I. PROJECT OVERVIEW

1. Project objectives:
The project objective is to improve the efficiency, financial viability and quality of provision of basic infrastructure and communal services in pilot municipalities.

The project will support the implementation of the existing Federal Government reform program for the HCS sector at sub-national levels, by shifting from relying overly on government provision of services to market-based mechanisms for competitive service delivery. The proposed program will focus on reforming the institutional relationships within the whole HCS sector, from housing management and maintenance to utility enterprises. The proposed project will combine the implementation of a comprehensive set of reforms in the HCS sector, with tangible investments to rehabilitate, upgrade and modernize infrastructure thereby placing it on a more sustainable path where there is less reliance on government finance and support.

2. Project description:
The proposed loan in the amount of US$ 200 million is designed as a specific investment loan, combining investment, and TA financing. The project is designed using an innovative approach whereby the selected regions/municipalities will have to implement a reform program before gaining access to investment financing. Originally, the project was designed as a DPL; however the government expressed willingness to use the Bank’s fiduciary procedures and intensive supervision to ensure transparency and efficiency of money flows. This combination is considered optimal to enable the successful implementation of demand-based demonstration projects, thus providing a basis for later scale-up.

The project will consist of two phases: (i) a reform phase and; (ii) an investment phase. The municipalities will be selected on a competitive basis based on predetermined application criteria that will include information about their current state of reforms - i.e. baseline and targeted reforms (the progress they plan to demonstrate over the next 18 months). The baseline and the difference between target and the baseline will be given different weights. A third selection parameter will be an assessment of the realism of the proposed reform program. The assessment will be done by a group of experts. The three selection criteria with respective weights will be used to score the application and select those which get the highest scores. Also, there will be minimum qualification criteria including the population of municipalities (200K-1000K), agreement with the regional administration, absence of overdue debt to Ministry of Finance, and related issues. In addition, only one municipality can apply from each Region/Subject of the Federation. The final methodology is being currently discussed and will be finalized during the appraisal.

Before the announcement of the contest there will be a series of seminars for interested applicants to explain project details and to raise awareness.

It is expected that there will be about 10-15 municipalities selected for the project. Each selected municipality will then have to submit an investment plan for improving HCS. There will be a cap for money that each municipality can get based on its population. Currently a $40 per capita cap is being contemplated. The investment plan will have to demonstrate at least 12% financial IRR and 12% EIRR and demonstrate the achievement of minimum monitoring indicators consistent with PDO indicators. If the investment plan does not meet these requirements it will have to be revised. Rosstroi and PIU will assist in revising it by hiring specialized advisors.

During the reform phase, after the finalization of the investment plan, the design and tender documents for the investment projects will have to be prepared by beneficiaries so that there are no delays in project implementation.

The three main areas that have been defined for the reform phase include (i) making the HCS sector financially viable, (ii) enhancing social protection, and (iii) improving the institutional framework, which includes restructuring of housing management and maintenance. The project will seek to provide incentives and support to three stakeholder groups—municipalities, enterprises, and consumers—to implement reforms.
The reform program that Regions and their selected municipalities will be expected to implement is listed in the Policy Reform Matrix. The Matrix is being developed by Rosstroi and shall be extensively discussed with all relevant ministries of the Federal Government, Regional administrations, municipalities, and Russian experts.

3. Project facilities and activities

The Project investment component mainly covers reconstruction and rehabilitation of facilities and buildings in housing and communal services (HCS) sector, such as:

- heating utilities,
- energy supply,
- water supply,
- water discharge, including sewage treatment facilities;
- housing stock maintenance and sanitary cleaning of the territories;
- supply of materials and equipment required for construction, reconstruction and refurbishment of facilities.

The investment component also includes:

- routine housing maintenance activities, sanitary cleaning, and urban amenities;
- supply of materials, instruments, equipment that are required for construction, reconstruction and rehabilitation various facilities and buildings.

The construction of new facilities under the Project investment component is limited and is done in accordance with the agreed list of facilities and terms of implementations.

The general list of activities proposed under the Project investment component is outlined in Annex 1.

II. ENVIRONMENTAL ASPECTS OF THE INVESTMENT COMPONENT

1. Main activities and construction phase

The following activities have been defined for environmental impact analysis of Project investment component:

- construction;
- reconstruction and rehabilitation works;
- maintenance of newly built and reconstructed housing and communal facilities, that are permanent environmental impact sources.

Main activities

The implementation of Project investment component is limited in time and do not cover the investments in maintenance of infrastructure. Furthermore, new housing and communal service facilities will be constructed based on the generic design (design of repeated use) which received positive assessment of State expert review, or otherwise do not lead to re-categorization of a facility into Category “A” (OP4.01) (Annex 1).

The main project activities have been defined as follows: construction, reconstruction, rehabilitation works.

Construction phase

The procedure for construction of new facilities includes two relatively independent phases:

- site selection;
- design development and construction.

The current Project foresees construction exclusively on developed land plots. The construction with significant environmental impacts (heating stations of regional and rayon level, treatment facilities, waste reloading and sorting stations) would be done only for communal industrial sites. Thus, withdrawal of lands

1 Definitions used in EMP are described in Annex 1 and 3.
and site allotment procedure are not required for this purposes. These are only construction, reconstruction and rehabilitation activities that would have main environmental aspects for the Project.

2. Environmental aspects

Positive aspects of the project.
Generally, the housing and communal services industry produces significant negative impacts on all systems, protected sites and environmental components. Considerable land resources are allocated for plants, facilities and housing and communal infrastructure in cities and residential areas in Russia. The sector consumes a great deal of energy and water.

The Project investment component aims at enhancing the efficiency of current management system and considers reconstruction and rehabilitation of plants, facilities and infrastructure which would improve the quality of services while reducing the consumption of resources and negative environmental impacts. The existing data confirms high consumption of resources per unit, loss of heat and water in transportation lines. Feasibility to improve the situation is proved by good examples of world and domestic best practices.

Hence, activities under Project investment component, project tasks and terms of implementation would ensure its overall positive environmental impact.

Negative environmental aspects

Negative environmental aspects of the Project are determined by the following project activities:

- closure and (or) liquidation of production at refurbished facilities, changes in processing methods;
- decommissioning and recycling of equipment, buildings, holding tanks for materials and substances, pipes, controlling equipment, power lines;
- construction and erection works during reconstruction and rehabilitation activities;
- earth works;
- reconstruction of heating stations, including capacity increase;
- reconstruction of treatment facilities, including capacity increase;
- new construction for listed facilities and buildings that produce negative environmental impacts.

The implementation of listed activities has the following potential negative environmental impacts:

- permanent or temporary withdrawal of additional land sites;
- pollution and disturbance of soil;
- cutting vegetation;
- air pollution by chemicals;
- and discharge of polluted effluents into environment
- generation of polluted stormwater runoff during construction period;
- generation of all types production waste;
- negative impacts of physical factors.

