

Republic ofUzbekistan

Ferghana Valley Enterprise Development Project

ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK

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Tashkent

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LIST OF ABBREVIATIONS

AIPFAFS	Agency for the Implementation of Projects in the Field of Agriculture and Food Supply
CC	Civil Code
BIH	Business incubator hubs
DCM	Decree of the Cabinet of Ministries
DSEI	Draft Statement of the Environmental Impact
EHS	Environment, Health and Safety General Guidelines
EIA	Environmental Impact Assessment
ES	Environmental Specialist
ESA	Environmental and Social Assessment
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
FVEDP	Ferghana Valley Enterprise Development Project
FS	Feasibility Study
GoU	Government of Uzbekistan
GRM	Grievance Redress Mechanism
H&S	Health and Safety
HH	Household
IFIs	International Financial Institutions
IP	Indigenous People
IPM	Integrated Pest Management
IR	Involuntary Resettlement
LAR	Land Acquisition and Resettlement
LC	Land Code
MoH	Ministry of Health
MSPD	Main Scientific-Production Department
NGO	Non-governmental organization
OHS	Occupational and Health and Safety
OP	Operational Policy
PAP	Project Affected Persons
PFI	Participating Financial Institutes
PIU	Project Implementation Unit
PPE	Personal Protective Equipment
RAP	Resettlement Action Plan
RO	Regional Offices
RPIU	Regional Project Implementation Units
RRA	Rural Restructuring Agency
RUz	Republic of Uzbekistan
SCEEP	State Committee for Ecology and Environmental Protection
SEC	State Environmental Consequences
SEE	State Environmental Expertise
SEI	Statement of the Environmental Impact
SIA	Social Impact Assessment
SIC	State Investment Committee
SS	Safeguards Specialist
TOR	Terms of Reference
USD	United State Dollar

UZB	Uzbek Sum
WB	World Bank
WBG	World Bank Group

EXECUTIVE SUMMARY

Project objective. The project development objective is to increase the economic potential and employment opportunities in the Fergana Valley through the development of rural enterprises and the creation of a favorable environment for economic growth under the guidance of the private sector.

Project components and activities. The project will consist of three components: (i) enterprises development, (ii) access to finance, and (iii) project management and coordination. First component will include three subcomponents: *Sub-Component 1.1: Business Incubation and Mentorship* - financing a business incubator program for rural entrepreneurs that address key bottlenecks faced by entrepreneurs. Also, the project will finance innovation startups. The innovation start-up program would be anchored in the three new regional innovation centers that have been competitively awarded under public private partnership (PPP) arrangements by the Ministry of Innovation. Another funding direction is technical assistance to expand apprenticeships. It will be done to support jobs development and develop a pipeline of entrepreneurs the project. *Sub-Component 1.2: Cluster and Value Chain Development.* The cluster development activities under the second sub-component will focus on groups of producers/ enterprises and finance demand-driven investments to strengthen value chains and expand or establish enterprise clusters that seek to expand productive activities or reach new markets. The objective of these activities would be to integrate value chains, improve competitiveness and develop an ecosystem of enterprises that deliver greater quality, volume and profitability. Project support would target agriculture, food processing, handicraft, and small manufacturing sectors. *Sub-Component 1.3: Market promotion and Technology Testing.* The third sub-component will also support a small set of market promotion and technology testing activities to facilitate the launching of enterprise clusters or SME activities.

There are two subcomponents under Component 2: *Sub-Component 2.1: Access to Finance* Establishment of credit line and guarantee fund for MSMEs. The project will establish two financing instruments: a credit line and a partial credit guarantee fund. *Sub-Component 2.2: Pilots in Financial Services.* The project would set aside \$5.0 million to fund pilots on innovative financial solutions developed based on proposals submitted by commercial banks. Three areas where commercial banks indicated an interest during pre-appraisal/appraisal that include microfinance, inventory finance and digital financial services. The *third component* will finance project management and coordination activities.

Project location. The project will be implemented in three provinces of Uzbekistan – Fergana, Andijan and Namangan provinces. With an estimated total population of 14 million in all three areas, the Fergana Valley, located in Uzbekistan, accounts for the largest part of the total population, about 9.3 million people, representing 28% of the total population of Uzbekistan. A quarter of low-income population of Uzbekistan lives in the region, and the average income falls on the lower part of the range of income. There is a part of the most fertile agricultural lands of Uzbekistan in the Fergana Valley, at the same time; there is also a relatively high level of industrial development here compared to other regions of Uzbekistan. Despite good opportunities, development challenges include biophysical (climate change causing weather variability, water scarcity, limited electricity generation capacity); social (increase in labour reserves); and economic (structural transition to a market oriented economic model, uneven growth leading to a development gap between regions) issues.

Project environmental category. In accordance with the Bank's safeguard policies and procedures, the project is classified as Category B for which an Environmental Assessment

(EA) with Environmental and Social Management Plan (ESMP) is required. As before project appraisal it is not possible to identify the subprojects will be financed the appropriate EA instrument is an Environmental and Social Management Framework (ESMF) which would specify all rules and procedures for the subprojects Environmental and Social Impact Assessment (ESIA). None of the project activity or subproject that would receive financing will cause significant environmental impacts which may fall under the Category A projects and for which a full ESIA would be required (none of such subprojects will be supported under the project). However, most them might cause some adverse environmental impacts and would fall under the Category B projects, for which the Bank requires a simple and/or a partial Environmental and Social Impacts Assessment (ESIA) and/or preparing an Environmental and Social Management Plan (ESMP).

Triggered WB Operational Policies (OP). The project triggers several WB Safeguards Policies. The Operational Policy 4.01 on Environmental Assessment is triggered as the project will generate some adverse environmental and social impacts (see above). As the project might support subprojects targeted as agriculture production, and orchards' planting or upgrading which might cause increased use of agrichemicals, the OP 4.09 on Pest Management is also triggered. The OP 4.04 on Natural Habitats as well as OP 7.36 on Forests, are not triggered as the project the project is focused on existing infrastructure in urban and rural areas no natural habitats and/or forests will be impacted.

Activities that show the potential for temporary or permanent involuntary land acquisition, land use restrictions, economic activities, or access to resources will be not financed under the project. All investments in productive activities through cluster development and credit lines will be made on a demand-driven basis and screened in the credit appraisal and cluster sub-project evaluation process to identify any proposed activities that would contravene these principles. As a result, World Bank Operational Policy OP 4.12 on Involuntary Resettlement is not triggered.

