation over most of the territory in 2011-2040. year compared to the reference period. For the period 2041-2070. It is predicted that heavy rainfall is highly dependent on the region and season. Winter, spring and autumn generally have increased rainfall, but extreme rainfall is forecast for the average summer. Finally, the projection is that the period 2071-2100 years to be the driest period compared to the reference period, although the spring season remains above average compared to the reference period but is substantially drier compared to other periods.

Index of drought

The United Nations Environment Program (UNEP) defined the drought index (AI) by the ratio between the sum of annual rainfall and the sum of potential evapotranspiration (PET). The drought index is rated on a scale of less than 2 to more than 15. The usual drought index values that were below 10 in the 1961-1990 reference period. in Serbia, will be drastically changed by the end of 2100. Figure 5 shows the values of drought index and distribution according to scenario A2. Figure 5 also shows the tree species considered in this model.



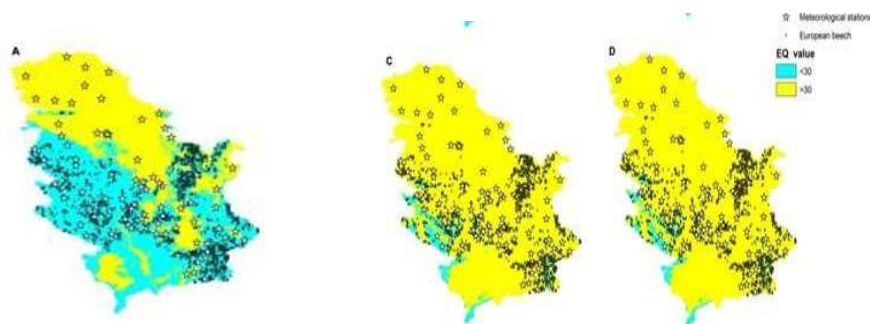
Picture 5: Index of drought

In the A2 scenario, the northern, eastern and southern parts of the country will have high drought values, above 15. The central western portions will have lower drought values by the end of the century, but still much higher compared to the reference period.

Ellenberger coefficient (EQ)

The most represented species of trees in the Republic of Serbia is European beech. Future projections to this particular tree garden were analyzed using the Eilenberg coefficient on A1B and A2 scenarios. EQ values of less than 30 indicate areas with a favorable climate for European beech. EQ values greater than 30 represent an area not suitable for the growth of European beech. Figure 6 gives a visual representation of the EQ coefficient.

A1B A2



Picture 6: Reference scenario 1961.-1990.

According to the A1B and A2 scenarios, by the end of the 21st century, about 90% of today's beech forests will be outside their 20th-century bioclimatic niche, and about 50% will be in the area where mass mortality is expected.

ANNEX XVI LIST OF CONSULTED REGULATIONS

1. Constitution of the Republic of Serbia (Official Gazette of the RS No. 98/06)
2. Law on Establishing Jurisdiction of the APV ("Official Gazette of the RS" No. 99/09 and 67/12 - US)
3. Statute of the Autonomous Province of Vojvodina (Official Gazette of the APV, No. 20/14)
4. Law on Ministries (Official Gazette of RS, Nos. 44/14, 14/15, 54/15)
5. Law on Local Self-Government ("RS Official Gazette" No. 129/07, 83/14 - other law)
6. Capital city Law ("RS Official Gazette" No. 129/07, 83/14 - other law)

ENVIRONMENT

1. Environmental Law: 135 / 2004-29, 36 / 2009-144, 36 / 2009-115 (other law), 72 / 2009-164 (other law), 43 / 2011-88 (US)
2. Regulation on the program of systematic monitoring of soil quality, indicators for assessing the risk of land degradation and methodology for the preparation of remediation programs: 88 / 2010-226

3. Regulation laying down criteria for determining the status of the endangered environment and priorities for remediation and remediation: 22 / 2010-44
4. Regulation on the content and manner of management of the environmental information system, methodology, structure, common bases, categories and levels of data collection, as well as on the content of information regularly and compulsorily notified to the public: 112 / 2009-15
5. Regulation on the National List of Environmental Indicators: 37 / 2011-99
6. Regulation on the criteria for establishing the environmental protection and promotion fee and the maximum amount of compensation: 111 / 2009-83
7. Decree on the determination of activities affecting the environment: 109 / 2009-9, 8 / 2010-6
8. Regulation on types of pollution, criteria for calculation of environmental pollution compensation and payers, amount and method of calculation and payment of compensation: 113 / 2005-4, 6 / 2007-12, 8 / 2010-7, 102 / 2010-46, 15 / 2012-9, 91 / 2012-4
9. Ordinance on harmonized amounts of environmental pollution compensation: 25 / 2015-72
10. Decree on the criteria and conditions for the refund, exemption or reduction of the payment of an environmental pollution charge: 113 / 2005-3, 24 / 2010-17
11. Decision establishing the National Environmental Program: 12 / 2010-6
12. Ordinance on the form of official identification of environmental inspectors: 5 / 2014-19, 81/2015
13. Ordinance on the form of official identification, the appearance and content of the mark and the type of equipment of inspectors for protection of natural resources: 90 / 2013-119
14. Ordinance on the procedure for notification or exchange of information on a Northeast facility or complex whose activities may lead to a chemical accident with transboundary effects: 26 / 2013-20
15. Rulebook on the methodology for the development of national and local registers of pollution sources, as well as the methodology for types, methods and deadlines for data collection: 91 / 2010-154, 10 / 2013-306
16. Ordinance on the amount of the allocation of the right to use the eco-label: 81 / 2010-37
17. Rulebook on the content of the accident prevention policy and the content and methodology of the preparation of the Safety Report and the Plan of the accident protection: 41 / 2010-11
18. Ordinance on the List of Hazardous Substances and their Quantities and Criteria for Determining the Type of Document Produced by the Operator of a Northeast Plant or Complex: 41 / 2010-7, 51 / 2015-13
19. Rulebook on the Content of the Notice on a New Northeast Plant or Complex, an Existing Northeast Plant or Complex and on the Permanent Termination of Operation of a Northeast Plant or Complex: 41 / 2010-7
20. Ordinance on the amount of costs for the provision of environmental information: 35 / 2010-29
21. Ordinance on the contents of the documentation submitted with the application for a permit for import, export and transit of waste: 60 / 2009-109, 101 / 2010-285