The Project entails activities in cities and other residential areas, mainly within existing facilities; new construction – within industrial and communal territories. The above mentioned features of proposed features exclude the need to relocate population; do not have negative impacts on protected areas and fauna, do not include landscape changes, and any increase of recreational pressure.

Significant negative aspects

The review of the Project investment component (p.1) allowed singling out main activities - construction, reconstruction and rehabilitation works and associated significant environmental impacts such as:

1) preparatory works related to work stoppage, decommissioning of facilities, buildings, units, where hazardous substances are used, including the following:

- hydrocarbon fuel for heating station and boilers;
- chlorine in water supply facilities;
- ammonia in cooling facilities;
- chemical agent in water treatment facilities;
• sludge from treatment facilities;
• filters at treatment facilities.

(2) decommissioning and recycling of equipment, buildings, holding tanks for materials and substances, pipes, control equipment, power lines that contain hazardous wastes and cancerogenic chemical compounds.

Special attention should be paid to the decommissioning and recycling of such elements, which might contain substances and compounds that are difficult to split and have long-term negative impacts, such as:
• transformer oil,
• fuel remains,
• process liquids remains,
• power cables and lines;
• instruments that are lighted by phosphorescent substances

(3) generic civil works, independent of its purpose, that create the following types of waste:
• construction waste (scrap, crushed concrete, bricks, road concrete mix, wooden works, power cables and lines, insulation materials);
• constructions and products containing asbestos;
• polish, paint and covers containing hazardous additives (sanitary classification);
• domestic household waste and rubbish from construction sites.

The proposed activities will be implemented in urban development and in close vicinity to the residential and administrative housing. The following impacts are characteristic for the urban development:
- acoustic impacts;
- air pollution produced by working machinery, mechanisms, equipment and instruments.

Negative factors of the proposed activities also include: discomfort created by support service vehicles, recycling works and works on routes for private vehicles and pedestrians.

The scale of construction, reconstruction and rehabilitation works is characterized by heterogeneous impact of short-term effect and is evaluated as local in terms of dispersion area.

**Environmental aspects associated with construction of new stationary sources of impact**

Environmental aspects of new stationary sources of impact are not the principal ones (p.1) for the given Project, though in the overall environmental action plan they are considered and described (Table 2).

The design documentation and individual environmental action plans would be prepared for each of such facilities. The sectoral specifics of environmental aspects for facilities and buildings would be considered in the design and the following negative impacts would be evaluated:
• changes in the existing land use, purpose and category;
• use of natural resources (energy, water supply, nonmetallic materials, etc.);
• air emission of pollutants;
• discharge of polluted effluents in surface and ground waters;
• generation of municipal and construction wastes;
• physical factors;
• generation, transportation, storage and recycling of hazardous production products.

Should the design documentation be developed in accordance with specified requirements and process regulations for new construction facilities, the environmental risks are regarded as acceptable.

**III. ENVIRONMENTAL REQUIREMENTS**

The Project investment component is to be implemented in accordance with RF environmental legislation, and World Bank Operational Policies on Environmental Assessment.

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2 New environmental impact sources may be generated during the construction of new facilities and buildings, as well as ramp-up of existing facilities.
1. Classification of Facilities

Classification of facilities. World Bank Operational Policy 4.01, Environmental Assessment.
As per World Bank Operational Policy (OP) 4.01, Annex “A”, construction, reconstruction and rehabilitation works of facilities and buildings, described in Annex 1 of EMP, are classified as “B”, “C”, “D”.

Russian classification of facilities
Housing and Communal Services Reform Project and its investment component, as a whole, is not subject to State expert safety review.
Design documents for new construction and reconstruction of existing facilities is subject to state expert review, including review of the State Environmental Expert Review. Feasibility of activities and design development are to be implemented in accordance with Environmental Impact Assessment procedures (Order № 372 as of May 16th, 2000, Registered by Ministry of Justice on July 4th, 2000, № 2302).
Documentation requirements are defined by the RF Urban Planning Code, Federal Law “On Environmental Expert Review”. For reconstruction and refurbishment, the rules of the RF Urban Planning Code (Article 51) are applied which allow that certain documentation (Article 49) may be exempt from mandatory state expert review.

Investment component criteria
Activities proposed under the investment component of the Housing and Communal Services Reform Project are to be managed in accordance with agreed generic list of facilities (Annex 1) and the following criteria:

- Approved methods, acting norms and standards should be used for environmental impact assessment;
- It is anticipated that environmental impact would be limited and specific, including an option, when there is no significant environmental impact;
- It is also anticipated that an environmental action plan may be developed and implemented to avoid irreversible negative environmental impact.

2. General Requirements

Environmental aspects of the Project (Section II) reveal no impact on specially protected areas, wildlife, and recreational zones. In other cases which require environmental protection, the development of designs and business operations will be implemented in accordance with general requirements of the RF legislation, technical regulations and environmental regulatory legal acts, as well as Sanitary & Hygienic Rules and Norms (SanPiN) developed for respective works. RF Construction Norms and Rules (SNiP) are advisory.

Environmental requirements
The following environmental requirements should be considered in respect to certain project activities:

- fulfillment of prescribed conditions and execution procedure for environmental documentation, requirements to design documentation;
- fulfillment of requirements, norms and regulations to ensure safety;
- assessment of environmental quality and environmental impact;
- mandatory review of reasonable (discussed, existing) alternative solutions;
- when planning the proposed activities, control of existing deviations in qualitative environmental characteristics, research and possible compensation for past damage, mitigation of impact, achievement of positive trends in environmental quality.

Incorporation of regional regulatory requirements
Regional regulations define layout of facilities, construction and earth works organization in terms of safety, urban amenities provision, and details of other federal legal requirements.

3. Requirements to Development of Design Documents for Individual Facilities

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3 List of regulations and reference literature is given in Annex 4.
During the preparation of the Loan Agreement, Project participants will be identified, and implementation arrangements will be clarified (Section IV). Design documents will be developed for each facility. Environmental assessment will be performed for the whole list of activities, and individual environmental management plans will be developed. Requirements to EMP of individual facilities are described in Annex 2. The scope and contents of assessment, individual design and action plans will be determined by the following:

- provisions of this generic EMP;
- environmental aspects and environmental significance of the proposed activities;
- specific features of the environmental situation in the area;
- level of uncertainty of predicted impact and consequences;
- requirements of urban planning norms and regulations, engineering and process conditions;
- conditions of review (expertise) of design documents by designated monitoring and oversight authorities.

In respect of facilities subject to RF State Environmental Expert Review, the standard Environmental Impact Assessment (EIA) procedure should be implemented, including:

1. Preliminary (expert) environmental assessment of the proposed activities, preparation and agreement of studies, defining the scope and contents of EIA documents;
2. Studies, preparation of environmental feasibility documents, environmental action plan;
3. Consultations and decision making.