Environmental and Social Management Framework (ESMF). To address possible project impacts, an Environmental and Social Safeguards Management Framework (ESMF) was prepared in accordance with the Bank's operational policy OP 4.01 "Environmental Assessment" and appropriate national legislation. The purpose of this ESMF is to describe the process of how environmental and social impacts will be assessed, addressed and managed during the project implementation, when the sub-projects proposed for investment will be identified in terms of technical aspects and location; as well as a set of measures for mitigation, monitoring and institutional responsibility that should be taken during the project implementation to eliminate adverse environmental and social impacts, their neutralization or reducing up to acceptable levels. The ESMF will guide the ESIA process and covers the following: rules and procedures for environmental and social screening of subprojects to be supported under the Access to financing Component; guidance for conducting subprojects ESIA and/or preparing simple ESMPs, as well as the related ESMP Checklists; mitigation measures for possible impacts of different proposed activities and subprojects to be supported by the project; a template for Pest Management Plan for agriculture production subprojects; main requirements for ESIA for the business development plans to be developed under the Component 1; requirements for monitoring and supervision of implementing of ESIA/ESMPs, implementation arrangements. As the project is built around two FI components (cluster development and access to finance and the proposed guarantee fund and credit line for mirco-enterprises), the ESMF provides an overview of the capacity of the implementing agency, and PFIs for E&S risk management. Based on this review, the ESMF specifies capacity building activities that would include all these parties as well activities on strengthening of SIC's capacity as well as of participating local institutions on mitigating

potential environmental and social risks and conducting subproject-level ESIA. A special attention in this regard will be on developing the capacity of hokimiyats (provincial administration) ESA capacities. Lastly, the ESMF document provides a negative list that will include primary infrastructure investments, and investments with large-scale irreversible social or environmental impacts (Category A subprojects), which will be not supported under the project. Also, the sub-projects located in protected areas, critical habitats or culturally- or socially-sensitive areas, along with sub-projects which might have impact on international waterways, have been included in this negative list.

Proposed citizen engagement mechanisms. The spectrum of citizen engagement includes consultation; collaboration/participation; and empowerment. Citizen engagement will be regulated by Project Implementation Unit (PIU). Apart from consultations and meeting at local levels, ICT platforms will be actively used to collect opinions, feedbacks and recommendations given by citizens and stakeholders. In frame of Ferghana Valley Enterprise Development Project (FVEDP) following citizen engagement mechanisms are proposed: evaluation, focus group discussion, grievance redress, participatory planning, citizen satisfactions survey, participatory survey and monitoring.

Separate attention to the needs of women is required in interventions to strengthen citizen engagement. To ensure that all citizen have equal opportunities to have their voices heard, each citizen engagement intervention should take into consideration the specific constraints faced by women, such as lack of awareness about legal rights, mobility, family care responsibilities, social and cultural norms, power imbalances in communities, etc. This would be achieved through developing project-specific gender action plan, based on targeted social assessments.

Project potential environmental and social impacts. The potential investments funding under the Component 2 might cause a series of various and direct environmental risks and impacts such as: increased environmental pollution with wastes, noise, dust, air pollution, health hazards and labor safety issues, etc., due to civil works. Overall most of these risks and impacts are expected to be typical for small scale construction/rehabilitation works, agri-business activities, industrial production, etc., temporary by nature and site specific, and can be easily mitigated by applying best construction practices and relevant mitigation measures, but in some cases (which would involve or generate hazardous materials and wastes) may be also more significant. Under the Component 1 there will be supported a series of consultancy activities related to development of business plans which might during their implementation and operational phases, generate some environmental and social impacts (air and water pollution, waste generation, labor and health risks, etc.).

As only those sub-projects that do not require land acquisition or involuntary physical relocation will be included in the financing within the framework of this project, all sub-project activities will be carried out in the territory of existing facilities, that minimizes the impact on flora and fauna during the construction stage.

Sub-projects that could result in temporary and/or permanent involuntary land acquisition, land use restrictions, economic activities, or access to resources because of involuntary resettlement, will be not financed under the Project. Any land acquisition must be done under a willing buyer – willing seller arrangement or acquiring unused government land. All investments in productive activities through cluster development and credit lines will be screened in the credit appraisal and cluster sub-project evaluation process to identify any impacts to categorize the project.

Environmental and social assessment (ESA). Each application for financing (sub-project) will be subject to an ESA procedure, which will consist of the stages described below: *screening, preparation of documents for examination and implementation*. Proposed ESA process is applicable for both types of the sub-projects: (i) for sub-projects associated with the development of business plans, the creation of new products, and (ii) for the projects, considering physical interventions (construction or rehabilitations of facilities).

Same ESA procedure will be applied for grants to be provided for business plans development. Although the grant activities relating to category B, as such, will not lead to any significant adverse environmental and social impacts, but if the environmental assessment for the business plans will not be carried out properly, indirectly it may cause some environmental and social risks during the project implementation. If the preliminary screening of Safeguards Specialist of the PIU/RPIU (Regional Project Implementation Units) concludes that an environmental assessment (EA) shall be carried out for activities to be financed by an appropriate grant, the Safeguards Specialist of the PIU will review the Terms of Reference for the EA to ensure that it is in line with the national policy and WB's safeguards measures.

ESMF implementing arrangements. The main executive body of the project is the Agency for the Implementation of Projects in the Field of Agriculture and Food Supply (ARPFAS - Agency) (former RRA). The Agency will establish a project implementation unit (PIU) within its current structure and will use its three regional offices in the Ferghana Valley, located within the regional khokimiyat structure, to facilitate the day-to-day implementation of the project together with implementing partners. The Agency will cooperate closely with implementing partners who will be responsible for the implementation of specific project activities. The PIU will hire a safeguards specialist (SS) who will maintain supervision over the overall coordination of the ESMF implementation and separate ESMPs, inform ARPFAS and the World Bank regarding safeguards issues, as well as integrate the safeguards requirements into the tender and contract documents.

The project will be implemented at the local level through the regional offices (RPIU) of ARPFAS in three project regions which will cooperate closely with the respective regional khokimiyats. The Safeguards Specialist will also be hired for ROs, the main tasks of which will be to ensure the implementation of project activities in accordance with the safeguard procedures of the WB "Operational Policy" and national rules and procedures for environmental assessment. Each PFI will appoint a responsible person to ensure the implementation of safeguards within the framework of this project.

