Municipal Infrastructure Development Project

Environmental Framework
Draft December 2007
# Municipal Infrastructure Development - Environmental Framework

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<td>BP</td>
<td>Bank's Procedure</td>
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<td>DWTP</td>
<td>Drinking Water Treatment Plant</td>
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<td>EA</td>
<td>Environmental Assessment</td>
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<td>EAR</td>
<td>Environmental Assessment Report</td>
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<td>EDR</td>
<td>Environmental Due Diligence Report</td>
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<td>EF</td>
<td>Environmental Framework</td>
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<td>EIA</td>
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<td>FI</td>
<td>Financial Intermediary</td>
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<td>GCB</td>
<td>Government of Bulgaria</td>
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<td>MEW</td>
<td>Ministry of Environment and Water</td>
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<td>MIDP</td>
<td>Municipal Infrastructure Development Project</td>
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<td>MRDPW</td>
<td>Ministry of Regional Development and Public Works</td>
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<td>NGO</td>
<td>Nongovernmental Organizations</td>
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<td>OP</td>
<td>Operational Policy</td>
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<td>PIU</td>
<td>Project Implementation Unit</td>
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<td>RIEW</td>
<td>Regional Inspectorate for Environment and Water</td>
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<td>TOR</td>
<td>Terms of references</td>
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<td>WB</td>
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Chapter 1. Introduction

The Government of Bulgaria has requested the assistance of the World Bank in financing activities under the Municipal Infrastructure Development Project that will help the country meeting the European Union directives on water and wastewater environmental protection, which are eligible for EU Structural Funds and not covered by other EU grants. The overall Project objective aims to improve the provision of water supply through proposed investments that will: (i) prepare projects that would be eligible to receive EU Structural Funds for water and wastewater investment needs; (ii) rehabilitate the water supply network in cities and municipalities operated by six water companies (Dobrich; Razgrad; Sliven; Smolyan; Stara Zagora; and Targovishte) and one drinking water treatment plant in Sliven; and (iii) complete three water supply dams (Neikovtsi dam, Plovdivski dam, and Luda Yana dam) where construction has ceased in the last decade due to lack of sufficient financing, and rehabilitate the dam wall of an existing functional dam (Studena dam). The Project is fully in line with Bulgaria's National Strategy on Environment (2005-2014) which intends to "provide good quality and sufficient quantity of water for various purposes". The Project will be wholly implemented through the Ministry of Regional Development and Public Works and six municipal water companies located throughout the country.

The overall environmental category of the project is A in line with Bank policies with individual investments that belong to both category A (the proposed dam completion activities) and B (the rehabilitation of water networks).

Based on the proposed Project investments the following World Bank safeguards policies are triggered: the OP/BP 4.01 on Environmental Assessment; the OP/BP 4.12 on Involuntary Resettlement; the OP/BP 4.37 on Safety of Dams, the OP/BP 7.50 on Projects on International Waterways, and the OP 17.50 on Disclosure Policy. Furthermore, adequate protection and maintenance of ecosystems downstream of the dams should be assessed during project preparation to determine the relevance of the OP/BP 4.04 Natural Habitats and OP/BP 4.36 Forestry safeguard policies. Also, given the possibility that proposed water companies might implement projects in cities with historic districts, the OPN 11.03 Property Cultural Resources safeguard policy might be triggered.

The following documents will be prepared prior to project appraisal: (i) project Environmental Framework for all proposed sub-projects; (ii) Environmental Due-Diligence Report to briefly include assessment of the environmental status of the sites and assessment of the potential environmental impacts associated with the completion and operations of the proposed three water supply dam sites' investments; (iii) Environmental Management Plans for the rehabilitation investments proposed at the Studena dam site as well as those related to water distribution networks, that will specify civil works contract clauses related to application of technical standards and other environmental requirements related to the construction phase; (iv) project Land Acquisition Policy Framework that will outline the process to be followed in case there is land acquisition needed for the project; and (v) Social Due Diligence for the three dam sites that presents an overview of the past land acquisition process carried out by the Government.

The Project's key safeguard policy issues relate to possible impacts of the civil works related to rehabilitation of water supply networks and to selected water supply dams completion investments. Specifically, the Project safeguard-related procedures must ensure that project activities comply with national environmental laws and regulations as well as Bank environmental and social safeguard policies, that any cumulative impacts are addressed, that environmental and social impacts are managed through application of appropriate guidelines, that appropriate oversight mechanisms are established, that any land acquisition is done in acceptable manner, and that adequate procedures are in place for the protection of cultural property. These issues are addressed through an Environmental Framework, and a Land Acquisition Policy Framework. When the situation exists that details of sub-projects to be financed are unclear at the time of project appraisal, Frameworks are developed to ensure compliance with national laws and bank policies. The objectives and content of the Environmental Framework is described in general below and in detail in attached annexes.
Chapter 2. Project Description

The overall MIDP aims to assist the GOB to efficiently absorb the EU funds and implement the requirements of the Water Framework and especially EU directives concerning drinking water quality and demand. Specifically, the Project will finance the following activities:

Component 1 Technical assistance

This component will help MRDPW to prepare investments for which EU grants will be sought. Under this component, infrastructure Master Plans of selected cities will also be updated so that they become eligible to receive EU Structural Funds. The MRDPW will inform the Bank about the cities where the infrastructure Master Plans will be prepared. Component 1 is Technical Assistance and it will help Bulgaria absorb EU grants for projects that benefit the environment and human health such as water supply projects. The activities under this component are not expected to have a negative impact on the environment and will not fall under environmental categories A or B, as per Bank policies. However, as the Bank is financing the component, it will provide advisory services to MRDPW on following environmental procedures that are in line with best international practices and in line with Bank policies. Activities under Component 1 are not further discussed in the EF.

Component 2 Municipal infrastructure development

This component will finance six sub-projects for reduction of non-revenue water, which include rehabilitation works in ViK Dobrich, Water supply Dunav Razgrad, ViK Sliven, ViK Smolyan, ViK Stara Zagora and ViK Targovishte. Specifically, this component will finance works related to the replacement of distribution water supply pipelines (all together up to 570 km) and replacement of old house connections (all together up to 160 km) in the above six water utilities, as well as the completion of drinking water treatment plant in Sliven (for 400 l/s).

The works anticipated under this component are estimated as environmental assessment category B and might have certain small scale environmental impacts especially during construction.

Component 3 Integrated management of water resources

This component will finance the update of detailed designs, the preparation of EIA and the completion of construction works for (1) the Neikovtsi dam with DWTP, (2) the Plovdivtsi dam with DWTP, (3) the Luda Yana dam with DWTP, and (4) the rehabilitation of the Studena dam wall.

1) Neikovtsi dam has been designed to provide water supply for the town of Tryavna. Research and design works were carried out in 1970. In 2001, construction works were discontinued due to the lack of funds. The stone embankment with asphalt-concrete diaphragm wall is designed to be 42 m tall and the storage volume, to be 5.3 million m3. Tryavna DWTP is designed for gross flow of 238 l/s. The dam and the DWPT have not been completed and the project proposes to finance the related works.

2) Plovdivtsi dam has been designed to provide water supply for the towns of Madan, Rudozem and other 32 settlements in the municipalities of Madan, Rudozem and Smolyan, accounting to approximately 52,000 inhabitants. Research and design works were performed in early 80’s. Stone embankment with asphalt-concrete diaphragm wall is designed to be 47.35 m high and storing volume of 2.45 million m3. Plovdivtsi DWPT is designed for gross flow of 225 l/s. The dam and the DWTP have not been completed and the project proposes to finance the related works.

3) Luda Yana dam was designed to supply with water the town of Panagjirishte and 14 villages accounting to approximately 33,000 inhabitants. Construction works began in 1986 but were discontinued in 1990 due to the lack of funds. In 1995, the design was updated and construction works continued. In 2000, construction works were suspended once more. Earth embankment with a clay core wall was designed to be 51 m high, storing the volume of 19.94
The envisaged works for these three dams are proposed as environmental assessment category A based on OP/BP 4.01 since they might have significant environmental impacts during construction and operation.

4) Studena dam is already in operation for 50 years and supplies water to 7 settlements in Pernik Municipality, including the town of Pernik. The concrete wall with buttresses is 53 m high and it stores 25.2 million m3. The wall is 53 m high and is constructed of concrete with buttresses. Wall needs rehabilitation due to the damages caused by aging. The related works are proposed as environmental assessment category B based on the OP/BP 4.01.

While wide variations occur from site to site, the environmental impacts of dams can generally fit within two categories: i) those due to the existence of the dam and reservoir; and ii) those due to the pattern of dam operation.

i) Impacts due to existence of dam and reservoir are usually: a) Imposition of a reservoir in place of a river valley (loss of habitat), b) Changes in downstream morphology of riverbed due to altered sediment load (increased erosion), c) Reduction of biodiversity due to blocking of movement of organisms.

ii) Impacts due to pattern of dam operation include: a) Changes in downstream hydrology: change in total flows, change in seasonal flows (e.g. Spring flood becomes Winter flood), short-term fluctuations in flows (sometimes hourly); change in extreme high and low flows, b) Changes in downstream morphology caused by altered flow pattern, c) Changes in downstream water quality caused by altered flow pattern, and d) Reduction in riverine/riparian/floodplain habitat diversity.

In general related to MIDP component 3, following impacts should be expected: a) Effects on stream discharge, water quality, and availability; b) Impacts on terrestrial and aquatic ecology, including threatened and endangered species; c) Impacts on floodplains, wetlands, recreation, and existing land uses; and d) Socioeconomic, historic, archaeological, and cultural effects associated with completion of the project and alternatives to it.

The location of the proposed investments under component 2 and 3 are shown in Figure 1.
Figure 1 Location of investments envisaged under component 2 (yellow oval dots) and 3 (blue round dots)
Chapter 3. Environmental Legislation and Policies

3.1 Overall relevant EU and Bulgarian Legislation

As a full member of EU since January 1, 2007, Bulgaria was requested to transpose the majority of EU legislation, which has been done for environmental sector legislation. The most relevant EU regulations applicable to MIDP project are the following:

1) Water framework directive stipulates the management of inland surface waters, groundwater and other waters to prevent and reduce pollution, promote sustainable water use, protect the aquatic environment, improve the status of aquatic ecosystems and mitigate the effects of floods and droughts.