IV. EMP OF PROJECT INVESTMENT COMPONENT

EMP objective and tasks:

- Prevent and reduce to acceptable levels the negative environmental impact during construction, reconstruction and rehabilitation works;
- Prepare design documents in compliance with state expert review requirements to specific facilities;
- Develop sustainable and environmentally sound implementation arrangements.

1. Key Issues

1.1. EMP structure

1. EMP is prepared as an integral part of general management, technical and financial aspects of the Project investment component.
2. Investment component EMP comprises two tiers of planning:
   - General mitigation measures and compliance monitoring arrangements (Table 1);
   - EMPs for individual facilities in municipalities (Annex 2).
3. Measures to prevent and reduce negative environmental impact apply to design, construction and operational stages.
4. EMP specifies environmental activities related to construction and operation of new facilities in the housing and communal sector having environmental impact (Table 2).

1.2. Preventive measures

The following preventive and mitigation measures are considered in investment component action plans and individual activities:

1. Procedural (Section III, para 3) and regulatory (Annex 2) requirements to environmental assessment and design document preparation (preliminary environmental assessment, seeking comments from stakeholders, monitoring and supervisory authorities, arrangements for obtaining approvals and state expert review of proposed activities);
2. Selection of land plots for new construction supported by formalized and approved documentation;
3. Preferred use of planning, design and technological environmental activities aimed at elimination and mitigation of possible impacts, generation of industrial and consumption wastes;
4. Use of certified (licensed) materials, equipment, and instruments;
5. Use of precast (modular, container-type) heating units, drainage treatment facilities, repeated application designs certified by state environmental expert review.
6. Staff selection and training.
1.3. Staff development
EMP development is followed by selection of staff responsible for EMP implementation, development of reference materials for project staff and HCS personnel regarding environmental assessment requirements (Annex 3, 4), generic requirements to individual environmental action plans (Annex 2). Individual projects and plans at the municipal level will be developed by appropriately certified experts and agencies.

Construction workers will be trained and instructed, including familiarization with EMP provisions. World Bank consultants will provide assistance with staff development.

1.4. Project management
(1) The Borrower and Project Implementation Unit (PIU) ensure EMP elaboration and implementation. The Borrower coordinates the approval and agreement of EMP with the Bank.
(2) Municipal authorities in coordination with the PIU develop design documents for individual facilities. Design documents should meet the requirements of the Loan Agreement and EMP, and need to be checked, approved and reviewed by state expertise (review) according to the RF legislation.
(3) Development of individual design documents, their approval, expert review and implementation is the responsibility of the Client or the contractor authorized by the Client. The Client & Developer for individual facilities will be selected at the municipal level taking account of their ability to implement the EMP. The Client & Developer takes full responsibility to develop documentation and implement works in accordance with Loan requirements, investment component EMP, and RF regulations.
(4) The Bank project team and consultants assist the Borrower and its working in the preparation, implementation and monitoring of the investment component.

1.5. Compliance monitoring
(1) Compliance monitoring will take place at all stages of the proposed activities:
   - Identification of the facility (Annex 1);
   - Site selection and construction terms and conditions (Annex 1, para 2);
   - Design (Annex 2, Tables 1 - 3);
   - Construction, reconstruction and rehabilitation works (Annex 2, Table 1);
   - Operations (Table 2).
(2) Table 3 provides general compliance criteria, their description and validation formats. The criteria should be further specified by reviewing the plans for individual facilities.
(3) Compliance monitoring includes the following control actions on the pact of production, state and municipal bodies:
   - Conduct legally prescribed approval procedures, check-ups and expert reviews;
   - Obtaining permits to perform works (excluding rehabilitation);
   - Process control and environmental monitoring;
   - Control by monitoring and supervisory bodies for compliance with requirements and conditions for construction, reconstruction and rehabilitation works;
   - Obtaining by the Client & Developer (if needed) permits for air emissions, water use, treated wastewater discharge, and waste disposal;
   - Commissioning of completed facilities by the Client in cooperation with state supervisory authorities;
   - Enforcement of sanitary norms for occupational safety.

2. Social aspects
Project investment component is designed to increase reliability and efficiency of HCS infrastructure, improve the quality of services provided to population, shorten the service delivery time, as well as optimize the HCS personnel routine activities.

V. ESTIMATED COSTS OF ENVIRONMENTAL MANAGEMENT PLAN IMPLEMENTATION
EMP costs are outlined in action plans for municipalities and for individual facilities.

VI. REPORTING AND CONTROL
**Reporting.** The project will meet the requirements of *Guidelines: Financing Reporting and Auditing of Projects Financed by the World Bank*. The Bank and the Borrower would agree on the requirements to Financial Monitoring Reports (FMR). Project implementation will be reflected in annual, semiannual and quarterly progress reports. Implementation Completion Report will be compiled six months before the end of the Project.

**Control.** The Borrower and PIU would perform regular monitoring of Project activities. Monitoring would be supplemented with Bank supervision. The process would involve the participation of relevant Bank experts during supervision missions, if required, to monitor the progress of EMP implementation. The quality of work under these Project activities would be a standard element of progress reports and Implementation Completion Report.
### TABLE 1. IMPACT MITIGATION AND COMPLIANCE MONITORING

**Construction, reconstruction and rehabilitation works**  
*Generic measures for General Action Plan*

<table>
<thead>
<tr>
<th>Significant negative environmental impact and Project elements</th>
<th>Significant environmental impact*</th>
<th>Preventive measures, special mitigation measures</th>
<th>Project stage</th>
<th>Agency responsible for implementation</th>
<th>Forms of implementation monitoring</th>
<th>Agency responsible for implementation monitoring</th>
</tr>
</thead>
</table>
| Shutdown, decommissioning of facilities using hazardous chemicals (Section II, para 2, (1) EMP) | Latent and evident environmental impact of hazardous substances | Study of the current project. Preliminary assessment. Site organization process development (SOP)** and EMP. | Preliminary assessment.  
Design development | Client.  
Design developer. | State expert review of the Project.  
Issue of permit to perform works**** | Rostekhnadzor  
Rospotrebnadzor  
Designated authority***** of subject RF.  
Designated authority of municipal body. |
| Safe measures of substance disposal and utilization | SOP | Contractor | Operational monitoring  
Environmental monitoring  
State and municipal control | State inspection  
Designated authority of RF subject  
Designated authority of municipal body. |