The ARPFAS Project Management Unit. The Central Project Management Unit (PMU), to be established under RRA at the national level will coordinate project implementation in three-participating oblasts: Andijan, Fergana and Namangan. The PMU will hire a Safeguards Specialist (SS) which will oversee overall coordination of ESMF and individual ESMPs implementation, reporting to SIC and to the WB regarding safeguards issues, as well as of integrating safeguards requirements into bidding and contracting documents. He/she also will be responsible for interaction with the environmental authorities, ensuring an efficient implementation of safeguards documents and will undertake, randomly, field visits and environmental supervision and monitoring, assessing environmental compliance at worksites, advising RRA Fergana Valley regional offices (FVROs) on environmental and social safeguards issues. The PMU SS will be, also, responsible for identifying ESA training needs for all parties involved in ESMF/ESMPs implementation.

Fergana Valley regional offices. The project would be implemented at the local level through RRA Regional Offices which will be working closely with the respective oblast and rayon

Hokhimiyats. The FVROs will also include a SS, who's main duties would be to ensure that the project activities are implemented in compliance with the WB safeguards Operational Policies and national EA rules and procedures. Among major responsibilities of the FVROs SS will be the following: (a) ensuring that contractors complies with all ESMPs requirements; (b) coordinating of all environmental and social related issues at the city and district level; (c) conducting ESMP supervision and monitoring and assessing environmental and social impacts and efficiency of mitigation measures, as well as identifying non-compliance issues or adverse trends in results, and putting in place programs to correct any identified problems; (d) when needed, providing advises and consulting contractors in ESMP implementation; and, (e) reporting to the PMU with regard to ESMP implementation. All Regional offices will report to the Central PMU.

Participating Financial Intermediaries. The subprojects ESIA and ESMPs implementation will remain under the responsibility of the PFIs and of sub borrowers, including responsibilities for supervision and monitoring of proposed activities and selected subprojects. Compliance with the ESMPs and monitoring of the impact during the construction phase will be undertaken by the PFIs and periodically by RRA and Regional Offices Safeguards Specialists as part of his/her contract supervisory duties. The PFIs will also play the major role in implementing ESMF provisions and will be required to ensure that sub-borrowers conduct an appropriate ESIA and where necessary prepare an ESMP, for each sub-project. The PFIs will be involved in the process of project implementation from the very beginning, at the project's appraisal stage. They will evaluate project proposals to attribute them to the WB Category and determines type of Environmental Assessment to be conducted for project, reviews the set of documents prepared by sub-borrowers (sub-projects' Information Sheet or Project Summary Sheet as well as all necessary permits and clearances needed for project implementation) completes Environmental Screening Checklist and makes a final decision on project's financing. In case of non-compliance with presumed mitigation measures during project implementation, the PFIs can make a decision on suspending of funding.

ESA capacity building activities. The implementation of the ESMF requires specific knowledge for beneficiaries and operators engaged in the different phases of the project implementation. As at both – PMU and FVROs levels now there are no yet hired SS, the project will support relevant trainings on knowledge and information on topics such as the ESMF implementation, ESMF/ESMP reporting, World Bank Guidelines etc. For this purpose, before the civil works will start, the client will hire a consultant with knowledge on the environmental and social management requirements for Republic of Uzbekistan, including substantial knowledge on Bank safeguards policies and requirements which will provide EA training which will include the basic requirements of the WB and National safeguards rules and procedures, as well as case studies in this regard. The training activities will continue also during the project implementation when the consultant will provide on the job training regarding environmental and social monitoring and supervision.

EA supervision and reporting. Environmental and social monitoring during the implementation of sub-projects shall contain information on key environmental and social aspects of sub-projects, their impact on the environment, social consequences of impacts and the effectiveness of measures taken to mitigate the consequences. This information allows the PIU/RO and Participating Financial Institutions (PFIs) to monitor the performance of sub-borrowers' (project beneficiaries) obligations to implement environmental measures, assess the effectiveness of mitigation measures, and allow timely implementation of corrective action(s) that need to be observed how often, where and by whom monitoring shall be carried out.

Each sub-borrower, the activities of which require the submission of environmental reports, shall submit a copy of such reports to its RO or PFIs. RO and PFI consolidate the information and submit it to PIU.

Monitoring reports during the project implementation will provide information on key environmental and social aspects¹ of the project activities, especially regarding environmental impacts and the effectiveness of mitigation measures. Such information will allow the PIU and the World Bank to evaluate the success of measures to mitigate the consequences within the framework of project supervision, and allow, if necessary, to take corrective actions.

Integration of the ESMPs into project documents. The ESMP provisions will form part of the design documents for the project and will be included in construction contracts for selected subprojects, both into specifications and bills of quantities. Respectively the sub-borrowers will be required to include the cost of ESMP requirements in their financial bids and required to comply with them while implementing the project activities. The bidding documents for selecting the sub-borrowers will include specifications that would ensure effective implementation of environmental, health and safety performance criteria by the winning bidder

Grievance Redress Mechanism (GRM). The proposed Grievance redress mechanism helps complaint handling system to be functional, transparent and responsive, and where appropriate, strengthen government systems. In this mechanism beneficiaries and citizens can turn to register any grievances on all issues that tackle within any infrastructure. The Project Affected Persons (PAPs) will submit their grievances first to the local mahalla or directly to the sub-borrower. If the grievance has not been considered or the PAP has not received a satisfactory response, he/she may file a grievance to the regional offices of the RO. RO's safeguard specialist will keep a record of the grievances received. This will be done by applying multiple absorption channels such as mail, email, phone, project website, personal delivery. Currently, citizens are actively using mobile networks, so the project will open special groups in Telegram and Facebook applications. It is recommended that in mahalla, where sub-projects will be implemented, logs for registration of grievances were placed.

Every grievance shall be tracked and assessed if any progress is being made to resolve them. It is expected that project will receive many grievances and should ideally have an electronic system for entering, tracking, and monitoring grievances. The project monitoring and evaluation information system should also include indicators to measure grievance monitoring and resolution.

ESMF Public consultations and information disclosure. Public Consultation were undertaken from the beginning of the ESMF development. Number of consultations were conducted with representatives of the State Committee on Ecology and Environment Protection, khokimiyats and representatives of PFIs. Draft version of ESMF in local language was published on Agency's website (http://uzaifsa.uz/sites/default/files/proekt_dlya_sayta.pdf)

on January 9, 2019. Advertisements about planning activities were published in the local newspaper "Pravda Vostoka" on January 10, 2018 in both languages – Russian and Uzbek. Moreover, information about the planning consultation was distributed through local administration as well – khokimiyats and makhallas.

¹Including the impact on the labor force, gender issues, impact on socially vulnerable groups, the standard of living of the population, impact on land resources and others.