2) Directive on the quality of water intended for human consumption – lays down healthiness and purity requirements of the drinking water

3) Directive concerning the quality required of surface water intended for the abstraction of drinking water describes conditions of abstraction of drinking water from surface waters after appropriate treatment and supplied by public distribution networks

4) Directive on the assessment of effects of projects on the environment outlines which project categories shall be made subject to an EIA, which procedure shall be followed and the content of the assessment

5) Directive on environmental impact assessment of certain plans and programmes ensures that environmental consequences of certain plans and programs are identified and assessed during their preparation and before their adoption. The public and environmental authorities can give their opinion and all results are integrated and taken into account in the course of the planning procedure.

6) Directive on public access to environmental information aims to ensure that environmental information is systematically available and distributed to the public

Annex 1 presents in detail the EU legislation as well as the Bulgarian transposed legislation relevant to the activities proposed under MIDP.

3.2 Environmental Impact Assessment in Bulgarian Legislation

In the Republic of Bulgaria, the procedure for Environmental Assessment (EA) is described in the Environmental Protection Act (EPA) and in the Ordinance on the Terms and Procedure for Carrying out Environmental Impact Assessment (EIA Ordinance). The Biodiversity Act calls for the preparation of Environmental Impact Assessment (EIA) where spatial plan might have a negative environmental impact on protected areas.

The Environmental Protection Act regulates the EIA through chapter 6, articles 81 to 102.

EA and EIA are conducted for plans, programs and investment proposals for construction activities and technologies or modifications thereof, when the implementation is likely to have significant effects on the environment. EIA is mandatory for any development projects related to construction activities and technologies listed in Annex 1 of EPA while for those listed in Annex 2 the need of EIA should be determined on individual basis.

In respect of any investment proposals for construction, activities or technologies in the Republic of Bulgaria, which are likely to have a significant impact on the environment of another country, the Ministry of Environment and Water (MEW) shall notify the affected countries at the earliest possible stage of the investment proposal but not later than the date of notification of the Bulgarian population, and upon agreement on participation in the EIA procedure, deliver to the country concerned a description of the investment proposal, information on the potential transboundary impact on the environment, and the relevant information on the decision expected to be made. For the MIDP project the notification of riparian countries was met by applying the WB safeguard policy OP 7.50 according to which the GOB is required to notify the riparian countries about the project investments and possible environmental impacts.
The **Ordinance on the Terms and Procedure for Carrying out Environmental Impact Assessment** sets the terms and procedure for preparing the EIA of development proposals as defined in EPA and as defined in the Biological Diversity Act.

The EIA procedure includes the following steps: a) Notification of the Competent Authorities and Affected Population; b) Investor submits request for assessing the need for EIA, c) Carrying out Consultations; Determining the Scope, Contents and Format of the EIA Report, d) Commissioning the expert, e) Assessment of the quality of the EIA report, f) Organization of the public hearing, and g) Decision on the EIA. Minimum scope of EIA as defined in the Ordinance is presented in Annex 2. A monitoring plan is not defined during the stage of EIA, nor in the decision of relevant authority on EIA. However, monitoring requirements are stipulated through permitting system for the operation of the facility. Annex 3 gives the description of EIA procedure in more details, including the identification of the investor's and relevant authorities' obligation. This procedure will be mandatory for each sub project under MIDP that will require EIA (see tables 1, 2, 3).

### 3.3 World Bank policies

The Bank undertakes environmental screening of each proposed project to determine the appropriate extent and type of EA. The Environmental Assessment is defined through Operational policies OP 4.01. The Bank classifies all proposed projects into one of four categories, depending on the type, location, sensitivity, and scale of the project and the nature and magnitude of its potential environmental impacts.

(a) **Category A**: A proposed project is classified as Category A if it is likely to have significant adverse environmental impacts that are sensitive, diverse, or unprecedented. EA for a Category A project examines the project's potential negative and positive environmental impacts, compares them with those of feasible alternatives (including the "without project" situation), and recommends any measures needed to prevent, minimize, mitigate, or compensate for adverse impacts and improve environmental performance (Annex 4).

(b) **Category B**: A proposed project is classified as Category B if linked potential adverse environmental impacts on human populations or environmentally important areas—including wetlands, forests, grasslands, and other natural habitats—are less adverse than those of Category A projects. These impacts are site-specific; few if any of them are irreversible. The scope of EA for a Category B project may vary from project to project (but it is narrower than that of Category A) and preparation of at least an Environmental Management Plan (EMP) as defined by World Banks OP 4.01 Annex C (Annex 5) is mandatory.

(c) **Category C**: A proposed project is classified as Category C if it is likely to have minimal or no adverse environmental impacts. Beyond screening, no further EA action is required for a Category C project.

(d) **Category FI**: A proposed project is classified as Category FI if it involves investment of Bank funds through a financial intermediary, in subprojects that may result in adverse environmental impacts. In appraising a proposed FI operation, the Bank reviews the adequacy of country environmental requirements relevant to the project and the proposed EA arrangements for subprojects, including the mechanisms and responsibilities for environmental screening and review of EA results. When necessary, the Bank ensures that the project includes components to strengthen such EA arrangements. For FI operations expected to have Category A subprojects, prior to the Bank's appraisal each identified participating FI provides to the Bank a written assessment of the institutional mechanisms (including, as necessary, identification of measures to strengthen capacity) for its subproject EA work. If the Bank is not satisfied that adequate capacity exists for carrying out EA, all Category A subprojects and, as appropriate, Category B subprojects—including EA reports—are subject to prior review and approval by the Bank.

For all Category A and B projects proposed for IBRD or IDA financing, during the EA process, the borrower consults project-affected groups and local nongovernmental organizations (NGOs) about the project's environmental aspects and takes their views into account. The borrower initiates such consultations as early as possible. For Category A projects, the borrower consults these groups at least twice: (a) shortly after environmental screening and before the terms of reference for the EA
are finalized; and (b) once a draft EA report is prepared. In addition, the borrower consults with such
groups throughout project implementation as necessary to address EA-related issues that affect
them.
Chapter 4. Applying Bulgarian and WB environmental procedures under the Project

4.1 Bulgarian legislation and relevancy to the MIDP

The EIA is mandatory for any development projects related to construction activities and technologies listed in Annex 1 of EPA while for those listed in Annex 2 the need of EIA should be determined on individual basis. Table 1 identifies subprojects (relevant to the Project) that require environmental assessment and defines the requested procedure based on the screening of both EPA annexes.

<table>
<thead>
<tr>
<th>EPA Annexes</th>
<th>Annex 1 (EIA is mandatory)</th>
<th>Annex 2 (The need of EIA is determined on individual basis)</th>
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<tr>
<td>Criteria</td>
<td>Water reservoirs or other facilities designed for containment or storage of water where the level or additional quantity of the water contained or restored exceeds 10 million cubic meters</td>
<td>Water reservoirs and other facilities for containment and storage of water for long periods of time (not included in Annex 1 of EPA)</td>
</tr>
<tr>
<td>Sub-project</td>
<td>Luda Yana dam (19.94 million m³)</td>
<td>Neikovtsi dam (5.3 million m³) Plovdivsti dam (2.45 million m³)</td>
</tr>
<tr>
<td>Procedure</td>
<td>Notification of MEW, public and consultations Preparation of EIA report (Annex 2) Assessment of EIA report quality Public hearing Decision on EIA</td>
<td>Notification of MEW, (RIEW) and public Requesting assessment of the need for EIA (Annex 6) Consultation based on previous notification Preparation of EIA report (Annex 2) if decided by relevant authority (MEW) that is needed Assessment of EIA report quality Public hearing Decision on EIA</td>
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</table>

It must be noted from Table 1 that the Bulgarian legislation does not require an EA for subprojects such as those under the Project component 2 (water supply system and drinking water treatment plant). In the case of Studena dam, although the structure is exceeding 10 million cubic meters of contained water, an EIA is not mandatory since the works envisaged under the project comprise only the rehabilitation of the already existing dam wall. In the case of Plovdivsti Dam, an EIA was completed and a positive EIA Decision (No15-8/2000) was issued by the RIEW of Smolian.

4.2 WB procedures and relevancy to the MIDP

The overall project is considered environmental assessment category A in line with Bank policies with individual subprojects that belong to both category A (the proposed dam completion activities) and B (the rehabilitation of water networks). Table 2 identifies subprojects (relevant to MIDP) that require environmental assessment, determines the type of the assessment and defines procedures to follow. Luda Yana, Neikovtsi and Plovdivsti dam are already partially constructed based on the old design plans which are currently under revision. Whether the construction of these subprojects would be category A or B can only be assessed on updated technical documentation.
Table 2 MIDP subprojects and EIA (WB)

<table>
<thead>
<tr>
<th>Environmental classification</th>
<th>Category A</th>
<th>Category B</th>
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<tr>
<td>Criteria</td>
<td>A proposed project is classified as Category A if it is likely to have significant adverse environmental impacts that are sensitive, diverse, or unprecedented.</td>
<td>A project is classified as Category B if its potential adverse environmental impacts on human populations or environmentally important areas are less adverse than those of Category A projects.</td>
</tr>
<tr>
<td>Sub-project</td>
<td>The Bank financing for the completion of the following dams to be confirmed during project implementation: Luda Yana dam Neikovtsi dam Plovdivsti dam</td>
<td>Rehabilitation of Water supply networks in VIK Dobrich Rehabilitation of Water supply network in Dunav Razgrad Rehabilitation of Water supply network in VIK Sliven and completion of drinking water treatment plant Rehabilitation of Water supply network in VIK Smolyan Rehabilitation of Water supply network in VIK Stara Zagora Rehabilitation of Water supply network in VIK Targovishte Rehabilitation of Studena dam wall</td>
</tr>
<tr>
<td>Procedure</td>
<td>Public disclosure and consultation on subproject environmental screening Preparation of EIA report (Annex 4) Public disclosure and consultation of draft EIA report WB’s no objection for EIA report quality</td>
<td>Preparation of EMP (Annex 5) One public disclosure/consultation held WB’s no objection for EMP quality</td>
</tr>
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</table>

4.3 Streamlining the process for MIDP project

Many of the features of the Bulgarian EIA system are compatible with the corresponding features of the Bank procedures (OP 4.01), and are also consistent with EU Directive (97/11/EC), as projects having impact on environment, require environmental screening and assessment in order to receive an Environmental Approval (for construction) in the decision on EIA. However, under the Bulgarian legislation environmental monitoring plans are not included in the Environmental Impact Studies (EIS). In the case of MIDP, monitoring plans with specific description of monitoring measures (affiliated with the mitigation measures proposed in the mitigation plans) will be included in EMPs and enhanced by monitoring requirements stipulated through the permitting system required for the facility operation.