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4 For certain facilities, EMP is supplemented by individual engineering/technological and other activities.
<table>
<thead>
<tr>
<th>Significant negative environmental impact and Project elements</th>
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<tr>
<td>Decommissioning and recycling of production elements (Section II, para 2, (2) EMP)</td>
<td>Generation of latent and evident hazardous waste</td>
<td>Study of the current project. Preliminary assessment. Site organization process development (SOP) *** and EMP, including asbestos identification</td>
<td>Preliminary assessment. Design development. Study on the use of asbestos in insulation materials and other items. Measures of safe selection and disposal</td>
<td>Client Design developer</td>
<td>State expert review.</td>
<td>Rostekhnadzor Rospotrebnadzor Designated authority**** of RF subject Designated authority of municipal body</td>
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<tr>
<td>Selection of elements Visual check, chemical analysis, instrumental monitoring</td>
<td>SOP</td>
<td>Contractor</td>
<td>Operational monitoring</td>
<td>General Contractor</td>
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<tr>
<td>Safe disposal and utilization measures, including asbestos disposal and utilization</td>
<td>SOP, Construction organization plan (COP)</td>
<td>Contractor</td>
<td>Operational monitoring State and municipal control Utilization permit</td>
<td>Designated authority of RF subject Designated authority of municipal body</td>
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<td>Civil and rehabilitation works (section II, para 2, (3 EMP)</td>
<td>For all types of impact, including: EMP, including: 1. Operational monitoring and environmental monitoring.</td>
<td>EMP design development, SOP</td>
<td>Client. Design developer</td>
<td>State expert review Issue of permit to perform works</td>
<td>Rostekhnadzor Rospotrebnadzor Designated authority of RF subject Designated authority of municipal body</td>
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<tr>
<td>Acoustic impact</td>
<td>2. Restrictions for nighttime works; 3. Use of low-noise equipment and machinery</td>
<td>Work execution</td>
<td>Contractor</td>
<td>Operational monitoring</td>
<td>General contractor. State inspection</td>
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<td>Pollutant emissions</td>
<td>4. Use of external energy sources, exclusion of regular impact sources in COP</td>
<td>Work implementation</td>
<td>Contractor</td>
<td>Operational monitoring. Environmental monitoring</td>
<td>State inspection</td>
<td>Designated RF authority and RF subject</td>
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<tr>
<td>Discomfort and nuisances in residential areas</td>
<td>5. Fencing of construction site, approval of traffic and work arrangements</td>
<td>SOP development</td>
<td>Client Design developer</td>
<td>State expert review</td>
<td>Rostehnadzor Rospotrebnadzor Designated authority of RF subject</td>
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<td></td>
<td>Work execution</td>
<td>Subcontractor</td>
<td>Operational monitoring Administrative inspection</td>
<td>General contractor Designated authority of municipal body</td>
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<td>Soil disturbance</td>
<td>9. Fencing of construction site 10. Reclamation and urban amenities</td>
<td>Reclamation design development</td>
<td>Client Design developer.</td>
<td>State expert review</td>
<td>Designated contractor</td>
<td>General contractor Designated authority of municipal body</td>
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<td>Work execution</td>
<td>Designated contractor</td>
<td>Operational monitoring Administrative inspection</td>
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<tr>
<td>Elimination of plants</td>
<td>11. Fencing of site and construction zones 12. Environmental compensation and provision of urban amenities</td>
<td>Compensatory landscaping development</td>
<td>Client Design developer.</td>
<td>State expert review</td>
<td>Designated contractor</td>
<td>General contractor Designated authority of municipal body</td>
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<td></td>
<td>Work execution</td>
<td>Designated contractor</td>
<td>Operational monitoring Administrative inspection</td>
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* Given the scope, nature and arrangements for the proposed activities, the above list does not identify impact related to withdrawal of land, electromagnetic field effects, vibration, withdrawal of energy resources, landscape changing, generation and disposal of sewage runoff, recreational pressure and heat pollution.

** SOP – site organization process (terms and conditions for demolition of facilities and decommissioning of equipment).

*** COP – construction organization plan (plan for new or reconstructed facilities)

**** As per the list and in accordance with RF Urban Planning Code

***** DA – designated authority
<table>
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<tr>
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<tbody>
<tr>
<td>All industries, facilities and construction projects</td>
<td>Changes in the existing land use, purpose and land categories</td>
<td>Prevention of given impact Placing facilities in accordance with approved area planning and regulations on land use and buildup</td>
<td>Obtain requirements to design development Design development</td>
<td>Client Design developer</td>
<td>State expert review</td>
<td>Rostekhnadsor Rospotrebnadzor Designated authority of RF subject</td>
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<tr>
<td>Heating plants</td>
<td>Use of natural resources (energy resources, water intake, non-metallic materials, etc.)</td>
<td>Based on existing permits and technical conditions excluding incremental impact</td>
<td>Obtain requirements to design development Design development</td>
<td>Client Design developer</td>
<td>State expert review</td>
<td>Rostekhnadsor Rospotrebnadzor Designated authority of RF subject</td>
</tr>
<tr>
<td>Heating plants Treatment facilities Waste reloading units</td>
<td>Pollutant emissions in the atmosphere</td>
<td>Placing facilities within the approved sanitary protection zone. Use of standard design</td>
<td>Obtain requirements to plant allocation</td>
<td>Client Design developer</td>
<td>State expert review</td>
<td>Rostekhnadsor Designated authority of RF subject</td>
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<td>EMP development on individual facilities (Annex 2)</td>
<td>Obtain requirements to plant allocation</td>
<td>Client Design developer</td>
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5 For certain facilities EMP is supplemented by individual engineering and technological and any other activities.
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<tr>
<td>Heating plants Treatment facilities</td>
<td>Pollutant discharge in surface and ground waters, onto relief</td>
<td>1. Justification of options or their combination: - recycling water supply; - technical conditions excluding incremental impact; - construction of local treatment facilities 2. EMP development for individual facilities (Annex 2)</td>
<td>Design development</td>
<td>Client Design developer</td>
<td>State expert review Verification and permits for discharge</td>
<td>Rostekhnadzor Rospotrebnadzor Designated authority of RF subject Owner of communication lines Water protection designated authority</td>
</tr>
<tr>
<td>Heating plants Treatment facilities</td>
<td>Generation of production waste</td>
<td>Coordinated location within enterprise area EMP development for individual facilities (Annex 2) Arrangements for limited discharge Contracting a licensed agency for waste utilization</td>
<td>Design development</td>
<td>Client Design developer</td>
<td>State expert review</td>
<td>Rostekhnadzor Rospotrebnadzor Designated authority of RF subject</td>
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<td>Heating plants Treatment facilities</td>
<td>Physical factors</td>
<td>EMP development for individual facilities (Annex 2)</td>
<td>Design development</td>
<td>Client Design developer</td>
<td>State expert review</td>
<td>Rostekhnadzor Rospotrebnadzor Designated authority of RF subject</td>
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<tr>
<td>Heating plants Treatment facilities</td>
<td>Generation, transportation, storage and recycling of</td>
<td>Coordinated location within enterprise area</td>
<td>Design development</td>
<td>Client Design developer</td>
<td>State expert review</td>
<td>Rostekhnadzor Designated authority of RF subject</td>
</tr>
<tr>
<td>Significant negative environmental impact and Project elements</td>
<td>Significant environmental impact*</td>
<td>Standard preventive measures, special mitigation measures</td>
<td>Project stage</td>
<td>Agency responsible for implementation</td>
<td>Forms of implementation monitoring</td>
<td>Agency responsible implementation monitoring</td>
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<td>hazardous industrial products</td>
<td>EMP development for individual facilities (Annex 2) Arrangements for limited discharge Contracting a licensed agency for waste utilization</td>
<td>Project stage</td>
<td>Agency responsible for implementation</td>
<td>Forms of implementation monitoring</td>
<td>Agency responsible implementation monitoring</td>
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<tr>
<td>Criteria</td>
<td>Description</td>
<td>Confirmation</td>
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<td>Legislative requirements to the scope and contents of feasibility and</td>
<td>Including norms and regulations:</td>
<td>Availability of state expert review statements</td>
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<td>design documents</td>
<td>RF Urban Planning Code</td>
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<td></td>
<td>FL «On Environmental Protection»</td>
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<td>Regulation «On EIA in the RF»</td>
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<td>Technical safety regulations (norms and rules)</td>
<td>Approved technical regulations</td>
<td>Availability of state expert review statements</td>
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<td>Environmental requirements</td>
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<td>Sanitary regulations and norms</td>
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<tr>
<td>Regulatory requirements to execution of reconstruction and rehabilitation</td>
<td>Reconstruction and rehabilitation works must be implemented in accordance</td>
<td>Availability of documents, acts and verification</td>
<td></td>
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<tr>
<td>works</td>
<td>with design and have necessary permits</td>
<td>statements</td>
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<tr>
<td>Quality certificate</td>
<td>Construction products, equipment must be supported by quality certificates</td>
<td>Availability of quality certificates</td>
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<tr>
<td>Standards for permissible environmental impact</td>
<td>Compliance of emissions and discharge with standards for permissible</td>
<td>Norms</td>
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<td>environmental impact</td>
<td>Measurement results</td>
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ANNEXES
ENVIRONMENTAL MANAGEMENT PLAN
PROJECT INVESTMENT COMPONENT
RUSSIA: HOUSING AND COMMUNAL SERVICES REFORM