Public Consultations were held during January 17-18 in three cities of the project area – Ferghana, Andijan and Namangan. Representatives from khokimiyats, makhallas, women committee, youth union, banks, state committee on environmental and nature protection, sanitarian epidemiological station and others are attended meetings. During the public consultation information about the project, anticipated environmental and social impacts, proposing mitigation measures, environmental and social assessment procedure were presented to the meeting participants. Proposed GRM was discussed as well. During the meeting it was announced, that final version of ESMF, which will incorporate comments, received during PC will be re-published on Agency’s website and on WB external website. Moreover, hard copies of ESMF will be available in RO’s offices. At the end the RO’s specialists shared their contact information for further comments, suggestions and clarifications on ESMF. In total, more than 100 participants attended the meeting. Overall the document was largely accepted by all participants and no major comments to revise the document have been received (see Annex 10 with the details of conducted consultations).

1. PROJECT BACKGROUND AND THE SCOPE OF ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK

The whole Fergana Valley covers the territory located in three areas - Andijan, Fergana and Namangan regions of Uzbekistan; a part of Sugd region of Tajikistan, as well as Osh, Jalalabad and Batken regions of Kyrgyzstan. With an estimated total population of 14 million in all three areas, the Fergana Valley, located in Uzbekistan, accounts for the largest part of the total population, about 9.3 million people, representing 28% of the total population of Uzbekistan. A quarter of low-income population of Uzbekistan lives in the region, and the average income falls on the lower part of the range of income. There is a part of the most fertile agricultural lands of Uzbekistan in the Fergana Valley, at the same time; there is also a relatively high level of industrial development here compared to other regions of Uzbekistan. Despite good opportunities, development challenges include biophysical (climate change causing weather variability, water scarcity, limited electricity generation capacity); social (increase in labour reserves); and economic (structural transition to a market oriented economic model, uneven growth leading to a development gap between regions) issues.

The key problems and challenges facing the Fergana Valley are concentrated around three main areas: service provision improvement, expansion of economic opportunities, and supportive institutional and enabling environment creation.

The planned new project is aimed at meeting the need for investment in the provision of services – in particular, within the framework of the new government programme "Obod Qishloq" ("Prosperous Village"), while the proposed project will focus on the solving the problems of jobs and business opportunities creation for the economically active population, which, in turn, is closely related to a favorable ecosystem for innovation, entrepreneurship and services at the individual and general economic levels, that underlie the development of new economic opportunities.

1.1. Project development objective and potential beneficiaries

The project development objective is *to increase the economic potential and employment opportunities in the Fergana Valley through the development of rural enterprises and the creation of a favorable environment for economic growth under the guidance of the private sector*. The financing will be directed to: (i) rural entrepreneurship with a focus on business incubation and cluster development; (ii) financing of rural enterprises with emphasis on micro and small enterprises in high-potential sectors (agricultural/food sector, tourism, textiles/clothing industry, light industry); and (iii) productive investments in targeted rural communities to facilitate economic and income-generating activities that are associated with clusters or industrial areas.

Within the scope of this project, the special attention will be given to inclusiveness (focused on vulnerable groups and the low-income population), innovation (introduction of technologies, digitalization and management models to improve efficiency, effectiveness and scale), and incubation (promotion of ecosystem development and mentoring in this area).

The main beneficiaries of this project are the population of three regions of the Fergana Valley located in the territory of Uzbekistan. The project area is presented on the following map:

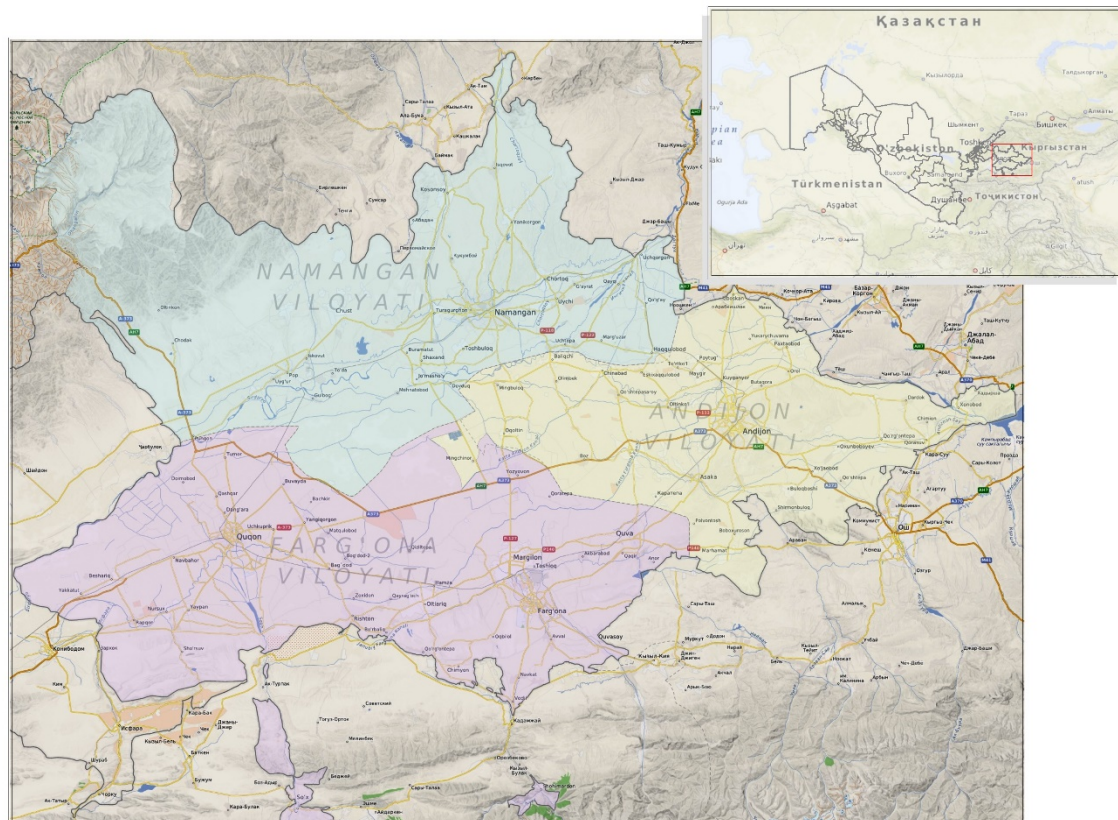


Figure 1: The project area

1.2. Project Components and Planned Investments

The project will consist of three components, presented below.