22. Ordinance on closer conditions and procedure for obtaining the right to use the eco-label, elements, appearance and method of using the eco-label for products, processes and services: 3 / 2009-11
23. Rulebook on the conditions to be fulfilled by professional waste testing organizations: 53 / 2006-14
24. National strategy for the sustainable use of natural resources and goods: 33 / 2012-3
25. Regulation on emission limit values, methods and deadlines for measuring and recording data: 30 / 1997-604, 35 / 1997-705 (correction)
26. Ordinance on the manner of marking protected natural resources: 30 / 1992-1116, 24 / 1994-571, 17 / 1996-513
27. Law on Environmental Impact Assessment: 135 / 2004-14, 36 / 2009-58
28. Regulation establishing the List of projects subject to mandatory impact assessment and List of projects for which environmental impact assessment may be required: 114 / 2008-4
29. Rulebook on the content of the requirement on the need for impact assessment and the content of the request for determining the scope and content of the study on the environmental impact assessment: 69 / 2005-10
30. Ordinance on the content of the layout and manner of keeping a public record of the procedures carried out and the decisions taken on the environmental impact assessment: 69 / 2005-8
31. Rulebook on the content of the study on environmental impact assessment: 69 / 2005-5
32. Rules of Procedure of the Technical Committee for the Evaluation of the Environmental Impact Assessment Study: 69 / 2005-4
33. Rulebook on Public Insight, Presentation and Public Discussion on an Environmental Impact Assessment Study: 69 / 2005-3
34. Law on Strategic Environmental Assessment: 135 / 2004-18, 88 / 2010-160
35. Law on Integrated Prevention and Control of Environmental Pollution: 135 / 2004-23, 25 / 2015-6
36. Regulation establishing the Program for the Application for Integrated License Application: 108 / 2008-10
37. Decree on the content of the program measures to adapt the operation of an existing plant or activity to the prescribed conditions: 84 / 2005-6
38. Regulation on the criteria for determining the best available techniques for the application of quality standards and for setting emission limit values in an integrated permit: 84 / 2005-5
39. Regulation on the types of activities and installations for which the integrated permit is issued: 84 / 2005-3
40. Rulebook on the content, appearance and manner of completing the application for an integrated permit: 30 / 2006-56
41. Regulation on the content and layout of the integrated permit: 30 / 2006-54

42. Rulebook on the content and manner of keeping the register of issued integrated permits: 69 / 2005-6
 43. Law on Environmental Noise Protection: 36 / 2009-100, 88 / 2010-161
 44. Regulation on noise indicators, limit values, methods for assessing noise indicators, disturbances and adverse effects of environmental noise: 75 / 2010-10
 45. Ordinance on the content and methods of drafting strategic noise maps and how they are to be presented to the public: 80 / 2010-10
 46. Rulebook on the conditions to be fulfilled by a professional noise measurement organization, as well as on the documentation to be submitted with the application for obtaining a noise measurement authorization: 72 / 2010-97
 47. Rulebook on methodology for developing action plans: 72 / 2010-97
 48. Regulation on noise measurement methods, content and scope of noise measurement reports: 72 / 2010-96
 49. Rulebook on the methodology for determining acoustic zones: 72 / 2010-95
 50. Regulation on noise emitted by equipment used outdoors: 1/2013
 51. Law on Termination of the Law on the Environmental Protection Fund: 93 / 2012-26
 52. Regulation on the amount and conditions for the allocation of incentive funds: 88 / 2009-68, 67 / 2010-3, 101 / 2010-255, 86 / 2011-24, 35 / 2012-17
 53. Ordinance on harmonized amounts of incentives for the reuse, recycling and use of certain types of waste: 30 / 2015-190
 54. Rulebook on the Conditions for Allocation and Use of Funds of the Environmental Protection Fund: 10 / 2012-57
 55. Strategy for the Implementation of the Convention on Access to Information, Public Participation in Decision-Making and the Right to Legal Protection in Environmental Matters - Aarhus Convention: 103 / 2011-116
 56. National Environmental Approximation Strategy for the Republic of Serbia: 80 / 2011-24
 57. Strategy for the introduction of cleaner production in the Republic of Serbia: 17 / 2009-79
- PROTECTION OF NATURE
1. Nature Conservation Law: 36 / 2009-76, 88 / 2010-162, 91 / 2010-133 (correction)
 2. Regulation on protection regimes: 31 / 2012-3
 3. Ecological Network Regulation: 102 / 2010-10
 4. Decree on detailed criteria, method of calculation and procedure for payment of the fee for use of the protected area: 43 / 2010-10
 5. Regulation on the allocation and use of funds for subsidizing protected natural assets of national interest in 2015: 30/15