ANNEX 1

List of Activities Proposed under the Investment Component

The World Bank loan is intended for financing investment projects in housing and communal sector referred to Categories “B”, “C”, “D” in accordance with Bank requirements to environmental assessment (Operational Directive 4.01).

Definitions

Construction – construction of buildings, facilities, installations, includes completion of incomplete construction projects on specially allocated land plots.

Capital construction – separate building (facility) together with equipment, communication lines with the following parameters:
- built and operated in accordance with design documentation (construction plan);
- during construction period requires execution of earth works, and construction/assembly works on foundations;
- includes erection and operation of bearing structures.

Reconstruction of facilities (plants, enterprises) – changes in the quality of parameters of existing capital construction facilities, their units, production shops, capacity parameters, engineering and technical support. Reconstruction has the following characteristics:
- performed in accordance with integrated design;
- allows for demolition of capital construction facilities;
- allows for construction of new capital facilities instead of demolished ones;
- does not provide for construction of additional or other production facilities;
- allows for construction of new support and service facilities.

Environmental assessment documents distinguish the following stages of reconstruction:
- reconstruction with additional land allocation;
- reconstruction without additional land allocation;
- reconstruction with demolition of capital construction facilities;
- reconstruction without demolition of capital construction facilities.

Technical upgrade – reconstruction without demolition and construction of capital facilities, mainly related to change (upgrade) of main process equipment and engineering infrastructure.

Capital repair – works performed to restore operational qualities and capacity of capital facilities, including partial replacement of structure elements, instruments and process equipment.

Routine (scheduled) rehabilitation (rehabilitation activities) – works performed to maintain operational qualities, application properties, exterior, which are not related to replacement of structure elements and process equipment.

Land and urban amenities maintenance - works on land sites performed to improve the layout and provide favorable and safe usage conditions.

Land and urban amenities maintenance works have the following characteristics:
- mainly related to environmental protection and urban greening;
- performed in accordance with respective part of design documents for construction, reconstruction, technical upgrade of capital facilities.

Works for constructing urban amenities – area layout, construction of urban amenities, performed in accordance with a separate design.

Area reclamation – type of area layout activities, performed after construction completion or demolition of facilities to eliminate negative environmental impact.
Reclamation mainly provides for restoration of the original condition of the land plot and/or its recreational purposes, rendering aesthetic appearance to an area. Reclamation should also include restoration of fertile soil layer, greening and other works.

Sanitation of areas – type of works performed on contaminated or littery land plots and mainly related to restoration of standard soil properties, and elimination of negative environmental impact.

Proposed activities – any activity subject to environmental assessment.

Proposed activities on construction of buildings, structures and facilities for industrial or communal purposes include activities at the construction stage and, separately, during operations.

1. Criteria for and Parameters of Activities Proposed under the Project Investment Component

1.1. To perform the environmental assessment of activities proposed under the investment component of the Housing and Communal Services Reform Project the following criteria should be taken into account:

- no special studies are required to define the nature and peculiarities of environmental impact, including sanitary protection zones;
- environmental impact assessment may be based on tested methods, existing norms and standards;
- it is anticipated that the environmental impact would be of limited and specific nature, including the situation with “no significant environmental impact”;
- it is also anticipated that EMP would be developed and implemented to eliminate irreversible negative environmental impact.

2. The following activities can be included under the investment component of the Housing and Communal Services Reform Project:

a. Capital construction based on generic design (repeated application design), which received a positive statement of the State expert review, or otherwise do not require reclassifying a facility into Category “A” as defined by OP 4.01;

b. Modifications in capital construction facilities and/or parts thereof provided that such modifications do not affect structural and other parameters of durability, technical and environmental safety and do not exceed maximum permissible indicators for construction/reconstruction as outlined in urban planning regulations.

c. Construction, rehabilitation works on capital and non-capital construction service buildings, should such buildings be defined by land use and building regulations for service purposes;

d. Construction, rehabilitation works of non capital construction facilities;

e. Reclamation of areas;

f. Sanitation of areas.

g. Activities aimed at improving environmental conditions that may be assessed as “not requiring special environmental assessment”, including:

- greening and landscape works;
- urban amenities works;

h. Trade and other operations related to procurement, delivery and use of:

- substances, raw materials, materials, which may be used without obtaining environmental licenses;
- instruments, equipment having quality certificates for compliance with environmental and sanitary & hygienic requirements;
- modular (mobile) heat supply units, power plants, water and sewage treatment facilities used for emergency works and as alternative engineering support facilities.