The environmental assessment category for the sub-projects related to rehabilitation and completion of water supply dam investments (Component 3) will be confirmed only during the project implementation upon finalization of all technical details (feasibility studies, detail designs) and environmental assessment aspects that meet both the current Bulgarian law updated to the EU requirements and the World Bank policies. However, in order to meet the WB OP 4.01 policy on EA, the MRDPW agreed to prepare before project appraisal an Environmental Due-Diligence Report (EDR) for Luda Yana, Neikovtsi, and Plovdivsti dams. The EDR report will reflect the environmental due diligence related to dam sites including brief evaluation of the potential environmental impacts of the proposed construction and operations of the dams. Also, the EDR will suggest mitigation measures to alleviate environmental impacts and suggest monitoring activities. The scope of EDR presented in detail in Annex 7 follows the outline in accordance with the World Bank OP 4.01.

Environmental Management Plan reports will be prepared in accordance with Bulgarian environmental laws and regulations and the requirements of the Bank safeguard policies for implementing, monitoring and reporting of the mitigation measures related to water companies’ rehabilitation investments and to the Studena dam rehabilitation works.
The final EDR, EMPs and EF documents will be the subject of public consultations both in Sofia and in the communities where major sub-projects are located. The results of these meetings and revised documents will be disclosed as a condition of Project appraisal.

Table 3 summarizes the approach to streamline the EA screening process applicable to those investments proposed under the Project, which are complying with the Bulgarian and the World Bank EA procedures.

### Table 3 Screening Criteria for World Bank and Bulgarian EA procedures under the Project

<table>
<thead>
<tr>
<th>Subproject</th>
<th>Procedure to be followed</th>
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<tr>
<td>Luda Yana dam (investment for which both Bulgaria and the Bank require preparation of an EIA, similar to EA category A in accordance with OP/BP 4.01)</td>
<td>• An EDR with EMP will be prepared and publicly disclosed and consulted before appraisal as described in Annex 5 and Annex 7 of EF; the MEW or RIEW will assess the need for EIA; • First public consultation will take place once the dam detail design is available; • EIA will be prepared by water company/MRDPW to meet national requirements; • Second public consultation will be held for EIA report dissemination; • Extensive Executive Summary of EIA report will be prepared in English; • Approval of EIA will be obtained from MEW; • The WB will review draft EIA report, ES and EMP, and will provide no objection to the consultation result and final EIA and EMP</td>
</tr>
<tr>
<td>Neikovtsi dam Plovdivski dam (investments considered EA category A in accordance with WB OP/BP 4.01 for which Bulgaria may or may not require preparation of an EIA)</td>
<td>• A draft EDR with EMP will be prepared and publicly disclosed and consulted before appraisal, as described in Annex 5 and Annex 7 of EF; MEW or RIEW will assess the need for EIA; • MEW or RIEW will issue a decision on the necessity of EIA; • WB will decide the environmental assessment category A or B upon EDR and FS results. Note: These are the first 3 steps in the EA process, which will be followed by one of the options presented below:</td>
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<td>Option 1: If Bulgaria requires and EIA</td>
<td>• An EIA with EMP will be prepared by water company/MRDPW to meet national requirements (and WB); • Second public consultation and disclosure will be held; • Extensive Executive Summary of EIA report will be prepared in English; • Decision on EIA will be obtained from MEW; • The WB will review draft EIA report, ES and EMP, and will provide no objection to the consultation result and final EIA and EMP</td>
</tr>
<tr>
<td>Rehabilitation of water supply networks in: VIK Dobrich, Dunav Razgrad, VIK Sliven including drinking water treatment plant, VIK Smolyan, VIK Stara Zagora, and VIK Targovishte; Rehabilitation of Studena dam wall (Investments considered EA category B in accordance with WB OP/BP 4.01 for which Bulgaria does not require preparation of an EIA/EMP)</td>
<td>• EMPs will be prepared before appraisal as required by WB O.P. 4.01; • One public consultation and disclosure will be held before appraisal; • The WB will review the draft EMPs and will provide no objection to the consultation result and final EMPs</td>
</tr>
<tr>
<td>Option 2: If Bulgaria does not require an EIA</td>
<td>• An EIA with EMP will be prepared by water company/MRDPW to meet the WB requirements; • The draft EIA will be publicly disclosed and any comments received will be incorporated in the final EIA; • The WB will review draft EIA report and EMP, and will provide no objection to the final EIA and EMP</td>
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</table>
Chapter 5. EA Guidelines and Procedures

Overall, the MIDP subprojects will be subject of national and WB environmental procedures including: (i) Environmental and social screening of subprojects; (ii) environmental classification; (iii) application of good practice environmental and social guidelines; (iv) implementation of required environmental work; and (v) monitoring and supervision of subprojects.

The MRDPW via the Project Implementation Unit (PIU) will be responsible for the screening process described in Table 1 and ensuring that the required environmental procedures are followed. MRDPW will monitor and support the screening process in accordance with the Bulgarian legal requirements and World Bank policy. In the event of any deviations or unreasonable delays the PIRDWP will seek the advice of the relevant parties and provide any necessary support and advice to overcome the problems.

The EA process for MIDP subprojects are described in the following paragraphs:

Subproject Screening: The selected water company or MRDPW in consultation with MEW/RIEW will evaluate the environmental classification of likely subprojects based on the type of civil works to be implemented. Each subproject will be sent by the respective water company or MRDPW to the MEW for their review and assessment. The MEW will receive as part of the technical and financial feasibility study, the relevant environmental and social data needed to screen the subproject (e.g., maps, environmental and social baseline data; licenses, permits; mitigation plans). Based on the completed information, the MEW will screen the proposed subproject for its potential environmental and social impacts, compliance with national laws and norms. The answer on the official screening request for the dams will be publicly disclosed.

Subproject Environmental Assessment Classification: According to the MEW screening decision on the type of EIA and according to the screening criteria presented in Chapter 4, the water company or MRDPW will proceed as indicated in Table 3 (developing an EIA and/or EMP based on the type of investment and organizing the public consultation). In the case of any EIA being required, this process will include preparation of the ToR for the EIA and hiring registered EIA specialists in accordance with the requirements of the Bulgarian legislation.

The MEW or RIEW will issue a quality assessment of the EIA report and will convey the results within 14 days upon submission of the report by the Investor (e.g., water utility). The Investor will notify in the mass media the affected parties for the public consultation of the EIA report at least 30 days before the hearing. Furthermore, the Investor will submit to the MoE or RIEW a written opinion on the outcomes of the public hearing within 14 days after the public hearing. The environmental expert Council will meet to decide on the results of the EIA report and will prepare the draft decision of approval or refusal of the sub-project. In the case of sub-project EIA approval, the Council may propose additional mitigation measures, if necessary. Finally, the MEW will decide within 3 months after the latest public hearing. If determined that EIA is required only as per WBs screening, the MRDPW/Water Company will perform an EIA, and coordinate public consultation and submit the EIS to the WB for approval.

For subprojects under component 2 and the rehabilitation of Studena dam wall (EA category B according to WB OP 4.01), the PIU will assure that EMPs are prepared with stipulated environmental mitigation measures and monitoring requirements.

MRDPW will perform an overall quality assurance that the documents prepared meet the World Bank and Bulgarian environmental legal requirements. MRDPW will seek confirmation from the Bank on selected Environmental Category and the documents to be carried out.

The WB will also provide no objection to the consultation result and final EIA as well as to the final EMP.

Overall Project Implementation and Monitoring: Under the Bulgarian Environmental Protection Law, the water and environmental inspectors within the Ministry of Environment and Water are responsible for environmental compliance of all measures and mitigations prescribed in the EIA documentation. These authorities will supervise the implementation conditions described in the EIA.
decision including: (i) the approval and coordination of investment projects; (ii) the construction phase; (iii) the issuance of construction and operation permits.

This supervision will include verification of documents and on-site visits for implementation of the mitigation plan, waste management impacts on the environment, and assessment of their efficiency. The MEW has 15 regional units (RIEW) responsible for monitoring and control of the environmental components quality including oversight for environmental compliance of investment projects implementation and operation. Environmental Inspectors within the RIEW will provide supervision based on unannounced visits during construction and operation of the proposed subprojects.

The water company or MRDPW in cooperation with PIU will have overall responsibility for ensuring implementation and monitoring of the EMP for each subproject. However, the various parties identified in the EMP (contractors, construction supervisors, maintenance managers, etc.), are immediately responsible for implementing and monitoring their own activities.

MRDPW will designate within the PIU a liaison officer responsible for the environmental compliance with related EA and EMP requirements of the investments proposed under Component 2 and 3. MRDPW, through its designated liaison officer, will monitor the implementation of the developed EMPs based on unannounced supervision visits at the Project sites during the civil works. During such visits, MRDPW will be responsible for observing the compliance with all environmental aspects at the site as stipulated in the Contractor's ToR and as highlighted in the EMP mitigation and monitoring plans (including verification of all environmental permits requested for the Contractor on the site). The MRDPW and local authorities where the projects will be carried out will ensure that the following are carried out in a proper manner: (i) supervision on the potential environmental impacts during works including construction noise, air quality, water quality, etc.; (ii) supervision on the compliance with contractor's performance of works without disruption of regular traffic and natural habitats; (iii) ensuring that the contractor understands and follows its obligations on overall maintenance of the construction site related to environmental protection measures; (iv) ensuring that a work safety plan is on the site (during work performance) along with valid environmental permits and related documents for proper implementation of works; (v) supervision of proper removal of construction waste to the dump site according to local regulations; (vi) monitoring of mitigation measures of environmental pollution impacts at the construction site (e.g., construction noise; brief assessment of short-term impacts during constructions on surface waters, etc.).