6. Regulation on the management and use of wild fauna and flora: 31/2005, 45/2005-correction, 22/2007, 38/2008, 9/2010 and 69/2011
7. Ordinance on the form of official identification of guardians of the protected area: 117 / 2014-51
8. Regulation on the official clothing of the guardian of the protected area: 117 / 2014-49, 93/2015
9. Rulebook on passing the professional examination for the guardian of the protected area: 117 / 2014-47
10. Rulebook on the Amount and Method of Calculation and Collection of Fees for Issuance of the Act on Nature Protection Conditions: 110 / 2013-268
11. Rulebook on evaluation criteria and procedure for categorization of protected areas: 103 / 2013-9
12. Ordinance on the appearance of a nature protection sign, procedure and conditions for its use: 87 / 2013-20
13. Ordinance on the conditions that shelters for the care of protected wild animals must meet. 15 / 2012-35
14. Ordinance on the conditions for conducting wildlife tagging operations: 9 / 2012-
15. Rulebook on the Amount and Method of Calculation and Collection of Fees for Issuance of the Act on Nature Protection Conditions: 73 / 2011-86, 106 / 2013-91
16. Ordinance on the conditions of detention, manner of recording and recording of captive wild animals: 86 / 2010-30
17. Ordinance on the content and method of keeping the Register of Protected Natural Resources: 81 / 2010-36
18. Ordinance on the conditions under which fossils, minerals and crystals may be given legal personality for protection and preservation: 79 / 2010-22
19. Ordinance on special technical and technological solutions for the smooth and secure communication of wild animals: 72 / 2010-31
20. Rulebook on the conditions for establishing a gene plant for wild plants, animals and fungi, the way the gene bank is operated, the manner of handling biological material, the contents of the application and the documentation submitted with the application for the authorization of establishing a gene bank: 65 / 2010-16
21. Rulebook on the compensation price list for determining the amount of compensation for damage caused by unauthorized activity in relation to strictly protect and protected wild species: 37 / 2010-6
22. Rulebook on the criteria for the allocation of habitat types, on habitat types, vulnerable, endangered, rare and for protection of priority habitat types and on conservation measures for their conservation: 35 / 2010-29
23. Regulation on Compensatory Measures: 20 / 2010-38
24. Ordinance on the designation and protection of strictly protected and protected wild species of plants, animals and fungi: 5 / 2010-46, 47 / 2011-134

25. Regulation on transboundary movement and trade of protected species: 99 / 2009-26, 6 / 2014-9
26. Rulebook on the conditions that a protected area manager must meet: 85 / 2009-11
27. Biodiversity Strategy of the Republic of Serbia for the Period 2011 to 2018: 13 / 2011-11

AIR

1. Air Protection Law: 36 / 2009-60, 10 / 2013-30
2. Regulation on the establishment of the List of categories of air quality by zones and agglomerations on the territory of the Republic of Serbia for the year 2012: 17 / 2014-3
3. Regulation on the treatment of fluorinated greenhouse gases and on the conditions for issuing licenses for the import and export of such gases: 120 / 2013-3
4. Regulation on the Treatment of Ozone Depleting Substances and on the Conditions for Licensing the Import and Export of these Substances: 114 / 2013-119
5. Regulation on the List of Industrial Plants and Activities Controlling the Emission of Volatile Organic Compounds, on the Emission Values of Volatile Organic Compounds at Specific Solvent Consumption and Total Allowable Emissions, and Emission Reduction Schemes: 100 / 2011-15
6. Regulation on the Establishment of the State Air Network Quality Control Program: 58 / 2011-8
7. Regulation on zones and agglomerations: 58 / 2011-7, 98 / 2012-3
8. Regulation on the methodology for collecting data for the National Inventory of Accidentally Released Organic Pollutants: 76 / 2010-7
9. Regulation on limit values for pollutant emissions into the air: 71 / 2010-3, 6 / 2011-9 (correction)
10. Regulation on monitoring conditions and air quality requirements: 11 / 2010-20, 75 / 2010-5, 63 / 2013-20
11. Rulebook on conditions for issuing approvals to operators for measuring air quality and / or emissions from stationary sources of pollution: 16 / 2012-19
12. Ordinance on the conditions for issuing a permit for measuring air quality and a permit for measuring emissions from stationary sources of pollution: 1 / 2012-116
13. Ordinance on technical measures and requirements relating to permitted emission factors for volatile organic compounds arising from the process of storage and transport of gasoline: 1 / 2012-112, 25 / 2012-28, 48 / 2012-11
14. Rulebook on the manner of exchange of information on measuring points in the state and local network, measurement techniques, and on the method of exchange of data obtained by monitoring the quality of air in state and local networks: 84 / 2010-14
15. Rulebook on the content of short-term action plans: 65 / 2010-17
16. Regulation on the content of air quality plans: 21 / 2010-33