Sub-Component 1.1: Business Incubation and Mentorship

1. **Business incubator hubs (BIH).** The project will finance a business incubator program for rural entrepreneurs that address key bottlenecks faced by entrepreneurs - acquiring business development and non-financial services, exposure to new technology and skills, and identifying potential sources of finance. The program will utilize the current infrastructure of one-stop shops and co-working spaces to expand the menu of services available to entrepreneurs and facilitate greater outreach to rural areas. These efforts will complement the government's current investment in strengthening one-stop shops, which primarily focus on providing administrative and regulatory services, as well as co-working spaces, which provide ICT connectivity and networking space.

Activities that could be financed under BIH include: (a) training, workshops; exposure visits; business exhibitions; buyer - seller meetings; equipment and technology exhibitions (b) consultant and non-consultant services; (c) goods (including printing of manuals), ICT hardware and software and office refurbishment; and (d) operating costs including outsourced staff, office running costs at regional and district levels. Financing would also be provided to upgrade the existing infrastructure of one-stop/one-window mobile service centers – which will allow outside the district capital directly to rural mahalla.

Innovation Startups. While business incubator hubs are expected to support new businesses, the project will also target specific support facilitated innovation start-ups to provide more

intensive support to translate innovative technologies or business models into viable enterprises. This will involve sustained engagement and support for new technology/innovations.

The innovation start-up program would be anchored in the three new regional innovation centers that have been competitively awarded under public private partnership (PPP) arrangements by the Ministry of Innovation. The project would build on centers efforts and would support institutional capacity building to implementation the challenge program, which would expand their focus to facilitating business solutions for rural and agricultural enterprises. To facilitate the activities of the innovation center additional support would also be provided for technical assistance, civil works and other infrastructure investment within the regional innovation centers to complement the state budget resources.

Design of rural apprenticeship pilot. To support jobs development and develop a pipeline of entrepreneurs the project will finance technical assistance to expand apprenticeships.

Financing under the project would be provided to finance the technical assistance to design the program and further discussion around financing for implementation would take place through additional financing or possibly another stand-alone project financed through the state budget or donor assistance.

Sub-Component 1.2: Cluster and Value Chain Development

The cluster development activities under the second sub-component will focus on groups of producers/ enterprises and finance demand-driven investments to strengthen value chains and expand or establish enterprise clusters that seek to expand productive activities or reach new markets. The objective of these activities would be to integrate value chains, improve competitiveness and develop an ecosystem of enterprises that deliver greater quality, volume and profitability. Project support would target agriculture, food processing, handicraft, and small manufacturing sectors.

Sub-Component 1.3: Market promotion and Technology Testing

The third sub-component will also support a small set of market promotion and technology testing activities to facilitate the launching of enterprise clusters or SME activities. This could include market-led technology transfer through demonstrations of improved technologies. Support for trade promotion and assessment of export and domestic marketing policies would also be pursued.

Component 2: Access to Finance

Sub-Component 2.1: Access to Finance (US\$100 million)

Establishment of credit line and guarantee fund for MSMEs. The project will establish two financing instruments: a credit line and a partial credit guarantee fund. The credit line and partial credit guarantee will target micro, small and medium enterprises in Fergana Valley in the value chains targeted by the project. A credit line would be established with participating financial institutions to provide more liquidity for micro-credit and micro-loans in Fergana Valley. The partial credit guarantee fund will be administered by the State Fund for Support of Entrepreneurship Development which will provide guarantees to commercial banks.

Technical and policy support to MSME finance. The project would finance technical and policy support in support of MSMS where needed. This could include technical assistance for PFIs as well as regulatory or policy studies.

Sub-Component 2.2: Pilots in Financial Services

The project would set aside \$5.0 million to fund pilots on innovative financial solutions developed based on proposals submitted by commercial banks. Three areas where commercial banks indicated an interest during pre-appraisal / appraisal that include microfinance, inventory finance and digital financial services.

Component 3: Project Management and Coordination

The third component will finance project management and coordination activities.



1.3. Scope and objectives of the Environmental and Social Management Framework

Under the Component 2, which will create access to financing (with a focus on micro and small enterprises in high potential sectors such as agribusiness, tourism, textiles/apparel, light manufacturing), the potential investments might cause a series of various and direct environmental risks and impacts such as: increased environmental pollution with wastes, noise, dust, air pollution, health hazards and labor safety issues, etc., due to civil works. Overall most of these risks and impacts are expected to be typical for small scale construction/rehabilitation works, agri-business activities, industrial production, etc., temporary by nature and site specific, and can be easily mitigated by applying best construction practices and relevant mitigation measures, but in some cases (which would involve or generate hazardous materials and wastes) may be also more significant. Under the Component 1 will be supported a series of consultancy activities related to development of business plans which might during their implementation and operational phases, generate some environmental and social impacts (air and water pollution, waste generation, labor and health risks, etc.).

To address possible project impacts, the implementing entity should prepare an Environmental and Social Management Framework (ESMF) in accordance with the Bank's operational policy OP 4.01 "Environmental Assessment" and appropriate national legislation. The purpose of this ESMF is to describe the process of how environmental and social impacts will be assessed, addressed and managed during the project implementation, when the sub-projects proposed for investment will be identified in terms of technical aspects and location; as well as a set of measures for mitigation, monitoring and institutional responsibility that should be taken during the project implementation to eliminate adverse environmental and social impacts, their neutralization or reducing up to acceptable levels.

Further, the ESMF includes the set of mitigation, monitoring measures, and institutional responsibilities to be taken during the project implementation. The ESMF covers general mitigation measures for possible impacts of different proposed activities to be supported by the project; implementation arrangements for project environmental and social aspects, relevant capacity building activities, consultation process etc.

This ESMF is the document focused on the overall project implementation. During the implementation of the further project activities, potential safeguard issues will be screened to determine the scope and types of safeguards instruments that would be required. Specific Environmental and Social Management Plans (ESMPs) for investments identified during project implementation will be prepared in due time before works may commence.

ESMF identifies the responsibilities of project stakeholders, procedures for environmental and social safeguards screening, review and approval, monitoring and reporting requirements, as well as plans to enhance institutional capacity through capacity building activities. It also offers sample terms of reference for carrying out Environmental Impact Assessments (EIAs). The ESMF serves as an environmental and social safeguards instrument to provide the framework to both the relevant government agencies and private investors for preparing and implementing further infrastructure subprojects.

Finally, this ESMF will be an integrated part of the Project Operation Manual (POM) and is applicable to all linked investments financed in the project areas regardless of their funding source or implementing agency.