The World Bank will supervise the project preparation, implementation, and safeguard compliance on regular basis and conduct site visits, approve subproject environmental safeguard category, review EMPs and EIAs. Regular supervision will as well include continuous monitoring of environmental compliance with EA and EMP. In the semi-annual reports that MRDPW will submit to the Bank, it would provide information on the environmental compliance of the Project, taking into account Bank and Bulgarian procedures.
Several documents related to the environmental safeguards will be publicly disclosed. The EF presenting a guidance tool to ensure that the proposed sub-projects comply with the existing environmental regulations and standards in Bulgaria as well as with the World Bank’s Safeguards Policies will be disclosed first. Upon receiving comments from the public and its final adoption by both WB and MRDPW, the EMPs, EDRs and EIA will be presented as discussed in the following subchapters.

6.1 Public discussion and access to EF

The draft final EF was discussed nationally with the main stakeholders in Sofia in December 12, 2007. The venue of the meetings was advertised in the local and regional press as well as at the municipalities. Copies of the EF in Bulgarian language were distributed and the framework procedures briefly discussed. Copies of the Minutes may be found in Annex 8.

An English language version of the draft EF is available at the World Bank Infoshop website since December 2007.

Local consultations were carried out on the draft Environmental Due Diligence Reports prepared for the construction investments related to the Luda Yana, Plovdivtsi and Neikovtsi dams in October 2007. Public meetings were successfully held in the municipalities of Panagiurishte, Triavna and Rudozem. The Minutes of these meetings are attached in Annex 9.

6.2 Public consultation during project preparation / implemementation

For projects falling under the World Bank EA Category A and B, the investor (water company/MRDPW) will consult the project affected groups and local non-governmental organizations (NGOs) about the project’s environmental aspects and note their views.

Subprojects of EA Category A and investments for which EIA is required by Bulgarian legislation (e.g., Luda Yana dam): The public consultation will occur twice: a) after the environmental screening and before the terms of reference for the EIA are finalized; and b) for the draft EIA to seek feedback on the report.

Subprojects of EA Category A and investments for which EIA is not required by Bulgarian legislation (e.g., Neikovtsi and Plovdivstsi dams): Public meetings and discussions will take place as necessary during the preparation of the EIA report. The draft report will be publicly disclosed and the public comments, if any, will be incorporated in the final EIA reports.

Subprojects of EA Category B: For those investments related to rehabilitation of water supply networks (in VIK Dobrich, Dunav Razgrad, VIK Sliven including drinking water treatment plant, VIK Smolyan, VIK Stara Zagora, and VIK Targovishte) as well as for the investments related to rehabilitation of the Studena dam wall the public consultation will occur when the EMP or EDR is prepared and the findings of the draft EMP will be discussed. The views of the public will be incorporated in the final EMP. EIA reports will be prepared for these investments and publicly disclosed.

For meaningful consultations, the water company/MRDPW will provide relevant information to the public in a timely manner. The minutes of public meetings will be recorded and included in the final EIAs or EMPs.
Information Disclosure during Environmental Assessment

For both Category A and B projects, the water company or MRDPW will ensure that the findings of the EIAs, EDRs and EMPs are available in a public place. These documents should be prepared in English and Bulgarian languages and submitted officially to the Bank for disclosure in Infoshop and on the country’s external website. Additionally, MRDPW will provide an Executive Summary of the EIA in English for all Category A projects.
Annex I

1. Relevant EU legislation and national transposed legislation

Water Supply

1) Directive 2000/60/EC establishing a framework for Community action in the field of water policy, amended by Decision No 2455/2001/EC establishing the list of priority substances in the field of water policy

   - Regulation No. 9 of 16 March 2001 on the Quality of Water Intended for Human Consumption (SG No. 3012001)

   - Regulation No. 6 of 9 November 2000 on the Limit Values for Admissible Contents of Dangerous and Harmful Substances in the Waste Water Discharged in the Water Bodies Promulgated (SG No. 9712000)
   - Regulation No. 7 on the Terms and Procedure for Discharge of Industrial Waste Waters into Settlement Sewer Systems Promulgated (SG No. 9812000)

   - Regulation No. 4 of 20 October 2000 on the quality of waters supporting fish and shellfish organisms’ life (SG 88127.10.2000)
   - Directive 91/271/EEC concerning urban waste-water treatment, emended by Directive 98/15/EC with respect to certain requirements established in Annex I thereof (Text with EEA relevance)
   - Regulation No. 5 of 8 November 2000 on the Procedure and Manner for Establishment of Networks and on the Operation of the National Water Monitoring System (SG 9512000)
   - Regulation No. 6 of 9 November 2000 on the Limit Values for Admissible Contents of Dangerous and Harmful Substances in the Waste Water Discharged in the Water Bodies Promulgated (SG 9712000)
   - Regulation No. 7 on the Terms and Procedure for Discharge of Industrial Waste Waters into Settlement Sewer Systems Promulgated (SG 9812000)
   - Regulation No. 10 on Issuing Permits for Waste Water Discharge into Water Bodies and Setting Individual Emission Limit Values for Point Sources of Pollution (SG No. 6612001)

   - Regulation No. 1 of 7 July 2000 on the Exploration, Use and Protection of Groundwater (SG 5712000, corrected, SG No. 6412000)
   - Regulation No. 2 of 16 October 2000 on the Protection of Waters against Pollution Caused by Nitrates from Agricultural Sources (SG No 5712000)
   - Regulation No. 3 of 16 October 2000 on the Terms and Procedures for the Exploration, Design, Approval and Operation of Sanitary Protected Areas Around Water Sources and


Annex 2

2. The Minimum Scope of EIA as defined in Bulgarian legislation

The scope of the EIA should be specified in the Terms of Reference and should include the following:

1. A summary of the development proposal for construction, activities and technologies;

2. Alternatives of siting (including sketches and bearings of typical points within the established national coordinate system) and/or alternatives to the technologies proposed by the initiator and justification of the choice made, considering the impact on the environment, including a “zero” alternative;

3. A description and analysis of the environmental components (ambient air, atmosphere, water, soil, bowels of the earth, landscape, natural sites, mineral diversity, biological diversity and the components therein) and factors (natural and anthropogenic substances and processes; different types of waste and the locations therein; hazardous energy sources: noise, vibrations, radiation, as well as certain genetically modified organisms) and of the physical structures and the cultural heritage that will be significantly affected by the investment proposal, as well as the interaction among these aspects;

4. Description, analysis and assessment of the potential significant effects on the population and the environment resulting from:
   a) Implementation of the investment proposal;
   b) Use of natural resources;
   c) Emissions of noxious substances in normal circumstances and in an emergency, generation of waste and inconvenience for the population;

5. Information on the forecasting methods used to assess the effects on the environment;

6. A description of the measures envisaged to avoid, reduce and, if possible, remedy significant adverse effects on the environment, as well as a plan for implementation of the said measures;

7. Observations and opinions expressed by the public affected, of the authorities competent to make an EIA decision and other specialized institutions and the States affected in a transboundary context, as a result of the consultations held;

8. Conclusion of the EIA experts guided by the principles of reduction of the risks to human health and of ensuring sustainable development in conformity with the existing national standards of environmental quality;

9. A non-technical summary of the information;

10. Information on the difficulties (technical reasons, insufficiency or lack of data) encountered in the collection of information for preparation of the EIA statement;

11. Other information at the discretion of the competent authority.
3. The EIA Procedure as defined in Bulgarian legislation

1) Notification of the Competent Authorities and Affected Population;

In pre-investment phase, the investor should notify in writing the MEW about his investment intention and the Mayor of the relevant municipality and region, local administration and the affected population through the mass media and/or in another way.

2) Investor submits request for assessing the need for EIA

For the investment proposals described in annex 1 of the EPA and those with transboundary environmental impacts in Annex 2 of the Convention on EIA in transboundary context, preparation of EIA is mandatory.

For the proposals listed in annex 2, or where there are uncertainties about the necessity of EIA, request should be sent to MEW or RIEW to assess the need for EIA. Minister of Environment and Water or Regional Inspectorate for Environment and Water (RIEW) Director in each particular case (including cases identified in annex 1 and 2 of EPA) assesses the need for preparing EIA by determining the degree of significance of the environmental impact. Within one month he will issue a decision and three days after notify the respective municipal administration. The information that should be provided in a request for determining the need for EIA is described in Annex 6 of this document.

3) Carrying out Consultations; Determining the Scope, Contents and Format of the EIA Report

Depending on the characteristics of the investment proposal the Investor decides which specialized institutions and representatives of the affected public to consult with. In case of interest, expressed in writing, to the EIA procedure of persons or organizations outside of those determined by the Investor he will ensure consultations with the interested. The consultations may be organized in one of the following manners: Announcement in the mass media; Sending notifications to the local authorities; Preparation and distribution of prospectus or brochure; Distribution of letters or questionnaires to organizations or persons concerned, living in the immediate vicinity, with request for information and comments on the investment proposal; Setting up information boards, posters; Organization of expert or public groups on the scope of assessment; Organization of meetings with the affected population.

The Investor assigns the development of a ToR in accordance with Art. 95 of the EPA and assures that the information obtained during the consultations is incorporated in the ToR. The ToR defines the structure and contents of the EIA Report.

4) Commissioning the expert

The assessments should be commissioned to independent registered experts - Bulgarian or foreign natural persons. The experts shall arrive at a conclusion, guided by the principles of reduction of the risks to human health and of ensuring sustainable development in conformity with the existing national standards of environmental quality.

5) Assessment of the quality of the EIA report

The investor should submit to the competent authority one copy of the EIA report and one copy of the terms of reference and copy of document for charges paid. The competent authority shall assess the quality of the EIA report in 14 days following its deposition, on the number of criteria supported by system of grades. The criteria include: completeness and accuracy of the information by sections of the report; consideration of the results of the consultations held; equalized description, analysis and comparison of the alternatives; significance of impacts; significance of unavoidable/permanent impacts on the environment; proposed measures for prevention or reduction of substantial harmful impacts, intended to ensure compliance with the environmental normative acts, and plan elaborated
for their implementation; availability of graphic materials - maps, schemes, sketches, diagrams, etc. In case of missing information the competent authority shall return the report for supplementation with specific instructions or revision.

6) Organization of the public hearing

In the letter to investor following the assessment of the quality of EIA the competent authority shall also specify the affected municipalities, and/or regions, with which the investor should organize public hearing on the EIA report. The investor should send the EIA report to each of the mentioned municipalities, and determine the place, date and time for holding of the public discussion, as well as the place and time for public access to the EIA report and the place and time for submission of written statements of opinion. The investor shall announce consultations in the mass media and/or in another appropriate manner at least 30 days prior to the meeting for the public discussion. The water company/MRDPW representative should submit to the investor a copy of the materials with results of the public discussion latest 3 days after the public discussion. Within 7 days after the discussion the investor shall submit to the competent authority the minutes of the discussion and within 14 days following the discussion other possible options for implementation of the investment proposal are proposed. The investor shall submit to the competent authority a statement of opinion on the proposals, recommendations, and objections resulting from the public discussion. Where as result of the public discussion, the investor should assign further supplementation of the report he should organize new public discussion.