2. Special Requirements to Land Sites Included in the Investment Component

2.1. Proposed activities are to be performed on sites with legally formalized land use regime allowing implementation of the proposed activities provided that the Owner has indisputable right to the above sites.

2.2. New capital communal services facilities in cities and districts whose environmental impact is subject to regulation (heating plants, treatments facilities, waste reloading and sorting facilities) can be built only within the industrial/communal sites and have:

- sanitary protection zone or disjunctions between a construction and a housing line;
- approved SPZ plan, which allows for new construction without changing the SPZ boundaries.
3. **List of Facilities Included in the Investment Component**

The current list of facilities (buildings and other facilities, structures and communication lines) is developed for the following proposed activities:

- reconstruction;
- technical upgrade;
- capital construction;
- routine (scheduled) rehabilitation;
- urban amenities works.

Facilities included in the above list can be included in the Project investment component, should they comply with criteria and characteristics as per paras 1 and 2, other conditions and do not lead to re-classification to Category “A” projects as defined in OP 4.01.

1. **Heating supply**
   1.1. Rayon (single point) heating plant up to 100 MW with specific conditions as per para 2.2.
   1.2. Heating plant (boiler) up to 10 MW for heat supply to individual housing complex (micro district), group of buildings and facilities.
   1.3. Central heating plant
   1.4. Heating unit of individual buildings and facilities
   1.5. Pumping stations
   1.6. Main, distributing and district heating systems
   1.7. Heating system for residential houses, facilities and buildings.

2. **Power supply for HCS facilities**
   2.1. Transforming stations
   2.2. Distributing substations and devices
   2.3. Power transmission lines: overhead and cables
   2.4. Renewable energy sources
   2.5. Rayon diesel (gas & diesel) power plants with 100 MW capacities, excluding new construction
   2.6. Electricity supply for buildings and facilities

3. **Water supply**
   3.1. Surface water intake facilities with volume up to 2000 m³/day
   3.2. Subsurface water intake facilities
   3.3. Waterworks pumping stations, holding and elevated tanks, water towers.
   3.4. Water treatment facilities, water hardness removal, removal of iron from water for drinking and service purposes
   3.5. Distribution and circular water supply network
   3.6. Water supply systems for buildings and facilities.

4. **Sewage**
   4.1. Runoff treatment facilities, excluding new construction
   4.2. Buildings and units for sludge treatment
   4.3. Sewer and pipes
   4.4. Sewage pumping stations

5. **Collection, treatment and rain water and melted snow water discharge**
   5.1. Facilities, buildings and systems for collecting, treating and discharging rain water and melted snow water
   5.2. Pumping stations.

6. **Engineering protection, housing maintenance, sanitary cleaning and urban amenities**
   6.1. Waste reloading and sorting stations
   6.2. Facilities, building and drainage systems of individual houses
   6.3. Land reclamations
4. List of Facilities Not to be Included in the Project Investment Component

4.1. Facilities which are not included in HCS system, including main transmission lines, pipelines, water supply lines and servicing facilities, industrial waste treatment facilities;

4.2. Facilities which are to be construction under the following conditions:
   - changes in the approved part of the territorial planning arrangement, urban zoning, industrial and transport development plans;
   - re-categorization of lands;
   - changes in building line, territorial borders, authorized land use;
   - capital construction in historical areas, protection zones of water supply reserves, excluding the facilities and buildings used for water supply purposes.

4.3. Construction of facilities, plants, buildings classified as hazardous by technical and sanitary & hygienic classification, including:
   - incineration and transformation of all types of waste, wastewater sludges;
   - recycling of asbestos and asbestos-containing waste;
   - industrial and sewage waters treatment, including water discharge, with annual flow exceeding 5 % of average river runoff or exceeding 2,000 m³ per day;
   - water control structures;
   - main transmission lines, pipelines and gas pipelines, with pipe diameter over 200 mm and pressure over 2 MPa;
   - overhead power lines with voltage over 380 Volt;
   - landfills for all types of waste;
   - storage facilities for oil, oil chemicals, with capacity of 100 cubic meters and more;
   - storage facilities for 1st class chemicals.

4.4. Facilities that require environmental expert review at federal level as per Article 11 of Federal Law “On Environmental Expert Review”, and approval of RF state authorities:
   - projects (design documentation) for construction, reconstruction, expansion, technical upgrade, temporary shutdown and liquidation of facilities, which might have environmental impact within the territory of one or more subjects of the Russian Federation;
   - economic operations, which might have environmental impact on neighboring states as specified by the Convention on Environmental Impact Assessment in a Transboundary Context;
   - documents supporting the agreements on natural resources use and/or waste management under Russian Federation management;
ANNEX 2

REQUIREMENTS TO THE DEVELOPMENT OF ENVIRONMENTAL MANAGEMENT PLANS FOR INDIVIDUAL FACILITIES

1. EMP is a part of design documentation development (proyekt) and is to be prepared by Executor in accordance with the Terms of Reference outlined by the Client, together with other executors of design documentation.

3. Scope of EMP section

3.1. Executive summary, including references confirming the need, relevance and conditions of EMP development (surveys, EIA data, technical regulations, environmental impact standards, positive statements of state supervisory bodies).

3.2. The list of environmental activities presented in Table 1 below.

Table 1

Generic format for the List of environmental activities

<table>
<thead>
<tr>
<th>Production, works for which environmental activities need to be developed</th>
<th>Significant man-made factor causing environmental change or impact</th>
<th>Monitored environmental factor (recipient, protected object) subject to change/impact</th>
<th>Environmental activities</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact source</td>
<td>Risk factors</td>
<td></td>
<td>Design planning, process design and other design</td>
<td>Management systems, operational control, monitoring *</td>
</tr>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

Note: Columns 4, 5 present activities indicating compliance with technical requirements, other activities related to management control, operational control and monitoring. Columns 1, 4, 5 indicate the section, map (scheme) of design documents. * The form of monitoring and responsible agency are established in operational control and monitoring documentation.

3.3. Site layout indicating monitored environmental impact sources, zones of restricted construction and process activities, protection zones and impact affected zones indicating protected and vulnerable objects.

4. Requirements to EMP

4.1. Environmental activities outline requirements for the Project EMP and technical regulations related to environmental safety.

4.2. Standard list of environmental activities is used as a basis for environmental activities included in design documents (Table 2).

4.3. Environmental activities are based on the use of best available technologies and justified by cost-efficiency indicator.

4.4. Application of additional treatment of protective facilities, arrangement of protection zones is only used when the planning concept, and engineering and technological solutions are insufficient.