CLIMATE CHANGES

1. Regulation on the methodology of data collection for the National Greenhouse Gas Inventory: 81 / 2010-3

2. Regulation on the criteria and manner of approval of programs and projects implemented under the Clean Development Mechanism: 44 / 2010-44
3. Decision establishing the National Clean Development Mechanism Implementation Body: 32 / 2010-10, 101 / 2012-9
4. National strategy for inclusion of the Republic of Serbia in the Clean Development Mechanism of the Kyoto Protocol for waste management, agriculture and forestry sectors (National CDM Strategy) - 2010
5. First National Communication (First Report of the RS to the United Nations Framework Convention on Climate Change) - 2010
6. NEAS (National Environmental Approximation Strategy for the Republic of Serbia) 2)
7. First Biennial update report (FBUR) to the UN Framework Convention on Climate Change (UNFCCC) - 2015
8. Second National Communication (SNC) - 2016.
9. Climate Change Strategy and its Action Plan (IPA 2014) – 2019

NATIONAL PARKS AND PROTECTED AREAS

1. National Parks Act: 84/2015
2. National Environmental Protection Programme, Chapter on Nature and Biodiversity Protection (adopted in 2010)
3. National Strategy of Sustainable Use of Natural Resources and Goods

IONIZING RADIATION PROTECTION AND NUCLEAR SAFETY

1. Law on Ionizing Radiation Protection and Nuclear Safety: 36 / 2009-15, 93 / 2012-25
2. Law on the Prohibition of the Construction of Nuclear Power Plants in the Federal Republic of Yugoslavia: 12 / 1995-28, RS 85 / 2005-30 (other law)
3. Regulation establishing the Nuclear Safety and Security Program: 39 / 2014-89
4. Regulation on the Safety Measures of Nuclear Facilities and Nuclear Materials: 39 / 2014-84
5. Decision on the Establishment of the Agency for Ionizing Radiation Protection and Nuclear Safety of Serbia: 76 / 2009-23, 113 / 2013-45
6. Ordinance on the form and appearance of official identification of inspectors for protection against ionizing radiation: 44 / 2014-21, 81/2015
7. Ordinance on the Application of Ionizing Radiation Sources in Medicine: 1 / 2012-432
8. Ordinance on the records of ionizing radiation sources, occupationally exposed persons, patient exposure to ionizing radiation and radioactive waste: 97 / 2011-95
9. Radioactivity Monitoring Regulations: 97 / 2011-88
10. Ordinance on the limits of exposure to ionizing radiation and measurements to estimate the level of exposure to ionizing radiation: 86 / 2011-34

11. Ordinance on the limits of radionuclide content in drinking water, foodstuffs, animal feed, medicines, general use items, construction materials and other goods placed on the market: 86 / 2011-31, 97 / 2013-85
12. Rulebook on Determination of the Program for Accidental Announcement of Accident: 70 / 2011-137
13. Rulebook on Conditions for Obtaining a License to Perform Radiation Activity: 61 / 2011-67
14. Rulebook on Conditions for Obtaining a Solution for Performing Operations in the Field of Radiation Protection: 61 / 2011-62
15. Radioactive Waste Management Regulations: 60 / 2011-121
16. Regulation on the control of radioactivity of goods in import, export and transit: 44 / 2011-45
17. Ordinance on the limits of radioactive contamination of persons, the workplace and the environment and how decontamination is carried out: 38 / 2011-21
18. Rulebook on Conditions for Obtaining a License to Perform Nuclear Activity: 37 / 2011-238
19. Regulations on nuclear activities: 37 / 2011-232
20. Rulebook on Determination of the Program for Supplementary Training and Training of Occupationally Exposed Persons and Persons Responsible for the Implementation of Ionizing Radiation Protection Measures: 31 / 2011-195
21. Regulation on the manner of keeping records of nuclear materials: 27 / 2011-85
22. Regulation on the notification and recording of sources of ionizing radiation: 25 / 2011-70
23. Ordinance on records on performed activities in the field of protection against ionizing radiation: 17 / 2011-19
24. Rulebook on the establishment of the Program for the systematic testing of radioactivity in the environment: 100 / 2010-109
25. Rulebook on the amount of license fees, licenses, decisions, registration certificates and certificates: 100 / 2010-109
26. Decision on the Application of Foreign Standards for Testing the Efficiency of Holding Molecular and Organic Iodine on Impregnated Activated Carbon for Special Purpose Filters: 9 / 1986-211, 34 / 1986-1053
27. Rulebook on emergency and emergency intervention levels and measures for the protection of the population, domestic animals and agriculture (veterinary, plant production and water management) in an emergency: FRY 18 / 1992-286

NON-IONIZING RADIATION PROTECTION

1. Non-Ionizing Radiation Protection Act: 36 / 2009-30
2. Regulation establishing the Program for the systematic testing of non-ionizing radiation levels in the environment for the period 2013 to 2014: 35 / 2013-3
3. Rulebook on the content and layout of the report form for the systematic testing of non-ionizing radiation levels in the environment: 104 / 2009-183

4. Ordinance on the conditions to be fulfilled by legal entities performing the radiation testing of non-ionizing radiation sources of special interest in the environment: 104 / 2009-183
5. Regulation on Non-Ionizing Radiation Exposure Limits: 104 / 2009-177
6. Ordinance on the contents of records on sources of non-ionizing radiation of personal interest: 104 / 2009-177
7. Rulebook on sources of non-ionizing radiation of special interest, types of sources, method and period of their testing: 104 / 2009-175
8. Rulebook on the conditions to be fulfilled by legal entities performing the systematic testing of non-ionizing radiation levels, as well as the method and methods of systematic environmental testing: 104 / 2009-157