7) Decision on the EIA

The competent authority shall take decision within 3 months after the latest public hearing on the grounds of the EIA report as a basic document; the documents presented in the course of the procedure, the results of the public hearing, inclusive of the statement of opinion of the investor, the decision of the Supreme Environmental Expert Council (SEEC) with the MEW, and the expert environmental councils.
4. OP 4.01, Annex B - Content of an Environmental Assessment Report for a Category A Project

An environmental assessment (EA) report for a Category A project focuses on the significant environmental issues of a project.

The EA report should include the following items (not necessarily in the order shown):

(a) Executive summary.
(b) Policy, legal, and administrative framework.
(c) Project description.
(d) Baseline data.
(e) Environmental impacts.
(f) Analysis of alternatives.
(g) Environmental management plan (EMP).
(h) Appendixes
   (i) List of EA report preparers--individuals and organizations.
   (ii) References--written materials both published and unpublished, used in study preparation.
   (iii) Record of interagency and consultation meetings
   (iv) Tables presenting the relevant data referred to or summarized in the main text.
   (v) List of associated reports (e.g., resettlement plan or indigenous people development plan).
5. Environmental Management Plan

To prepare a management plan, the borrower and its EA design team (a) identify the set of responses to potentially adverse impacts; (b) determine requirements for ensuring that those responses are made effectively and in a timely manner; and (c) describe the means for meeting those requirements.

The following content is developed based on WB OP 4.01 Annex C, and adapted to MIDP. Therefore the EMP should include following components:

As noted in the earlier section, EMPs will be required for projects that fall in World Bank Category B. It is suggested that the following information be included:

(a) Responsible Party: The authors who prepared the EMP along with the date of preparation.

(b) Project Description: Present a brief description of the subproject. Include the nature of the investment, the location, and any characteristics of the area that are of particular interest (e.g. near a protected area, area of cultural or historical interest, sensitivity of the area). Also, include a brief description of the socio-economic conditions in the area. If available, a simple map should be included.

(c) Mitigation Plan: This should include a description of the steps to be taken to identify all anticipated significant effects, to mitigate the major potential impacts on land, water, air and other media during the planning, design, construction and operation phases. Particular attention should be paid to the habitat loss and altered habitats and how these compare to Bulgarian law and any other relevant guidelines such as those in directives of the European Union or the World Bank Pollution Prevention and Abatement Handbook (1998) or other relevant international norms. (A practical form for mitigation plan is given in this annex following the proposed content)

(d) Monitoring Plan: This should include a description of the key parameters to be monitored (including monitoring locations, schedules and responsible entities) and reporting procedures to ensure that the construction and operation of the project is in conformance with Bulgarian law and other relevant norms and standards. If such details are covered by permits or construction or monitoring contracts these can be referenced as attachments. (A practical form for monitoring plan is given in this annex following the proposed content)

(e) Institutional Arrangements: There should be a narrative discussion that provide a brief presentation on how the monitoring data is going to be used for sound environmental performance - who collects the data, who analyzes it, who prepares reports, who are the reports sent to and how often, what is done by the responsible authorities after they receive the information; and how is non-compliance with the EMP treated. This should also include (a) technical assistance programs, (b) procurement of equipment and supplies, and (c) organizational changes.

(f) Implementation Schedule and Cost Estimates: For all three aspects (mitigation, monitoring, and capacity development), the EMP 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 EMP. These figures are also integrated into the total project cost tables.

(g) Consultations with affected groups and non-governmental organizations. The following should be included: Date(s) of consultation(s); Location of consultation(s); Details on attendees (as appropriate); Meeting Program/Schedule: What is to be presented and by whom; Summary Meeting Minutes (Comments, Questions and Response by Presenters) Agreed actions.
### Mitigation Plan

<table>
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<tr>
<th>Issue</th>
<th>Mitigating Measure</th>
<th>Cost</th>
<th>Institutional Responsibility</th>
<th>Comments</th>
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<td>Example: dispose waste material at appropriate location protected by local authorities.</td>
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### Monitoring Plan

<table>
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<tr>
<th>Issue</th>
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<th>where</th>
<th>how</th>
<th>when</th>
<th>Cost</th>
<th>Institutional Responsibility</th>
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<td>Example: water and soil pollution from improper disposal of materials</td>
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<td>Oper. a.</td>
<td>Example: supervision of water and soil pollution from improper disposal of materials</td>
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During the preparation of EIAs, EDRs and EMPs, all positive and negative impacts caused by the construction/investments are to be considered. Direct and indirect impacts are to be analyzed during the preparation, construction, operation and possible decommissioning (of individual structures or the integral system), including potential ecological incidents. All these specific case impacts are going to be presented in EMP.

In each Environmental Management Plan, the following issues will be addressed:

Health and safety of workers and the public, noise, dust and odor control related to air quality, soil and water pollution, emergency response plans in case of water contamination, emergency response plan in case of soil contaminations, surface runoffs, excavation of material and disposal of surplus soil, risk to environmentally sensitive areas, waste management plans, hazardous substance management, nature protection measures, prevention of soil and water pollution, etc.

A special attention will be put on construction of the water supply dams.
Annex 6

6. Information required for the assessment of the need for EIA in case of a project listed under Annex 2 as requested by the EIA Bulgarian Law

This is the format requested by Bulgarian law to assess the need to prepare an EIA for the projects listed under Annex 2. The following information which is consistent with Bulgarian legislation and in line with the Bank policies should be submitted to MEW or RIEW to determine the need for preparing an EIA.

I. Information for contacts with the investor:
   1. Name, civil ID, place of residence, citizenship of the investor – natural person, seat and uniform ID number of the legal entity;
   2. Full mailing address;
   3. Telephone, fax and e-mail;
   4. Contact person.

II. Characteristics of the investment proposal:
   1. Summary of the proposal;
   2. Demonstration of the necessity of the investment proposal;
   3. Relation to other existing/planned investment proposals;
   4. Detailed information about reviewed alternatives;
   5. A sketch showing the location of the site, including areas needed for temporary works in the process of construction;
   6. Description of major processes (according prospectus data), capacity;
   7. Scheme of new roads or modification of existing roads;
   8. Schedule of activities, including construction, operation and decommissioning, recovery and further use;
   9. Construction methods employed;
   10. Natural resources used in the process of construction and operation;
   11. Anticipated waste – types, quantities and mode of treatment;
   12. Information about considered measures for reduction of negative impacts;
   13. Other activities related to the investment proposal (e.g. aggregate extraction, new water pipeline, generation or transmission of electric power, housing construction and waste water treatment);
   14. Necessity of other permits related to the investment proposal.

III. Location of the investment proposal:
   1. Plan, maps and photos, showing the boundaries of the investment proposal, providing information about the physical, natural and anthropogenic characteristics, as well as about elements of the National Environmental Network located nearby;
   2. Existing users of land and their adjustment to the site of the investment proposal and future planned land users;
   3. Territorial distribution and land use policies;
   4. Sensitive territories, inclusive of sensitive areas, vulnerable zones, protected areas, sanitary-guarded areas, etc.; National Environmental Network;
   5. Detailed information about all considered location alternatives.

IV. Characteristics of potential impact (brief description of possible impacts resulting from the implementation of the investment proposal, taking in consideration the following factors):
   1. Impact on humans, their health, the flora and the fauna, soils, land use, material assets, hydrology and water quality, air quality, the climate, noise and vibrations, landscape, historical and cultural monuments and their inter-relations;
   2. Impact on elements of the National Environmental Network, including on those located nearby;
3. Type of impact (direct, indirect, secondary, cumulative, short term, middle term and long term, permanent and temporary, positive and negative);
4. Scope of impact - geographic area, affected population; settlements (name, type – town, village, resort; number of inhabitants, etc)
5. Probability of impact occurrence;
6. Duration, frequency and reversibility of impact;
7. Measures included in the investment proposal, for prevention, reduction or compensation of substantial negative impacts;
8. Transboundary nature of impacts.
7. Environmental Due Diligence Report

The EDR will include the following chapters:

- Executive Summary;
- Brief description of the project (including map of project location);
- Baseline information, available from previous analysis of dam sites; impact analysis with environmental and social criteria;
- Analysis of alternatives;
- Brief description of the legal and policy framework and institutional arrangements for environmental management;
- Environmental Mitigation Plan;
- Environmental Monitoring Plan (including monitoring evaluation and reporting system);
- Public Consultation procedures and Minutes of public meetings;
- Associated annexes including ToR for EIA for the 3 dam sites to meet the requirements of both Bulgarian EPA Annex I and the Bank's Category A Projects.
8. Minutes of the National Public Consultation of the EF

**WB Municipal Infrastructure Development Project**

Minutes of the National discussion on the Environmental Framework, the Social Policy Framework, the Environmental Management Plans for 6 water companies (Sliven, Dobrich, Stara Zagora, Razgrad, Targovishte, Smolian) and Studena dam, as well as the Environmental Due Diligences and Social Analyses of Luda Yana, Neikovtzi and Plovdivtzi dams.

**Documents subject of the discussion:**
- Environmental Framework and Social Policy Framework prepared by the representatives of the IBRD;
- Environmental Management Plans for 6 water companies (Sliven, Dobrich, Stara Zagora, Razgrad, Targovishte, Smolian) and Studena dam, as well as Environmental Due Diligences and Social Analyses of Luda Yana, Neikovtzi and Plovdivtzi dams.