2. REGULATORY AND INSTITUTIONAL FRAMEWORK FOR ENVIRONMENTAL AND SOCIAL ASSESSMENT

2.1. Uzbekistan National Environmental Legislation and Procedures

Legal Framework in the field of Nature Protection and Management established in Republic of Uzbekistan, provides to the citizens the rights and duties specified in the country's Constitution. Specific articles that address environment protection issues within the Constitution are:

Article 50. All citizens shall protect the environment

Article 51. All citizens shall be obliged to pay taxes and local fees established by law

Article 54. Any property shall not inflict harm to the environment

Article 55. Land, subsoil, flora, fauna, and other natural resources are protected by the state and considered as resources of national wealth subject to sustainable use.

Uzbekistan has enacted several supporting laws and statutes for environmental management and is party to several international and regional environmental agreements and conventions. The key national environmental law is the Law on Nature Protection (1992). A brief description of this law and the other supporting laws related to environmental protection is presented below.

The law “On nature protection” (1992) states legal, economic, and organizational bases for the conservation of the environment and the rational use of natural resources. Its purpose is to ensure balanced relations between man and nature, to protect the environmental system and to guarantee the rights of the population of a clean environment. Article 25 of this law states that State Environmental Expertise (SEE) is a mandatory measure for environmental protection, preceded to decision-making process. In addition, article 25 says that the implementation of the project without a positive conclusion of SEE is prohibited.

Law “On Atmospheric Air Protection”(1996, amended on 10.10.2006). It describes regulations on atmosphere protection and its objectives. It specifies standards, quality and deleterious effect norms, requirements on fuels and lubricants, production and operation of vehicles and other transport means and equipment, ozone layer protection requirements, obligations of enterprises, institutions and organizations toward atmospheric protection, and compensations for damages from atmospheric pollutions.

Law “On water and water use” (1993). It regulates the water relations, rational use of water by the population and economy. The law regulates the protection of waters from pollution and depletion, and prevention and liquidation of harmful effects of water, improvement of water bodies and the protection of the rights of enterprises and institutions, organizations and dehqan farms and individuals in the field of water relations.

Land Code of the Republic of Uzbekistan (1998). It aims to regulate land relations to ensure that present and future generations have science-based, sustainable use and conservation of land, breeding and improvement of soil fertility, conservation and improvement of the environment and creating conditions for equitable development of all forms of management, the protection of individuals and legal entities’ right for land, as well as strengthening the rule of law in this area.

Law “On Ecological Expertise” (2001) provides for conducting a mandatory expert assessment of impacts on the environment and human health, as well as a legal basis for conducting expert assessments;

Law “On Wastes” (2002, as amended on 2011). It addresses waste management, exclusive of emissions and air and water pollution, and confers authority to the SNPC concerning inspections, coordination, ecological expertise and establishing certain parameters regarding the locations where waste may be processed. Enterprises are responsible for their waste, but, if they recycle, they may be provided with assistance from the state budget, the National Fund for Nature Protection or voluntary payments. The principal objective of this law is to prevent negative effects of solid wastes on people’s lives and health, as well as on the environment, reduce wastes generations, and encourage rational use of waste reduction techniques in household activities.

Law “On Protected Natural Reserves” (2004) - The purpose of this Law is to regulate relations in term of organization, protection and use of protected natural territories. The main tasks of this Law are the preservation of typical, unique, valuable natural objects and complexes, the genetic fund of plants and animals, the prevention of the negative impact of human activities on nature, the study of natural processes, the monitoring of the environment, the improvement of environmental education.

Law “On environmental control” (2013) - The purpose of this Law is to regulate relations in the field of environmental control. The main objectives of environmental control are: (i) prevention, detection and suppression of violation of the requirements of legislation in the field of environmental protection and rational use of natural resources;(ii) monitoring the state of the environment, identifying situations that can lead to environmental pollution, irrational use of natural resources, create a threat to life and health of citizens; (iii) determination of compliance with the environmental requirements of the planned or ongoing economic and other activities; (iv) ensuring compliance with the rights and legitimate interests of legal entities and individuals, performing their duties in the field of environmental protection and rational use of natural resources.

The law “On Plant World Conservation”(1997) – regulates relations in the field of protection and use of plant world growing in natural conditions, as well as wild plants contained in the conditions of culture for their reproduction and conservation of genetic resources.

The law “On Plant Quarantine” (1995) - regulates measures on external and internal plant quarantine, aimed at the protection of the territory of the Republic from the penetration of quarantine and other dangerous pests, diseases of plants and weeds from foreign countries, which can cause significant economic damage to the national economy.

The law “On Agricultural Plants Protection from Pests, Diseases and Weeds”(2000) - regulates relations related to the protection of agricultural plants from pests, diseases and weeds, prevention of harmful impacts of plant protection products on human health, and the natural environment.

The law “On Protection and Use of the Wildlife”(1997)regulates relations in the field of protection, use, restoration and reproduction of the wildlife in order to ensure the conditions of its existence, conservation of species diversity, integrity of natural communities and habitat.

The law “On Livestock Breeding”(1995)ensures the creation, conservation, reproduction and rational use of breeding resources in order to improve breeding and productive qualities of animals; assurance of reliability of reports of the origin, productivity, assessment by the type and other qualities of breeding resources used in the breeding process; testing of producers by the offspring quality; generation of animals with new useful genetic characteristics; effective use in the selection of the most valuable world gene pool; increase of breeding and productive qualities and accelerated reproduction of highly productive animals in commercial herd; increase of economic efficiency and competitiveness of the entire livestock industry.

The law “On Veterinary Medicine” (2015) regulates the state policy in the field of veterinary medicine; development and implementation of measures in the field of veterinary medicine; state regulation in the field of veterinary medicine; implementation of state

veterinary supervision; development of international cooperation in the field of veterinary medicine.