WASTE MANAGEMENT

1. Waste Management Act: 36 / 2009-115, 88 / 2010-170
2. Decree on the types of waste subject to thermal treatment, conditions and criteria for determining the location, technical and technological conditions for the design, construction, equipment and operation of thermal treatment plants, treatment of residues after incineration: 102 / 2010-34, 50 / 2012-16
3. Regulation on the List of Non-Licensed Non-Hazardous Waste, with documentation accompanying transboundary movement: 102 / 2010-26
4. Regulation on the landfill of waste: 92 / 2010-3
5. Decree on products that after use become special waste streams, daily record form on the quantity and type of products produced and imported and the annual report, the manner and deadlines for submission of the annual report, the payers of the fee, the criteria for calculation, the amount and method of calculation and payment of the fee : 54 / 2010-15, 86 / 2011-25, 15 / 2012-9, 3 / 2014-3
6. Ordinance on harmonized amounts of compensation for the management of special waste streams: 31 / 2015-134
7. Regulation on waste lists for transboundary movement, contents and layout of documents accompanying transboundary movements of waste with instructions for filling them: 60 / 2009-4
8. Decree on the designation of certain types of hazardous waste that may be imported as secondary raw materials: 60 / 2009-3
9. Rulebook on the form of the Document on the movement of hazardous waste and instructions for its completion: 114 / 2013-181
10. Rulebook on the Waste Movement Document Form and Instructions for Completing it: 114 / 2013-177
11. Rulebook on the manner and procedure of titanium dioxide waste management, environmental control and monitoring measures at the site: 1 / 2012-96
12. Rulebook on the list of POPs substances, method and procedure for managing POPs waste and limit values for concentrations of POPs substances related to the disposal of waste containing or contaminated with POPs materials: 65 / 2011-21

13. Regulation on Waste and Waste Management containing RSV: 37 / 2011-86
14. Rulebook on the List of Electrical and Electronic Products, Prohibition Measures and Restrictions on the Use of Electrical and Electronic Equipment Containing Hazardous Substances, Methods and Procedures for the Management of Waste from Electrical and Electronic Products: 99 / 2010-83
15. Rulebook on Manner and Procedure of Waste Vehicle Management: 98 / 2010-24
16. Ordinance on the conditions and method of collecting, transporting, storing and treating waste used as secondary raw material or for the production of energy: 98 / 2010-23
17. Ordinance on the method and procedure for the management of mercury-containing fluorescent tube waste: 97 / 2010-21
18. Rulebook on the form of daily records and annual report on waste with instructions for its completion: 95 / 2010-27, 88/2015
19. Ordinance on the content, method of keeping and appearance of the Register of issued waste management permits: 95 / 2010-23
20. Ordinance on the method of storage, packaging and labeling of hazardous waste: 92 / 2010-31
21. Rulebook on the manner and procedure for managing spent batteries and accumulators: 86 / 2010-27
22. Medical Waste Management Regulations: 78 / 2010-13
23. Ordinance on the management of asbestos-containing waste: 75 / 2010-31
24. Ordinance on the contents of the certificate of exemption from the obligation to obtain a permit for storage of inert and non-hazardous waste: 73 / 2010-102
25. Rulebook on the Conditions, Method and Procedure of Waste Oil Management: 71 / 2010-40
26. Rulebook on the methodology for collecting data on the composition and quantities of municipal waste in the territory of a local government unit: 61 / 2010-17
27. Ordinance on waste categories, testing and classification: 56 / 2010-18
28. Regulation on the manner and procedure of waste tire management: 104 / 2009-156, 81 / 2010-37
29. Ordinance on the content and layout of the permit for storage, treatment and disposal of waste: 96 / 2009-20
30. Ordinance on the application form for the authorization of storage, treatment and disposal of waste: 72 / 2009-249
31. Waste Management Strategy 2010–2019. years: 29 / 2010-13
32. Law on Packaging and Packaging Waste: 36 / 2009-135
33. Regulation laying down the Packaging Waste Reduction Plan for the period 2015-2019: 144 / 2014-4

34. Regulation on the criteria for calculating the fee for packaging or packaged product and exemption from payment of the fee, payers, amount of the fee, as well as on the method of calculation and payment of the fee: 8 / 2010-10
35. Rulebook on chemicals for which the manufacturer or importer is required to set bail for the individual packaging in which that chemical is stored and the amount of bail for specific packaging according to the type of packaging or chemical contained therein: 99 / 2010-81
36. Rulebook on Forms for the Report on Packaging and Packaging Waste Management: 21 / 2010-34, 10 / 2013-306
37. Rulebook on the Content and Manner of Keeping the Register of Licensed Packaging Waste Management Licenses: 76 / 2009-31
38. Ordinance on the limit value for the total level of concentration of lead, cadmium, mercury and hexavalent chromium in packaging or its components, except for the application and the deadline for application of the limit value: 70 / 2009-17
39. Ordinance on the type and annual quantity of packaging used for packaged goods placed on the market for which the manufacturer, importer, packer / supplier and supplier are not required to provide packaging waste management: 70 / 2009-17
40. Rulebook on the numbering method, abbreviations and symbols on which the system of identification and marking of packaging materials is based: 70 / 2009-16
41. Ordinance on the annual quantity of packaging waste by type for which space for collection, collection, sorting and temporary storage is obligatory provided: 70 / 2009-16
42. Rulebook on criteria for determining what packaging may be, with examples for applying the criteria and lists of Serbian standards relating to the basic requirements that packaging must meet for marketing: 70 / 2009-14
43. Ordinance on types of long-life packaging: 70 / 2009-13
44. National Strategy for the Inclusion of the Republic of Serbia in the Kyoto Protocol Clean Development Mechanism for the Waste Management, Agriculture and Forestry Sectors: 8 / 2010-14