**Public announcement:** The public has been informed about the time and place of the national discussion by announcements in the national daily newspaper "Standart" and on the website of the Ministry of Regional Development and Public Works (MRDPW). The interested persons were given the opportunity to study in advance the above-mentioned documents.
Проект на Световната банка За развитие на общинската инфраструктура

посочени по-горе, в сградата на Министерството на регионалното развитие и благоустройството. Документите бяха публикувани и на сайта на Министерството:

http://www.mrrb.government.bg/page.php?P=3&SP=698

Дата на срещата и начален час: 12 декември 2007 г., 14:00 часа

Място на срещата: сградата на Министерството на регионалното развитие и благоустройство, гр. София, ул. "Кирил и Методи" 17-19

Присъстващи:

Граждани и представители на неправителствени организации: Институт за местно и регионално развитие, Институт За публично-частно партньорство, Гражданското сдружение „Хармония“ и др.;

Представители на средствата за масово осведомяване: в. „Пари“, „Телеграф“, „Дневник“, „Строителство – Градът“, телевизия „Седем дни“, Дарик Радио, Българско Национално Радио, Информационна агенция „Фокус“, Информационен портал „Econ.bg“.

Представители на Международната банка за възстановяване и развитие: Орлин Диков, Ивелина Таушанова.

Представители на МРРБ: Димчо Михалевски, заместник министър, Пламен Никифоров, Николай Джамбазов

WB Municipal Infrastructure Development Project

the MRDPW's premises. The documents were also published on the Ministry's web site:

http://www.mrrb.government.bg/page.php?P=3&SP=698

Date and time of the meeting: 12 December, 2007, 2.00 p.m.

Place of the meeting: MRDPW's premises at 17-19, Cyril and Methodii Str., Sofia

Attendees:

Citizens and representatives of NGOs (Institute for Local and Regional Development, Institute for Public-Private Partnership, "Harmony" Association; etc)

Representatives of the mass media: newspapers "Pari", "Telegraph", "Dnevnik", "Stroitelstvo Gradut"; "Seven days" TV; "Darik Radio", Bulgarian National Radio; Information Agency "Focus"; Information portal "Econ.bg".

Representatives of the International Bank for Reconstruction and Development: Orlin Dikov, Ivelina Taushanova.
WB Municipal Infrastructure Development Project

Representatives of the Ministry of Regional Development and Public Works (MRDPW): Dimcho Mihalevski, Deputy Minister, Plamen Nikolov, Nikolai Djambazov

Representatives of the Consultant:
Magdalena Valova, prof. Rositsa Nikolaeva, Zlatka Boykova, Momchil Jivkov

Total number of the attendees: 32

Opening stage:

The meeting was opened by Mr. Nikiforov, representatives of MRDPW, who explained the history of the project and made a short presentation.

After the end of Mr. Nikiforov's speech, Mrs. Magdalena Valova, representative of the Consultant, briefly presented the main points of the environmental and social-legal due diligences prepared by the Consultant. After that the floor was given to Mrs. Ivyeta Marinova, representative of the Consultant, who made a short presentation of the Environmental Management Plans for the six water companies.
Mr. Nikiforov added that a study has been carried in respect of the WB loan component for the rehabilitation of the water and wastewater networks. The results of the study showed that the water companies could generate enough income for repayment of this component of the WB loan without serious negative effect on the possibilities of the consumers to pay the water price. Although some increase of the water price is to be expected, it will be moderate and gradual.

After that the floor was given to the audience to ask their questions about the Project and the documents

Discussions on the Consultant’s reports:

Mr. Radoslav Kirov, a journalist from the newspaper “Telegraph”, asked when the tenders for selection of contractors under the Project will start. Mr. Nikiforov replied that the WB’s board will discuss the project financing on 27 March 2008. Currently a tender procedure for selection of a consultant is being carried out. The selected consultants will asses the designs and the construction works performed so far and will prepare the tender procedures for selection of contractors. The tenders for selections of contractors will likely start during the next year.

Г-н Никифоров допълни, че по отношение на частта на заема от Световната банка, свързана с рехабилитацията на ВиК мрежите, е направено изследване, което показа, че ВиК дружествата ще генерират достатъчно приходи за погасяване на тази част от заема, без Това да се отрази на социалната поносимост на цената на водата. Въпреки това има посъвършаване на водата, то ще бъде умерено и постепенно.

Mr. Nikiforov added that a study has been carried in respect of the WB loan component for the rehabilitation of the water and wastewater networks. The results of the study showed that the water companies could generate enough income for repayment of this component of the WB loan without serious negative effect on the possibilities of the consumers to pay the water price. Although some increase of the water price is to be expected, it will be moderate and gradual.

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Г-н Радослав Киров, журналист от в-к „Телеграф“, попита кога ще бъдат проведени конкурсите за изпълнители в рамките на Проекта. Г-н Никифоров отговори, че на 27 март 2008 бордът на Банката ще обсъди финансиранието на проекта. В момента тече процедурата за избор на консултант, който ще оценява съществуващите проекти и извършеното до този момент строителство, както и да подготви конкурсите за избор на изпълнители. Вероятно конкурсите за избор на изпълнители ще стартират през следващата година.

Mr. Radoslav Kirov, a journalist from the newspaper “Telegraph”, asked when the tenders for selection of contractors under the Project will start. Mr. Nikiforov replied that the WB’s board will discuss the project financing on 27 March 2008. Currently a tender procedure for selection of a consultant is being carried out. The selected consultants will asses the designs and the construction works performed so far and will prepare the tender procedures for selection of contractors. The tenders for selections of contractors will likely start during the next year.
Mrs. Darina Cherkezova, a journalist from the newspaper "Pari", asked about the criteria for including the 3 dams in the Project. Mr. Nikiforov replied that these dams have been chosen for 2 main reasons: a) the need to finish the incomplete construction; and b) serious problems with the water supply in the regions of the three dams. At the same time there are other regions in the country which suffer problems with the water supply but they will be assisted though other projects in the water sector.

Mrs. Ekaterina Stoiilova, a journalist from the newspaper "Dnevnik", asked if the 12 million euro under Component I of the Project (preparation of projects to be financed through the EU operational programmes) will be used only for projects in the water and wastewater sector or for the entire municipal infrastructure. Mr. Mihalevski replied that Component I of the Project relates to key investment projects aimed at all elements of the municipal infrastructure.

Mrs. Milena Vasileva, a journalist from the newspaper "Stroitelstvo Gradut", asked that the amount of the sums provided for investments in the 6 water companies is reiterated as it has been shown very briefly during Mr. Nikiforov's presentation. Mr. Nikiforov restated the amounts from his presentation emphasizing on the fact that they should be treated only as a forecast figures.
a) Who will be the employer under the tenders for selection of contractors under the Projects? and

b) What will be the financial source for repayment of the loan?

Mr. Srebrin Iliev recommended the local authorities to be included in the Project management. Mr. Mihalevski said that Bulgaria makes a fine example of actual decentralization measures. Currently a WB loan is under preparation through which the institutional capacity of the small municipalities will be strengthened by including their representatives in district centers for project preparation and implementation.
Mr. Krasimir Krastev, a representative of the Institute for Public-Private Partnership, asked whether it is possible the assets built under this Project to be later operated on the basis of public-private partnership. Mr. Mihalevski replied that encouraging of the PPP is one of the key elements of the government policy. At the same time, it is not clear if these specific assets could be subject of PPP. Mr. Nikiforov added that the PPP option could be employed as far as the private operator assumes responsibility not only for the dams but also for the whole water and wastewater network within the region.

After that Mr. Nikiforov thanked the audience for their participation in the discussion and closed the meeting.
Annex 9

9. Minutes of Local Public Consultations on the draft EDRs for Luda Yana, Plovdivtsi and Neikovtsi Dams (October 2007)

WB Municipal Infrastructure Development Project

Project for Building Luda Yana, Plovdivtsi and Neikovtsi Dams

Minutes of the public discussions held in the municipalities of Panagiurishte, Triavna and Rudozem
Public discussions on the construction of Luda Yana dam

The population of Panagiurishte Municipality has been informed about the time and place of the public discussions by announcements in the local newspapers Time 2001 and Oborishte. The interested people were given the opportunity to study the Consultant's environmental and social reports in advance in the Municipality's premises.

Date and time of the meeting: 18 October, 2007, 1:10 p.m.

Place of the meeting: the premises of Panagiurishte Municipality

Attendees:

- Representatives of Municipality of Panagiurishte and citizens;
- Representatives of the International Bank for Reconstruction and Development:
  - Sudipto Sarkar, Orlin Dikov, Nataša Vetma;
- Representatives of Ministry of Regional Development and Public works (MRDPW):
  - Plamen Nikiforov, Nikolai Djambazov, Dancho Rusinov;
- Representatives of the Consultant:
  - Magdalena Valova, prof. Rositsa Nikolaeva, Zlatka Boykova, Marusia Todorova, Momchil Jivkov

Total number of the attendees: 40
Вступительна част:

Срещата бе открита от заместник-кмет на община Панагюрище г-н Сапунджиев. След това думата беше предоставена на г-н Орлин Диков от Световната банка.

Г-н Диков обясни на присъстващите, че обществената дискусия се провежда в съответствие с изискванията на Световната банка за участие на обществеността при осъществяването на инфраструктурни проекти, които пряко я засягат. Той призовава присъстващите да вземат активно участие в дискусията, като подчертава, че въпросите и коментарите на участниците ще бъдат отразени в докладите на Консултантата и ще бъдат обсъдени при взимане на решение за финансиране на проекта от страна на банка.

След това думата беше предоставена на г-н Пламен Никифоров, представител на МРПБ. Г-н Никифоров представи кратко историята на проекта и причините за спряното съоръжаване, както и предприятията и предстоящи стъпки за получаване на финансиране от банката. Той набеляза на факта, че новият Луда Яна е приоритетен проект за българското правителство, което възнамерява да реализира и други инфраструктурни проекти в този регион. Беше изрично споменато, че заставател по кредитния договор със Световната банка ще бъде българската държава, която ще носи и отговорността за неговото погасяване.

Opening stage:

The meeting was opened by the Deputy Mayor of Panagiurishte Municipality Mr. Sapundjiev. Then the floor was given to Mr. Orlin Dikov from the IBRD.

Mr. Dikov explained to the attendees that the public discussions are held in accordance with the WB’s requirements for public participation in infrastructure projects which may affect the local population. He called on the audience to take active participation in the discussion and emphasized that the questions and comments of the participants will be reflected in the Consultant’s reports and will be discussed at the WB board meeting when the finance of the project will be decided.

After that the floor was given to Mr. Plamen Nikiforov, representative of MRDPW, who briefly presented the history of the project and the reasons for stopping the construction as well as the past and forthcoming steps for receiving the WB finance. He stressed on the fact that Luda Yana dam is a project of high priority for the Bulgarian government, which also intends to implement other infrastructure projects in that region. It was explicitly mentioned that the Bulgarian state will be the borrower under the loan agreement with WB and it will assume full responsibility for the loan repayment.
Municipal Infrastructure Development - Environmental Framework

представител на Консултанта, представи накратко основните теми на екологичния и социално-правен анализи, изготвени от Консултанта.