The Nature Protection Normative Documents. Most important nature protection normative documents issued by government include:

- “Procedure for elaboration and execution of draft standards on maximum permissible emission of contaminants discharged to water bodies including drainage water” (RD 118.0027719.5-91);
- “Procedure for granting permission for special water use” (RD 118.0027714.6-92);
- “Temporary recommendation on control of underground water protection of the Republic of Uzbekistan”. State Nature Committee and Uzbekgidrogeologiya of the Republic of Uzbekistan, Tashkent, 1991;
- Decree of the Cabinet of Ministers “On approval of Provision on the State Environment Monitoring” (No 49, 3.04.2002;
- State Standard - Water quality. O’z DST 951:2011 – Sources of centralized household water supply. Hygienic, technical requirements and classification code;
- State standard O’z DSt 1057:2004 “Vehicles. Safety requirements for technical conditions” and O’z DSt 1058:2004 “Vehicles. Technical inspection. Method of control”;
- SanR&N RUz No.0179-04 Hygienic norms. List of Maximum Allowable Concentrations (MACs) of pollutants in ambient air of communities in the Republic of Uzbekistan including Annex 1;
- SanR&N RUz No. 0267-09 Admissible noise level into the living area, both inside and outside the buildings;
- SanR&N RUz No. 0120-01 Sanitarian Norms of allowed level of noise in the workplace;
- SanR&N RUz No. 0122-01 Sanitary Regulations on whole-body and local vibration in the workplace;
- SanR&N RUz No 0088-99 Sanitarian requirements for development and approval of maximum allowed discharges (MAD) of pollutants discharged into the water bodies with waste waters;
- SanR&N RUz No. 0321-15 Hygienic toxicity and hazard classification;
- SanR&N RUz No. 0133-02 Sanitary Rules and Regulations for enterprises of sericulture and silk-processing industry of the Republic of Uzbekistan;
- SanR&N RUz No. 0150-04 Storage, application and transportation of pesticides;

- "Regulations on the procedure for toxic chemicals disposal and other toxic substances, as well as the protection and maintenance of special landfills" (registered in the Ministry of Justice under No. 2438 dated 20.03.2013);
- Resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated 24.03.1995. No. 96 "On the measures for further privatization and support of private entrepreneurship in livestock breeding";
- Resolution of the President of the Republic of Uzbekistan dated 16.03.2017. No. PP-2841 "On additional measures for deepening of economic reforms in livestock breeding";
- Rules of reception of industrial waste water and the procedure for compensation payments calculation for excess discharges of pollutants into municipal sewer networks of cities and other settlements of the Republic of Uzbekistan (Annex 1 to the RCM No.11 dated 2010);
- GOST-23941-79 OSSS Noise. Measurement technique;
- SanR&N RUz No. 1844-78 Guidelines for measurement and hygienic assessment of noise in the workplace;
- SanR&N RUz No. 0046-95 Maximum allowable concentrations (MAC) of hazard substances in the working zone area;
- SanR&N RUz No. 0299-11. Hygienic requirements for textile enterprises;
- The Order of the Ministry of Health of the Republic of Uzbekistan No. 300 dated 06.06.2000 "On carrying out the mandatory pre-employment and periodic medical examinations of workers exposed to harmful and adverse working conditions".

The Republic of Uzbekistan is party to a series of **international environmental treaties and Regional Agreements** which also contain a series of requirements to be considered while conducting the subprojects ESA. The country is party to the three Rio Conventions: Convention on Climate Change, Convention on Biological Diversity, and Convention to Combat Desertification. Additionally, the country has signed and ratified the following treaties: Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (22.12.1995); Convention on Protection of the World Cultural and Natural Heritage (22.12.1995); Convention on International Trade in Endangered Species of Wild Fauna and Flora (01.07.1997); Bonn Convention on Conservation of Migrating Species of Wild Animals (01.05.1998); The Stockholm Convention on Persistent Organic Pollutants (22.05.2001), Paris Agreement (02.10.2018).

2.2. Legislation of the Republic of Uzbekistan in the sphere of social assessment, land acquisition and resettlement

The legal and policy framework of the project is based on national laws and legislations related to land acquisition and compensation policy in Uzbekistan and WB OP 4.12 Involuntary Resettlement (2001). Based on the analysis of applicable laws and policies and WB's Policy requirement, project related LAR principles have been adopted.

The **Constitution of the Republic of Uzbekistan** dated on 8 of December 1992 provides that:

- Everyone shall have the right to own property (Article 36). The economy of Uzbekistan, evolving towards market relations, is based on various forms of ownership. The state shall guarantee freedom of economic activity, entrepreneurship and labor with due regard for the priority of consumers' rights, equality and legal protection of all forms of ownership (Article 53);
- An owner, at his discretion, shall possess, use and dispose of his property. The use of any property must not be harmful to the ecological environment nor shall it infringe on the rights and legally protected interests of citizens, juridical entities and the state (Article 54);
- The land, its minerals, waters, fauna and flora, other natural resources shall constitute the national wealth and shall be rationally used and protected by the state (Article 55).

The Civil Code (CC) dated on 29 of August 1996 defines the legal status of participants of civil relations, the grounds and procedure of implementation of property rights and other proprietary rights, rights on intellectual property, regulates the contractual and other obligations, as well as other property and related personal non-property relations. The CC defines general rules of property seizure, determination of property cost and rights for compensation, terms of rights termination.

- expenses that the person whose right is violated, made or must make to restore the violated right;
- the loss of or damage to property (real damage);
- the revenues that this person would have received under normal conditions of civil turnover if his right had not been violated (lost profits).

The Land Code (LC) dated on 30 of April 1998 is the main regulatory framework for land related matters in Uzbekistan. The LC regulates allocation, transfer and sale of land plots, defines ownership and rights on land. It describes responsibilities of different state authorities (Cabinet of Ministers, province, district, city Hokimiyat) in land management; rights and obligations of land possessor, user, tenant and owner; land category types, land acquisition and compensation, resolution of land disputes and land protection. The LC also defines the terms of rights termination on land plot, seizure and land acquisition of land plot for state and public needs, and terms of seizure of land plot in violation of land legislation.

The resolution **“On Approval of the procedure of damages to citizens and legal persons in connection with the withdrawal of land plots for state and public needs”** dated on 29 May 2006 #97 This resolution regulates compensation for losses to individuals and legal entities due to seizure of land plots for state and public needs. This regulation is mainly dealing with land plots, houses, building and structures of individuals and legal entities. The resolution determines the procedure for seizure of land or part thereof, as well as the procedure for calculating the amount of compensation to individuals and legal entities for the demolished residential, industrial and other buildings, structures and plantings in due to seizure of land for state and public needs. The Resolution contains:

- procedure for calculating the amount of compensation to individuals and legal entities for the demolishing houses (apartments, buildings, structures and plantings) due to seizure of land plots for state and public needs;
- procedure and conditions for providing residential premises for owners of demolishing houses;

- procedure and conditions for providing land plots to individuals for individual housing construction instead of the demolishing residential house (apartment);
- procedure of losses compensation to legal entities due to seizure of land plots for state and public needs;
- procedure and calculation terms for transfer and reinstatement at the new place of dwelling houses, buildings and structures to be demolished;
- Procedure and calculation terms of in case of construction in a new place of dwelling houses, buildings for individuals and legal entities, houses (apartments) of which are to be demolished.