BIOCIDAL PRODUCTS AND CHEMICALS

1. Law on Biocidal Products ("RS Official Gazette" No. 36/09, 88/10, 92/11, 25/15)
2. Lists of biocidal products entered in the Register of Biocidal Products ("Official Gazette of RS" No. 60/15)
3. List of active substances in a biocidal product (Official Gazette of the RS No 72/14)
4. Decision on the Fees for the Evaluation and Verification of Data on Biocidal Products ("RS Official Gazette" No. 23/10, 39/11)
5. Rulebook on certain hazardous biocidal products that cannot be placed on the market for general use (Official Gazette of the RS, No. 37/11)
6. Rulebook on the manner of keeping records of biocidal products ("RS Official Gazette" 28/11)
7. Rulebook on the scope and content of the technical dossier for a biocidal product, or for a low-risk biocidal product (Official Gazette of the RS, No. 97/10)

8. Rulebook on Specific Requirements for Packaging, Labeling and Advertising of a Biocidal Product ("RS Official Gazette" No.59 / 10, 26/11)
9. Ordinance on the content of basic information on a biocidal product (Official Gazette of the RS, No. 23/10, 28/11)
10. Rulebook on Types of Biocidal Products (Official Gazette of the RS, No. 23/10)
11. List of biocidal products entered in the Register of Biocidal Products ("RS Official Gazette" 28/12)
12. Law on Chemicals ("Official Gazette of RS" No.36 / 09, 88/10, 92/11, 93/12, 25/15)
13. Rulebook on detergents (Official Gazette of the RS, No. 25/15)
14. Rulebook on the List of Classified Substances (Official Gazette of the RS, No. 48/14)
15. Rulebook on Methods of Testing the Hazardous Properties of Chemicals ("RS Official Gazette" No. 117/13)
16. Rulebook on Classification, Packaging, Labeling and Advertising of a Chemical and a Specific Product in accordance with the Globally Harmonized System for the Classification and Labeling of the UN (Official Gazette of the RS 105/13)
17. Rulebook on restrictions and prohibitions on the production, placing on the market and use of chemicals (Official Gazette of the RS, No.90 / 13, 25/15)
18. List of substances of concern (RS Official Gazette 94/13)
19. Decision on criteria, amount, method of calculation and payment of the fee for verification of data from the chemical file, as well as on the amount of other fees determined by the Law on Chemicals (Official Gazette of the RS Nos. 3/11, 25/11, 55/11, 5/12)
20. Rulebook on the contents of the safety data sheet ("RS Official Gazette" 100/11)
21. Rulebook on the Register of Chemicals (Official Gazette of the RS, No. 100/11, 16/12, 47/12, 15/13, 115/13, 1/15)
22. Rulebook on the manner in which the chemical safety assessment is carried out and the content of the chemical safety report (Official Gazette of the RS, No. 37/11)
23. Rulebook on Closer Requirements for Holding a Hazardous Chemical in a Sales Space and Manner of Marking that Space ("RS Official Gazette" No. 31/11, 16/12)
24. Rulebook on the manner of keeping records of chemicals (RS Official Gazette 31/11)
25. Rulebook on Chemical Adviser and Conditions to be fulfilled by a legal entity or entrepreneur who conducts training and knowledge testing of a Chemical Advisor (Official Gazette of the RS nos. 13/11, 28/11, 47/12)
26. Rulebook on licenses for conducting the activity of transport, i.e. permits for the use of particularly hazardous chemicals (Official Gazette of the RS, No. 94/10, 55/11, 15/13)
27. Rulebook on Import and Export of Certain Hazardous Chemicals ("RS Official Gazette" No. 89/10, 15/13, 114/14)
28. Rulebook on Classification, Packaging, Labeling and Advertising of a Chemical and a Specific Product ("RS Official Gazette" No. 59/10, 25/11, 5/12)

29. Rulebook on Criteria for Identifying a Substance as PBT or vPvB (“RS Official Gazette” 23/10)
30. Instruction on Determining Preventive Measures for the Safe Storage, Storage and Use of Particularly Hazardous Chemicals (Official Gazette of the RS, No. 94/10)
31. List of surfactants for which an approval or act has been approved authorizing the use of surfactants in EU detergent and List of surfactants for which a request for authorization has been refused and surfactants prohibited in the EU (Official Gazette of the RS No. 94/10)