След това беше дадена възможност на присъстващите да зададат своите въпроси във връзка с Проекта и представените доклади:

Обсъждане на докладите на Консултанта:

Г-н Илия Тухчиев, управител на „Водоснабдителен комплекс” ООД (смесено дружество между Община Панагюрцие и „Асарел-Медет” АД, което в момента стопанисва недовършената язовир), отбелязва, че в социално-правния анализ трябва да бъдат споменати мерките, предприети от „Асарел-Медет” АД за обезопасяване на източното насилище. Също така трябва по-подробно да се анализират претенциите на „Асарел-Медет” във връзка с изграждането на язовир „Луда Яна”. Г-н Никифоров отбелязва, че претенциите на „Асарел-Медет” ще бъдат взети предвид. Претенциите на „Асарел-Медет” обаче не засягат собствеността на язовира, който след завършването си ще стане публично държавна собственост.

Илиян Григоров, представител на администрацията на Община Панагюрцие, предложи в социално-правния анализ да бъдат споменати претенциите за получаване на дялове от „Водостроителен комплекс” ООД по реда на отменен Закон за преобразуване и приватизация на държавни и общински предприятия. Г-жа Вълкова коментира, че тези претенции ще бъдат споменати, макар и Te Ne sa част от предмета на доклада и нямат отношение към собствеността върху земите на язовира.

After the end of Mr. Nikiforov's speech, Mrs. Magdalena Valova, representative of the Consultant, briefly presented the main points of the environmental and social-legal due diligences prepared by the Consultant.

After that the floor was given to the audience to ask their questions about the Project and the reports.

Discussions on the Consultant's reports:

Mr. Iliya Touhchiev, manager of Water Supply Complex Ltd. (a joint venture between Panagurisht Municipality and Asarel-Medet JSCo, which currently maintains the unfinished dam) said that the social-legal report should mention the measures taken by Asarel-Medet JSCo for rendering safe the east heap at the dam site. It was also recommended that the claims of Asarel-Medet in respect of the construction of Luda Yana Dam should be analyzed in detail. Mr. Nikiforov replied that the claims of Asarel-Medet will be considered. Such claims, however, have no relevance to the ownership of the dam, which will become a public state property upon its completion.

Mr. Iliyan Grigorov, representative of the administration of Panagurishte Municipality, suggested that the social-legal report should mention the claims for receiving shares in Water Supply Complex Ltd. made under the terms and conditions of the revoked Act on Transformation and Privatization of State and Municipal Enterprises. Mrs. Valova made a comment that these claims will be mentioned, although they do not fall within the scope of the report and
Mr. Iliya Touchchiev asked if it will be possible for the interested parties to send written comments on the reports. Mrs. Valova confirmed that the interested parties will have such opportunity.

Mrs. Donka Mishkova, citizen of Panagiurishte Municipality, asked which areas will be affected by the dam construction. Mr. Nikiforov provided information about the size of the dam itself and its sanitary zones. Mrs. Mishkova also asked about the restrictions within the sanitary zones of the dam, including possible restrictions on bee breeding. According to Mr. Nikiforov, there will be minimum restrictions within sanitary zones B and C and bee breeding will not be prohibited.

Mrs. Enicharova, citizen of Panagiurishte Municipality, declared her legal claims for part of the land at the dam site. Mrs. Magdalena Valova asked her if she had taken any actions so far for restituting her property or for receiving compensations. Mrs. Enicharova replied that she has not undertaken any such steps. Mrs. Valova advised her to review carefully the documents evidencing her claims and to check up if the deadline for such claims is not already missed. Mrs. Valova emphasized that Mrs. Enicharova cannot claim restitution of the land in the dam site but in principle she can receive compensation in money or in other land. According to Mrs. Valova, Mrs. Enicharova has already missed the deadline to lay her claims by an administrative procedure and can exercise her right only before court, unless such rights are already prescribed. Mr. Nikiforov added that the dam construction has started long time ago and Mrs. Enicharova is very late with her claims.

Mr. Nikiforov provided
Mr. Spas Velin, representative of the administration of Panagiurishte Municipality, expressed his opinion that the completion of Luda Yana dam will have a serious positive effect on the quality of the potable water as well as on the environment.

Mr. Touhchiev said that the successful implementation of the project will ensure regular water flow and will put an end to the shortage of water observed during 6-7 months of the year.

Mr. Yanko Marinov, representative of Electron JSCO, asked whether the dam construction will affect negatively the existing industrial water drillings of his company. Mr. Nikiforov replied that the effect will be the opposite – the dam will strengthen the underground waters. This was also confirmed by prof. Nikolaeva.

Mrs. Donka Mishkova asked if the completion of the dam will require additional tree cutting. According to prof. Nikolaeva 6 additional hectares of forests will be cut but only within the boundaries of the water supply zone.

One of the attendees (the name has not been recorded) asked what will happen to the pastures in the sanitary zones. Mr. Touhchiev said that the
Municipal Infrastructure Development & Environmental Framework

...
property and which don't have trained staff. Luda Yana dam will be a state property, will have a modern control-measuring system and will be operated by well prepared personnel.

Closing of the discussions:

Mr. Dikov thanked the audience and promised that their comments will be reflected in the Consultant's reports. Mr. Nikiforov added that the public participation in the project will not stop with this meeting and that the people may approach the municipality or the ministry in respect of any problem encountered during the dam construction.

Mr. Sapundjiey, acting mayor of Panagjuriishtе Municipality, thanked the representatives of WB, MRDPW and the Consultant and expressed his hope that the project will successfully completed.

Public discussions on the construction of Neikovtzi dam

The population of Triavna Municipality has been informed about the time and place of the public discussions by an announcement in the local newspaper Triavna Week (Trevnenska sedmitsa). The interested people were given the opportunity to study the Consultant's environmental and social reports in advance in the Municipality's premises.
Date and time of the meeting: 19 October, 2007, 1.30 p.m.

Place of the meeting: the premises of Triavna Municipality

Attendees:

Representatives of Municipality of Triavna and citizens;

Representatives of the International Bank for Reconstruction and Development:

Sudipto Sarkar, Orlin Dikov, Radhika Srinivasan, Nataša Vetma;

Representatives of Ministry of Regional Development and Public works (MRDPW):

Plamen Nikiforov, Nikolai Djambazov, Dancho Rusinov;

Representatives of the Consultant:

Magdalena Valova, prof. Rositsa Nikolaeva, Marusia Todorova, Momchil Jivkov

Total number of the attendees: 46

The meeting was opened by the acting Mayor of Triavna Municipality Mr. Petar Vasilev. Then the floor was given to Mr. Plamen Nikiforov, representative of MRDPW, who presented briefly the project history and the scope of the Consultant's services. According to Mr. Nikiforov the actual
implementation of the project will start in 2008.

Mrs. Magdalena Valova, representative of the Consultant, made a short presentation of the Consultant's reports.

After that the floor was given to the audience to ask their questions about the Project and the reports.

Discussions on the Consultant's reports:

Mr. Stefan Danailov, current mayor of Triavna Municipality (currently not performing his functions due to his participation as a candidate in the local elections) declared his support to the project for completion of Neikovtzi dam and said that he expect the project to solve the problem with the shortage and bad quality of the potable water in Triavna Municipality. Mr. Danailov asked the following questions:

a) Is it possible to use the future dam for sport and recreational purposes?

b) Will the roads system of Triavna Municipality be repaired, especially if it is damaged during the construction?

c) Is it possible to use the dam water for generation of electric power?
da може да бъде използван за спортни дейности. Има техническа възможност за изграждане на малка водоелектрическа централа, свързана с язовира, но експертите трябва да се произнесат, дали тя ще бъде ефективна. Птиците и мостовете, както и всички други елементи на инфраструктурата, който са засегнати от строителството, ще бъдат възстановени впоследствие. Опитът показва, че елементите на инфраструктурата обикновено са в по-добро състояние след завършването на проекта. Доц. Росица Николаева, представител на Консултант, също потвърди, че язовирът не може да се използва за рекреационни нужди. Използването на водите на язовира за производство на електрическа енергия е възможно, но едва ли може да се очаква значителен обем на производството. Ако е необходимо, обяснена на язовира ще бъде допълнително укрепен, въпреки че при предишния етап на строителството той не е показал никакви дефекти.

Mr. Plamen Nikiforov, representative of MRDPW, replied that as far as Neikovtsi dam is designated for potable water supply it cannot be used for sport. There is a technical possibility to build a small hydroelectric plant connected to the dam but it is up to the experts to say, if it will be efficient. The roads and the bridges as well as all the other infrastructure components affected by the construction will be rehabilitated afterwards. Past experience shows that the infrastructure components are normally in better condition after a project completion. Prof. Rositsa Nikolaeva, representative of the Consultant, also confirmed that the dam cannot be used for recreational purposes. The use of the dam water for generation of electric power is possible but the production capacity will likely not be very large. If necessary, the bridge at the dam zone will be additionally supported, although it didn't show any defects during the previous stage of construction.

Румяна Сърцева, представител на туристическа агенция „Яр“, каза, че в момента водата в Трайна и околните селища не става за пиене, а в повечето случаи дори и за миене. Тя полага, възможно ли е част от техниката за изграждане на язовира да се използва за прокопаване на сондажи за снабдяване с вода. Г-н Никифоров отговори, че техниката за строителство на язовира не може да се използва за изграждане на сондажи. Но ако съществува достатъчно голем интерес от прокопаване на сондажи, заинтересованите лица могат да разработят проект и да кандидатстват с него за финализиране пред компетентните институции.