TABLE 2

Standard List of Monitored Environmental Activities

<table>
<thead>
<tr>
<th>N</th>
<th>Activities</th>
<th>Scope of activities</th>
</tr>
</thead>
</table>

6 The presented requirements are advisory and should be detailed depending on the type of activities as specified by designated authorities.
<table>
<thead>
<tr>
<th>N</th>
<th>Activities</th>
<th>Scope of activities</th>
</tr>
</thead>
</table>
| 1 | Planning concept | 1.1. Environmentally sound site selection for facilities and buildings, including storage and treatment facilities, service buildings, other impact sources with indication of restrictions (building limitations, environmental zones and specially protected areas, etc).  
1.2. The same applies to in-site transport routes.  
1.3. General optimization of site planning concept, execution of works (urban planning solutions), use of land resources.  
1.4. Specific for organizational stage of construction (works) |
| 2 | Process | 2.1. Selection of processes and operations with no or permissible dangerous or hazardous technological factors  
2.2. Selection of process design technology excluding or minimizing the contact of processes and operations with the environment  
2.3. Selection of production technology excluding labor contacts with hazardous technological factors  
2.4. Raw materials and resource use management. Application of no-waste or low-waste technology, closed cycles.  
2.5. Specific for organizational stage of construction (works) |
| 3 | Structure, space and layout design | 3.1. Application of structure, space and layout design solutions, methods and protective means to minimize the discharge and localize hazardous production process factors (covers, buildings, sealing of equipment and holding tanks, etc.) |
| 4 | Engineering and technological process | 4.1. Environmentally sound selection of machinery, raw materials and materials certified by supervisory bodies.  
4.2. Selection of machinery complying with national and international standards (in terms of noise, emissions, etc.). Use of fuel ensuring minimal emissions.  
4.3. Installation of automatic control systems, signaling and technological process management.  
4.4. Equipping the production with control and protective means for possible emergency situations.  
4.5. Equipping the production with control means to monitor impact sources (emission sources and wastewater quality, etc.). Equipping the production with control means to monitor efficiency of environmental units and instruments (filters, treatment facilities, etc.).  
4.6. Removal and temporary storage of soil and vegetation cover  
4.7. Vertical planning and area arrangement, urban amenities for adjacent areas  
4.8. Specific for organizational stage of construction (works) |
| 5 | Additional technical environmental activities (treatment and protective facilities) | 5.1. Purification of technological and ventilation emissions  
5.2. Regulated catchment and treatment of industrial and rain water  
5.3. Application of protective measures to minimize noise.  
5.4. Use of protective measures to minimize ionizing radiation.  
5.5. Specific for organizational stage of construction (works) |
| 6 | Compensatory design and technological | 6.1. Reclamation of lands disturbed by construction works. |
| 7 | Compensatory environmental | 7.1. Creation of new natural/man-made objects  
7.2. Measures to maintain ecological functions of the environment |
| 8 | Compensatory environmental and economic | 8.1. Compensation for harm and damage.  
8.2. Environmental payments. |
| 9 | Compensatory social and environmental, as for living environment (if needed) | 9.1. Creation of new or other of employment areas  
9.2. Creation of compensatory recreational areas.  
9.3. Creation of social assets |
<p>| 10 | Organizational | 10.1. Specific for organizational stage of construction (works) |</p>
<table>
<thead>
<tr>
<th>N</th>
<th>Activities</th>
<th>Scope of activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>Special operational</td>
<td>11.1. Regulations for operational and rehabilitation works.</td>
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<td></td>
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<td>11.2. Regulations for raw material and products use.</td>
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<td>11.2. Special shutdown period in operational activities.</td>
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<td>11.3. Limitation of working hours</td>
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<td></td>
<td></td>
<td>12.2. Management of protective areas (if needed)</td>
</tr>
<tr>
<td>15</td>
<td>Safely collection, storage, transportation and disposal of waste</td>
<td>15.1. Layout of sites for production and consumption waste disposal.</td>
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<tr>
<td></td>
<td></td>
<td>15.2. Separate collection of production and consumption waste</td>
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<td></td>
<td></td>
<td>15.3. Contracting for transportation and waste disposal.</td>
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<tr>
<td></td>
<td></td>
<td>15.4. Specific for organizational stage of construction (works)</td>
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<tr>
<td></td>
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<td>15.5. Specific for decommissioning stage (facilities and buildings)</td>
</tr>
<tr>
<td>16</td>
<td>Operational supervision and environmental monitoring</td>
<td>Section of the design including current requirements and type of activities. Monitored parameters</td>
</tr>
<tr>
<td>17</td>
<td>Production sanitary and hygienic control and monitoring</td>
<td>Section of the design including current requirements and type of activities. Monitored parameters</td>
</tr>
<tr>
<td>18</td>
<td>Recommendation for monitoring and performance review</td>
<td>Section of the design. Activities, management, timing.</td>
</tr>
<tr>
<td>19</td>
<td>Financial support</td>
<td>Available approved cost estimate, incorporated in the overall budget</td>
</tr>
</tbody>
</table>

5. Planning, engineering, structural, space and layout design, and other project activities on environmental protection must provide references to the relevant section of design documentation which describes parameters and design solutions.

6. Description of technology, maintenance and other works, impact sources, which define the need for environmental activities (Table 1, column 1) is supplemented by reference to the corresponding section (documentation) of design documentation and (or) to maps.

7. Monitored man-made factors, risk factors (Table 1, column 2) include the following:

   7.1. Anthropogenic factors (aspects which bring changes to environment):
   - changes in the existing land use pattern, categories and purpose of lands;
   - use of natural resources (water intake, non-metallic materials and others);
   - use of hazardous substances for construction and production;
   - emissions, discharge, air pollutant emissions;
   - generation of production and consumption waste;
   - physical impact factors;
   - generation, transportation, storage and recycling of hazardous products.

   7.2. Risk factors:
   - technogenous;
   - natural;
   - social;
   - changes in operating conditions (raw materials, infrastructure);
   - other emergency or off-design dangerous processes or events.

8. Such sections of design documentation as “Planning arrangement of a land plot”, “List of engineering activities, description of process solutions”, “Structural, space and layout design”, “Construction organization plan” (COP, SOP) must contain parameters, characteristics, intensity and scale of negative impacts; they must also offer solutions to ensure environmental safety. The note “No changes are permitted without environmental assessment and (or) expert review” should be added to it. The existing working procedure should be applied for review of a new design solution.
Supplementary reference material

Definitions used

**Environment** – the natural conditions in which people live as an integrity of natural, natural/man-made, and man-made (or human induced) objects.

**Environmental requirements** - conditions worked out or imposed by society (limitations and preferences) to regulate, develop and manage business activities in respect to its environmental aspects.

**Environmental feasibility of a proposed business activity** – general term used in EIA guidelines and instructions, and in documentation on environmental aspects of a proposed business activity. The term also defines the regulated and non-regulated process of studying environmental impact, consequences of implemented business activities.