ANNEX XV LIST OF KEY SECTOR INTERNATIONAL TREATIES AND CONVENTION RATIFIED BY SERBIA

Rotterdam Convention on Prior Informed Consent (PIC) procedure for certain Hazardous materials	1998
Signatory of the Stockholm Convention on Persistent Organic Pollutants	2002
Convention on Biological Diversity (1997) and to its Cartagena Protocol on Biosafety	20004
Convention for the Protection of the World Cultural and Natural Heritage	1992
The United Nations Convention to Combat Desertification	1997
The United Nations Framework Convention on Climate Change	198
The Ramsar Convention	2000
The Convention on the Conservation of Migratory Species of Wild Animals	2001
Convention on International Trade in Endangered Species of Wild Fauna and Flora	2016
Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal	2016
Convention for the Safeguarding of the Intangible Cultural Heritage;	2006
International Covenant on Economic, Social and Cultural Rights;	
Convention on the Elimination of all forms of Discrimination Against Women;	1981
Convention on Minimum Age for Admission to Employment	1993
Convention on Worst Forms of Child Labor	2005

Abolition of Forced Labor Convention	1999
Employment Policy Convention	1993
Labor Inspection Convention	2009
UN Convention on the Rights of the Child CRC	1993
Tripartite Consultation (International Labor Standards) Convention	2014
Occupational Safety and Health Convention	2009
ILO Conventions	

ANNEX XVI THE COMPETENCIES OF THE PROVINCIAL GOVERNMENT OF VOJVODINA IN TERMS OF ENVIRONMENTAL PROTECTION

The Provincial Secretariat for Urban Planning and Environmental Protection (PSUPEP)

- performs the tasks of the provincial administration in the field of spatial and urban planning and environmental protection,
- enacts an environmental protection program, an environmental monitoring program, an external plan for protection against accidents and natural resources and asset management plans and program,
- is responsible for putting a natural asset under protection and declare a state of environmental endangerment in the territory of AP Vojvodina,

The Provincial Institute for Nature Conservation

It is expert institution in the area of protection of the nature and natural resources on the territory of AP of Vojvodina. It is responsible for:

- collecting and processing data on nature and natural values, wild species and their habitats, types of habitats, ecosystems, ecologically substantial areas, protected areas, ecological corridors, ecological networks and regions.

The Provincial Secretariat for Agriculture, Forestry, and Water Management

It is the responsible institution at the provincial level in the field of:

- agriculture,
- water management,
- forestry,
- hunting,
- adoption of the program of measures for supporting implementation of agricultural policy;
- establishing and assuming of agricultural extension services;
- enactment, implementation and monitoring of standard and extraordinary protective measures against external and internal waters;
- management of water resources, artificial and natural watercourses;
- enactment of planning documents in the field of integrated water management,

- monitoring, supervising and assisting the work of public company for water management and public services, founded by the AP Vojvodina.

The Provincial Secretariat for Health Care

The Provincial Secretariat for Health Care, Sanitary Inspection, is responsible to perform conferred tasks of the state administration by the law on Sanitary supervision. It passes a decision on the determination of zones of sanitary protection of water sources and puts forward a proposal to the Minister competent for health affairs to determine referential health care institutions for certain fields of health services, in the territory of AP Vojvodina.

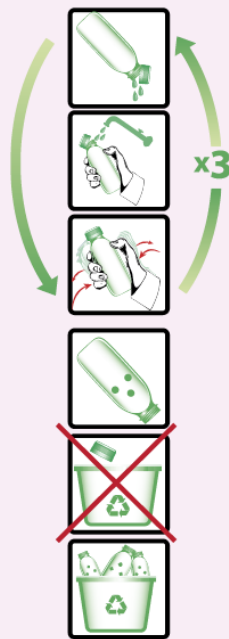
Vojvodina Waters

It is the public water management company responsible for

- operational management of water infrastructure,
- distribution of water to users,
- licensing of water resources,
- hydrological monitoring and
- flood protection.

ANNEX XVII The proper way of handling and storing the hazardous packaging waste from PMC

УПУТСТВО ЗА ПОСТУПАЊЕ СА ПРАЗНОМ АМБАЛАЖОМ



ПРИПРЕМА ЗА РЕЦИКЛАЖУ:

- Након употребе садржај амбалаже оцедити око 30 секунди.
- Чистом водом напунити трећину амбалаже, затворити чеп и добро промућкати.
- Садржај прелити у прскалицу.
- Поступак поновити још најмање два пута, све док амбалажа није видљиво чиста.
- Испрану течност утрошити заједно са припремљеним раствором за третирање.
- Празна амбалажа мора бити пробушена (изузев стаклене) на три места, како би била неупотребљива за другу намену.
- Затварачи се одвајају од амбалаже и одлажу одвојено.

ПРИКУПЉАЊЕ:

- Враћање празне амбалаже врши се два пута годишње.
- Празна амбалажа мора задржати постојећу декларацију због утврђивања порекла амбалаже пестицида.

The proper management of hazardous packaging waste

An up to date list of present operators can be found at the web site of SEPA, National registry of polluters: <http://www.sepa.gov.rs/DostavljanjePodataka/Default.aspx>

ANNEX XVIII – PUBLIC DISCLOSURE MEETING INFORMATION

Below the text is attached scanned version of the ad for the Daily newspaper Blic - Public call for the Public disclosure

PROJEKAT NA INICIJATIVU MINISTARSTVA POLJOPRIVREDE
Poziv za javnu raspravu
o zaštiti životne sredine



SKUP ĆE SE ODRŽATI 23. OKTOBRA U 12 SATI U POLJOPRIVREDNOM KLUBU

MINISTARSTVO POLJOPRIVREDE, ŠUMARSTVA i vodoprivrede poziva sve zainteresovane građane, predstavnike relevantnih udruženja građana i poljoprivrednika i stručnu javnost da uzmu učešće u javnoj raspravi o nacrtu okvira za upravljanje životnom sredinom i socijalnim pitanjima (OUŽSSP), Planu angažovanja zainteresovanih strana, kao i Planu obaveza za zaštitu životne sredine i socijalna pitanja koji su pripremljeni za potrebe „Projekta razvoja konkurentnosti poljoprivrede u Republici Srbiji“.