Plamen Penchev, гражданин на Община Трайна, попита в късъ срок ще бъде приключен проектът и ще бъдат ли отдалени средства за подобряване на водоснабдителната мрежа. Г-н Никифоров отговори, че срокът на строителство още не е известен, защото предстои пълен преглед на съществуващите проекти, но ясно е възможно язовирът да бъде изграждан до края на 2010. Според г-н Никифоров вече са вложени доста усилия в подобряване на водоснабдителната мрежа, но предстои още много работа. Средствата за инвестиции във водоснабдителната мрежа ще се търсят основно по линия на

Rumiana Sartseva, representative of tourist agency "Char", said that currently the water in Triavna is not fit for drinking and sometimes even for washing purposes. She asked whether it is possible to use some of the equipment for dam construction for digging drillings for water supply. Mr. Nikiforov replied that the equipment for dam construction could not be used for digging of drillings. But if there is enough interest in such drillings, the interested parties may draft a project in this regard and apply for finance to the competent institutions.
Mr. Plamen Penchev, citizen of Triavna Municipality, asked when the project will be completed and whether funds for improving the water supply network will be provided. Mr. Nikiforov replied that the construction schedule is still not known as a full review of the existing designs is forthcoming, but he believes that it is possible to build the dam by the end of 2010. According to Mr. Nikiforov, a lot of efforts have been invested in improving the water supply network but a great deal of work still has to be done. The EU funds are looked as the main source of finance for future investments in the water supply network. The problems with leading away the waste waters also need to be solved.

Mr. Liudmil Ivanov, Chairman of the Municipal Council of Triavna Municipality, expressed his full support to the project and said that is the position of almost all of the citizens of the municipality.

Mr. Ivan Mishev, manager of Water Company Gabrovo, declared his support to the project and said that he is impatiently waiting for the successful project completion as the shortage of water in Triavna is a big problem. Currently the local water company is forced to pump water from South Bulgaria by diesel engine in order to ensure water supply during the tourist season.

Mr. Stefan Danailov asked if the rivers in the region will become deeper after the dam completion. Prof. Nikolaeva answered positively.
Mr. Anatoly Donchev, citizen of Triavna Municipality, asked if the dam construction will cause an increase in the water price. Mr. Nikiforov replied that the dam itself will be built at the expense of the state budget and will not affect financially the local population but the costs for dam maintenance and water purification will be reflected in the water tariffs. There will be an increase in the price of the water but it will be gradual and bound to an increase in quality.

Prof. Nikolaeva replied that hydrologic surveys of the dam have already been performed but they must be updated considering the climate change in the recent years. The dam spillway is designed for a thousand year wave and should ensure enough protection in case of high water level. As regards the earthquake resistance, Neikovti dam will have a control-measuring system which will monitor any possible deformation. In case of earthquake magnitude of more that 6th degree on Richter scale, the level of monitoring will be increased and will cover any single component of the dam. Bulgaria has introduced very strong requirements in respect of the seismic resistance. The dam walls in Bulgaria have never shown defects during earthquake so far. Mr. Nikiforov added that the dams actually mitigate the effects of calamities such a drought and flood.
Mrs. Magdalena Valova asked if any representatives of Nature Park "Balgarka" are attending the meeting and if they have any concerns regarding the dam construction. Prof. Nikolaeva said that the dam area will be excluded from the territory of "Balgarka" Park (which is the most recent nature park in Bulgaria) due to the strong anthropogenic impact.

Mr. Bojidar Hristov, representative of the Regional Office for Fire Safety and Protection of the Population, asked whether there are any options the dam to be supplied with water from the south slopes of Stara Planina (the Balkan mountains) in case of shortage of water. Mr. Nikiforov said this is possible in principle but it is not an efficient approach to transfer water between two separate basins. The currents studies show that the water will be enough for the present number of the population of Triavna Municipality and the surrounding settlements. Should the need of water increase, additional derivations in the same basin will be built.

Rumiana Koleva, representative of Hydrostroi 99 JSCo, declared her support to the project but asked about the guarantees that this time the dam will be completed and what will happen if the money is not enough. Mr. Nikiforov replied that the money will be enough for the successful completion of the dam. Mr. Momchil Jivkov, representative of the Consultant, added that if the
board of WB approves the bank involvement in the project, there will be no problem to finance the project. Mr. Sudipto Sarkar, representative of WB, explained the Bank's approach to such project, which includes, inter alia, assessment of the following factors: project benefits; technical aspects; economic efficiency and availability of alternatives; financial participation in the project, i.e. who pays for it; environmental impact; local population's awareness of the fact that the land in the dam site will be submerged as well as the acceptance of this fact; possible impact on the neighboring countries (for instance in case of rivers who flow through the territory of more than one country). The employment of consultants to carry out a feasibility study of the project is forthcoming. The WB board will consider the financing of the project on 27 of March, 2007.

One of the attendees (the name has not been recorded) asked who will control the project implementation. Mr. Sudipto Sarkar replied that there are 2 levels of control – financial and technical. On financial level, the cash flows control will be accomplished through the contracts between WB and the Bulgarian government and between the Bulgarian government and the contractors. On technical level, the control will be carried out mostly by the constriction supervision unit but also by the local population. WB will also dispatch periodical missions to inspect the project progress and will receive reports by the Bulgarian government. Mr. Orlin Dikov added that the WB will review and approve the tender documents for selection of contractor, the evaluation of the tenderers as well as the draft agreement with the contractor.

Closing of the discussions:
Mr. Sudipto Sarkar reminded that this is the second WB project in the region and the previous one has contributed to decreasing of the water losses.

After that the meeting has been closed.

**Public discussions on the construction of Plovdivtzi dam**

The population of Rudozem Municipality has been informed about the time and place of the public discussions by an announcement in the local newspaper Rodopi news (Rodopi vest). The interested people were given the opportunity to study the Consultant's environmental and social reports in advance in the Municipality's premises.

**Date and time of the meeting:** 21 October, 2007, 10.20 a.m.

**Place of the meeting:** the premises of Rudozem Municipality

**Attendees:**

Representatives of Municipality of Rudozem and citizens;

Representatives of the International Bank for Reconstruction and Development:

Sudipto Sarkar, Orlin Dikov, Radhika Srinivasan;

Representatives of Ministry of Regional Development and Public woks (MRDPW):

Plamen Nikiyorov, Nikolay Djambazov, Dancho Rusinov;
Representatives of Vodokanalinvest Ltd. (the construction supervision unit during the previous stages of construction): Stefan Dimitrov

Representatives of the Consultant:
Magdalena Valova, prof. Rositsa Nikolaeva, Zlatka Boykova, Momchil Jivkov

Total number of the attendees: 30

Opening stage:

The acting Mayor of Rudozem Municipality Mr. Momchilov opened the meeting and gave the floor to Mr. Plamen Nikiforov, representative of MRDPW, who presented briefly the project history and the scope of the Consultant’s services.

Mrs. Magdalena Valova, representative of the Consultant, made a short presentation of the Consultant’s reports.

After that the floor was given to the audience to ask their questions about the Project and the reports.
Mr. Asen Chakarov, current mayor of Rudozem Municipality (currently not performing his functions due to his participation as a candidate in the local elections) requested the representatives of WB to provide assistance for the project completion. Mr. Chackarov asked Mr. Nikiforov what the next steps of the project are and when will be the start of the construction. Mr. Nikiforov replied that it is expected the construction of the dam and the water purification plant to start in 2008 and to be completed in 2010. The project schedule will be finalized once the WB finance is secured.

Mr. Radoslav Lobodov, Mayor of Plovivtsi Village, said that Plovivtsi Village is not aware of such protocol and asked Mr. Lobodov for clarification. Mr. Lobodov said that the protocol has been executed between the owners of the expropriated lands, the designer of the dam, the contractor, Rudozem Municipality and the land commission. Mr. Nikiforov requested the protocol to be sent to MRDPW and the Consultant. As regards the road, it has been already improved and after the end of construction it will be rehabilitated. Mr. Lobodov explained which points of the protocol have not been fulfilled (providing water supply to the local population, asphalting the streets, etc.). Mr. Nikiforov commented that all of the above obligations could be fulfilled after the dam completion.
Mrs. Magdalena Valova asked whether any cases of informal use of the land in the dam site have been identified. Mr. Lobodov replied that some of the local people use the dam lands for grazing of their livestock but the people are aware that the lands are not theirs and they will be submerged by the dam.

Mr. Sudipto Sarkar, representative of the WB, asked the audience about the existing water problems in the region. The representative of the water company in Rudozem replied that 67 springs are located on the territory of Rudozem Municipality but their capacity is decreasing every year. There are serious problems with the water supply in the recent years despite the decrease of the number of industrial plants in the region. Mr. Lobodov added that the quality of the water, including the water for washing purposes, is very bad. Besides that, asbestos pipes are still used despite being carcinogenic. Mr. Momchilov said that the effect of the global warming can be felt on the territory of the municipality through the decreased capacity of the springs. Mr. Stefan Dimitrov, representative of Vodokanalinvest Ltd., said that Municipality of Madan has the worst water supply situation. Mr. Chakarov stated that the project is of great importance for both municipalities (Madan and Rudozem) and agreed that the situation in Madan is worse.

Mr. Sudipto Sarkar said that he was informed about problems with water supply during the summer season. He asked for clarification what the exact nature of the problem is. Mr. Chakarov replied that some of the settlements experience 12-hour water supply restriction in July and August. The affected settlements are supplied with water by local water sources (and thus depend on their capacity) rather than from the water company. Mr. Nikiforov added...
that July and August have always been months of water shortage but in the recent years the situation is especially bad. Prof. Nikolaeva, representative of the Consultant, said that even during raining conditions the water in the region is with bad quality. Mr. Chakarov added that after the dam completion the responsibility for improving the quality of the water will fall upon the local water company, which has to improve the water supply network.

Mrs. Radhika Srinivasan, representative of the WB, asked about the scope of informal use of land in the dam site and whether it is limited only to grazing. Mr. Chakarov replied that stock-breeding and agriculture are not developed in Rudozem Municipality. The grass at the dam site is normally used for mowing and then the hay is brought to cows bred in barns. On rare occasions the livestock is led to graze at the dam site. People are aware that the lands are expropriated and they will not cause troubles to the project. But since the land is a precious recourse it is not reasonable not to use it in the transitional period before restarting of the construction. Mrs. Radhika Srinivasan informed the audience that representatives of the Consultant will perform a filed survey of the number of people using informally the land in the dam site.

Closing of the discussions:

Mr. Sudipro Sarkar asked about the situation with the migration from Madan and Rudozem municipalities. Mr. Chakarov replied that the international highway E-86 is currently being built through Rudozem Municipality, which will probably increase the interest in the municipality. One can observe the increase tourism development in the municipality and the fact that new hotels and summer-houses settlements are being built. The ore output and the industry in the region are alsoreviving.

After that the meeting has been closed.