**Environmental aspect of a proposed business activity** – an activity (contents, characteristics, conditions (elements) and other factors) which is considered in terms of its environmental impact and is stipulated by:

- changes in biosphere, and all elements and constituents of the environment (biological ecology, geological ecology, resource management);
- changes in **environmental protection sites**;
- consequences – changes in social and other life **conditions**, human habitats, other conditions of living environment, which require the use of natural resources and environmental changes (human and social ecology);
- secondary environmental impact caused by the changes in living environment;
- fulfillment of environmental requirements, including the provision of **environmental rights** of citizens;
- compliance with social **values** in respect to environment;
- consistency with adopted environmental policy aimed at achieving current and longer term objectives.

**Environmental aspect of an activity** – an activity which is considered from the viewpoint of its chemical, physical and biological impact on the environment and causing changes in environmental **objects**.

**Environmental impact** – an event, process or any other direct or indirect **anthropogenic interaction** of the affected object with the environment. Environmental impact is a source of environmental implications.

**Significant environmental impact** – **man-made impact changing qualitative indices or consumer properties of the environment**

**Negative harmful impact** – significant impact causing risk (dangerous) based on accepted criteria.

**Implications of environment impact** – any implications of anthropogenic environment impact whose relationships and outcomes are **perceived and expressed** by environmental assessment participants.

Reference provisions

**Requirements for mandatory environmental assessment**
The environmental assessment of programs, plans and projects is mandatory according to the Russian laws and World Bank requirements.

Environmental assessment consists of preparation/implementation of EA studies, and processing of EA documents.

**Regulations dealing with environmental assessment**

World Bank requirements to environmental assessment are described in Operational Directive 4.01.

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7 The legal definition is non-existent. The definition is borrowed from the commentaries to FL on “Environmental Expert Review”. 
General requirements to environmental assessment in Russia are defined by Federal Law “On Environmental Protection” (Articles 3, 15, 32), main procedural requirements – Regulation for “Environmental assessment of proposed business or other activities in the Russian Federation” (Approved by Order of the Russian Environmental Protection Committee (Goscomecologia RF) of May 16, 2000, No. 372, registered by the Ministry of Justice of the Russian Federation on July 4, 2000, No. 2302).

Requirements for “Standard layout of economic and social development programs”, approved by Order of the Russian Ministry of Economic Development of June 16th, 2002, No 170, should be taken into account during the environmental assessment and preparation of program and plans.

**Issues to be considered in environmental assessment:**
- natural and natural/man-made sites;
- human habitat;
- social and living environment of the population.

**Requirement for mandatory environmental assessment of any proposed business activity**
The environmental assessment is performed for any proposed business activity, for all stages and types of works, including management plans, activity planning and investment projects, and proceeds from legally established principle of potential environmental danger of any proposed business activity.

**Content of environmental assessment documents**
Irrespective of the type of proposed business activity, other circumstances, and EA stage, the existing regulations define the following contents of environmental (preliminary environmental) assessment documents:
1. Proposed business activity (project), its stages, components and proposed solutions;
2. Potential positive and negative environmental aspects of a proposed business activity;
3. Environment, sensitive objects and environmental components, existing situation, current and established environmental relations, which might be affected by the a proposed business activity;
4. Environmental requirements related to the management of a proposed business activity, impact and consequences, including the requirements to develop feasibility and design documentation, and documentation supporting the environmental classification of the proposed business activity;
5. Plan (Terms of Reference) to perform environmental studies and prepare EA documentation;
6. Documents supporting the environmental feasibility of a proposed business activity, including studies, assessment of expected changes, impact and consequences;
7. Plan (Action plan) to implement the proposed business activity and environmental activities;
8. Monitoring of compliance (environmental and operational monitoring).

**Specifics of preliminary environmental assessment**
The preliminary environmental assessment for a proposed business activity corresponds to the preparation the Loan Agreement.
Documents for preliminary environmental assessment differ from those for environmental assessment in scale, contents and character of studies and evaluations performed. Documents of preliminary environmental assessment are regarded as a program, and mainly used for planning, forecasting and based on general environmental requirements. Preliminary EA relies upon archive and cadastral materials, expert assessments.

**Dissimilarity of the form and substance of environmental assessment documents as specified by the Russian legislation and World Bank Operational Directive**
There is no principal difference between EA requirements specified in the Russian regulations and World Bank Operational Directive, which enables to develop a single action plan, and use a common data base and findings on impact and consequences to satisfy the requirements of both authorities.

Russian legislation traditionally pays less attention to the application of EA methodologies and procedures to the legal and institutional reform aspects, programs and sectoral development plans.

The attention of Russian participants is attracted to the special Bank requirements to social aspects of the proposed reform, and its impact on the living conditions of the population.
It should be noted that the requirements of Russian legislation and international lending organizations in respect of investment projects do have some dissimilarity related to the classification of projects, characteristics and criteria for the significance of impact, assessment of impact and its consequences. In practice difficulties might occur with the processing of EA documents in accordance with Bank format, in particular, development of the environmental management plan. World Bank rules require mandatory documentation of all significant studies, the complete list of impact parameters, applied assessment criteria and environmental activities, including organizational ones. The above mentioned difficulties might arise due to the fact that regulations, regional norms and rules that do not require environmental assessment are still in force in Russia. Such regulations tend to require a limited (in terms of environmental contents) EA section as part of design documents only. However, the scope and content of EIA for various types of business activities have not been defined yet despite the requirements specified in the Federal Law “On Environmental Protection” and Regulations on EIA.
Regulations and Literature

**National law**


**Regulations of the Russian Government, related to urban planning, land use and environmental protection**

20. On approval of Provision on social and hygienic monitoring of June 1, 2000, No. 426.
23. On state construction supervision in Russian Federation of February 1, 2006, No. 54.

**Information of international organizations on environmental requirements and assessments**


**General purpose orders and regulations of ministries and government agencies related to development and review of urban construction and design documentation.**

29. Instruction for environmental feasibility of business and other activities. Approved by Order of Russian Ministry of Natural Resources of December 29, 1995, No. 539.
30. Regulations for “Environmental assessment of proposed business or other activities in Russian Federation”, Approved by Order of Russian Environmental Protection Committee.
Some requirements for layout design and construction, environmental protection, EIA-related monitoring (effective to the extent not contradicting provisions of the National Law)

33. Construction codes and regulations SNiP 2.06.15-85 Engineering protection of territories from flooding and underflooding.
35. Sanitary codes and regulation SanPiN 2.2.3.757-99. Operations with asbestos and asbestos containing materials
37. Construction codes 2.1.5.1059-01. Hygienic requirements to ground water pollution control.
38. “Guidelines for establishment of maximum allowable discharge of substances coming to water bodies with run-off water”, Moscow, 1982.

Comments, reference guides, other literature

41. Guidelines for development of environmentally sound investment projects. – Moscow: Centre of development and implementation of international engineering support projects, 2001.