Javna rasprava će biti održana u sredu, 23. oktobra 2019. godine, u 12 časova, u prostorijama Poljoprivrednog kluba (Beograd, Bulevar Kralja Aleksandra 84.).

Dokumenta koja su predmet javne rasprave dostupna su u štampanom izdanju na pisarnici Ministarstva poljoprivrede, šumarstva i vodoprivrede, u Beogradu, Nemanjina 22-26, svakog radnog dana od 10 do 13 časova (do 23. oktobra, 2019. godine).

Takođe, dokumenta je moguće preuzeti sa zvanične veb stranice Ministarstva poljoprivrede, šumarstva i vodoprivrede www.minpolj.gov.rs.

„Projekat razvoja konkurentnosti poljoprivrede u Republici Srbiji“ zajednička je inicijativa Ministarstva poljoprivrede, šumarstva i vodoprivrede i Svetske banke. Svi zainteresovani subjekti koji nisu u mogućnosti da prisustvuju javnoj raspravi mogu pisane komentare dostaviti elektronskom poštom na: konkurentnost@minpolj.gov.rs ili lično na pisarnicu Ministarstva poljoprivrede, šumarstva i vodoprivrede na naznakom „Komentari na projektnu dokumentaciju Projekata razvoja konkurentnosti poljoprivrede u Republici Srbiji“ najkasnije do 11 časova 23. oktobra. ■

The pictures attached below are from the Public Disclosure meeting held on October 23/2019 in Belgrade.



Attached is a list with the signatures of the persons who attended Public Disclosure meeting.



РЕПУБЛИКА СРБИЈА
Министарство пољопривреде,
шумарства и водопривреде

ЛИСТА УЧЕСНИКА

Повод: Јавна расправа о нацрту Оквира за управљање животном средином и социјалним питањима (ОУЖССП), Плану ангажовања заинтересованих страна, као и Плану обавеза за заштиту животне средине и социјална питања који су припремљени за потребе "Пројекта развоја конкурентности пољопривреде у Републици Србији".

Датум и време: среда, 23. октобар 2019. године, 12:00 часова

Место: Пољопривредни клуб, Булевар Краља Александра број 84

Редн и број	Име и презиме	Институција или организација	Телефон	Потпис
1.	HELENA MANIĆ	AGRARNA KOMORA POLOPRIVREDE РЕПУБЛИКЕ ПРОДОВОЂАЧА СРБИЈЕ	0607100820 bop.banarovic.manic@gmail.com	<i>Helena Manić</i>
2.	PETAR SAMARDŽIĆ	AGENCIJA ZA RIZIKALNI RAZVOJ GRADA SREMSKA MITROVICA	065/910 8 910	<i>Petar Samardžić</i>
3.	TAMARA DJULAK	ПОЉОПРИВРЕДНИКА (ПОУПРАВИТЕЉИ)	060/7137688	<i>Tamara Djulak</i>



РЕПУБЛИКА СРБИЈА
Министарство пољопривреде,
шумарства и водопривреде

4.	MARKO CIGAJLOVIĆ	Rumunki Canton Soup	0649061833	MC
5.	Dužica Marušić	Otked izvedba „Nija Stamenović“	066201095	Dužica
6.	Suzana Jarev	Timoci Omladinska center	062462867	Jarev
7.	KOZLOSTIĆ	KONSULTANT	065323542	Kozlo Kostić
8.	DRAGAN CVETINČANIN	KABINET MINISTRA	060171817	Dragan
9.	DRAGAN MAMČIKOVIĆ	CEP	011/4022265	Dragan Mamčević
10.	MARIJA JONDEIĆ	MPSV	069164-33-58	M. Jončić
11.	MILAN STEVANOVIĆ	AWI	060/0868002	M. Stevanović
12.	Miroslav Jureković	VAP	065/539-5133	M. Jureković
13.	ZORAN LALIĆ	VAP	060/667-0358	Zoran Lalić 3
14.	BOŠAN ŽIVKOV	VAP	0648425003	Bošan Živković
15.	Marko Popović	VAP	066/954-49-66	Marko Popović
16.	MARKO POPOVIĆ	POLOPRIVREDNIK		Marko Popović



РЕПУБЛИКА СРБИЈА
Министарство пољопривреде,
шумарства и водопривреде

17.	MILAN Marković	GRUPA ZA EVROPSKE PROJEKTE	0601859673	grupaevropskeprojekte@gmail.com
18.	NIKA VUKIĆ	ORGANIZACIJA ZA PERSPEKTIVU	0603339350	ORGANIZACIJA ZA PERSPEKTIVU@yandex.com
19.	DUSAN Orbović	Organizacija za združenje razvojnog društvo	6621228077	orbovic@yaho.com
20.				