The resolution **“On measures to improve the procedure for granting land plots for urban development activities and other non-agricultural purposes”** dated on 25 of May 2011 #146. This Resolution is aimed to improve the procedure of granting land plots, protect the rights of legal entities and individuals on land and improve the architecture of settlements and the efficient use of their land for construction in accordance with the Land Code and the Town Planning Code. This resolution has approved two Regulations: (i) Regulation on the procedure for granting land for urban development and other non-agricultural purposes, (ii) Regulation on the procedure of compensation for land possessors, users, tenants and owners, as well as losses of agriculture and forestry. The Regulation on the procedure for granting land for urban development and other non-agricultural purposes contains the following provisions:

- Order of land plot location, preparation and approval of site selection and land allocation documents without approved planning documentation;
- Order of placement, selection and land allocation with approved planning documentation,
- Order for rejection in the selection and land allocation for construction;
- Provision(sale) of land plots for individual housing construction;
- Elements of urban planning documents and development regulation lines.

Labor Code and Employment law. These two documents are main legislations regulating labor relations of individuals employed by labor contract by enterprises, institutions, organizations of all type ownership forms, including contracted by individuals. These legislations are considering the interests of employees and employers provide the efficient function of labor market, just and secure labor conditions, protection of labor rights and employees' health, promote growth of labor productivity, increase of work quality, raising on this matter welfare and social livelihood level of the population.

Decree of the Cabinet of Ministers # 349 dated 10 May 2018 **“On additional measures on the elimination of forced labor in Uzbekistan”** prohibits and provides detail information on types of forced labor, types of governmental organizations and its staff, monitoring mechanism of local governorates (hokimiyats). According to this decree financial resources of Public Works Fund, which was established under the Ministry of Employment and Labor Relations will be used for any public works in Uzbekistan.

The resolution **“On Approval of the order of the appointment and payment of social allowances and material (financial) assistance to low income families”** dated on of February 15, 2013 #44. This resolution determines the procedure for the appointment and payment of Makhalla allowances for families with children under the age of 14 years, allowances for child care until the age of two years and allowance for low income families. According to this resolution the following types of families are entitled for allowances:

- families who have lost both parents and children involved in family education;

- families where one or both parents are disabled children;
- widow (er), raising two or more children under the age of 14, living separately from other relatives;
- family with disabled children;
- mothers or fathers who are bringing up the children in a single-parent family. In this case the fact of child rearing mother (father) in an incomplete family established by makhalla;
- families in which one or both parents are unemployed who has been registered at centers to promote employment and social protection of the population as job-seekers;
- single retired persons.

Presidential resolution **“On measures to improve the effectiveness of training and realizing projects with participation of international financial institutions and foreign government financial organizations”** dated on 16 of July 2018 #3857 partly provides that payment of compensation for the land acquisition, demolition of houses, other structures, structures or plantings in the framework of projects with the participation of IFIs, if this is provided for by project agreements, is carried out by authorized bodies in accordance with the requirements of IFIs FGFOs. According to this resolution, PIU can use a preliminary assessment document prepared in accordance with the IFI methodology as a pre-project document that defines the main parameters of a planned project for implementation.

Presidential Decree **“On measures on major improvement of investment climate in the republic of Uzbekistan”** dated on 1 of August 2018 #5495 partly provides that the adoption of decisions on the seizure of land for state and public needs is allowed only after an open discussion with interested parties whose land plots are planned to be seized, as well as assessing the benefits and costs; demolition of residential, industrial premises, other structures and structures belonging to individuals and legal entities, with the withdrawal of land plots is allowed after full compensation of the market value of immovable property and losses caused to owners in connection with such withdrawal.

Presidential Decree **“On measures to improve the system of protection of rights and legal interests of subjects of entrepreneurship”** dated July 27, 2018 # 5490 provides a new mechanism for compensation of losses to individuals and legal entities in connection with the withdrawal of their land for state and public needs. According to this Decree, a centralized Fund shall be established under the Cabinet of Ministries comprising of local budget's revenue share and other sources.

2.3. The World Bank Safeguards Policies and Environmental and Social Assessment Requirements

Main provisions of the Environmental and Social Assessment. Per the WB safeguards policies Environmental and Social Assessment (ESA) is a process of the pre-implementation stage which evaluates a project's potential environmental and social risks and impacts in its area of influence; examines project alternatives; identifies ways of improving project selection, siting, planning, design, and implementation by preventing, minimizing, mitigating, or compensating for adverse environmental impacts and enhancing positive impacts; and includes the process of mitigating and managing adverse environmental impacts throughout project implementation. ESA is mandatory for projects, which may potentially have negative impacts. Furthermore, a well-organized public participation is mandatory in all the stages of the process. In the case when the projects activities to be financed are not identified at the design stage, the Bank applies an Environmental and Social Management

Framework (ESMF) which should: provide details on procedures, criteria and responsibilities for subproject screening, preparing, implementing and monitoring of subproject specific ESIA's. The ESMF should also include Environmental Guidelines for proposed subprojects, containing an assessment of potential impacts and generic mitigation measures to be undertaken for identified subprojects in all stages - from identification and selection, through the design and implementation phase, to the monitoring and evaluation of results.

World Bank's Safeguard Policies and their relevance to project. There are key 10 Environmental and Social World Bank Safeguard Policies and World Bank Group Environmental, Health, and Safety General Guidelines (EHS), which are intended to ensure that potentially adverse environmental and social consequences of projects financed by Bank are identified, minimized and mitigated. World Bank's Safeguard Policies and their relevance to the project are presented in the Table 1 below:

Table 1: World Bank's Safeguard Policies and their relevance to project

SAFEGUARDS POLICIES	TRIGGERED	RELEVANCE
<p><i>Environmental Assessment (OP/BP 4.01)</i> This Policy aims to ensure that projects proposed for Bank financing are environmentally and socially sound and sustainable; to inform decision makers of the nature of environmental and social risks; to increase transparency and participation of stakeholders in the decision-making process.</p>	Yes	<p>The proposed investments in infrastructure and provision of services under Component 2, along with the proposed financing under Component 1 for entrepreneurship development and job creation, can cause a number of different and direct permanent and temporary environmental impacts, such as: water and air pollution, solid waste management issues; occupational risks etc. In general, most of these risks and impacts will be short-term and facility-specific, but in some cases (which will be associated with hazardous materials and waste or create them) can also be significant. In addition, the proposed development of a strategy for the integrated territorial development of the Ferghana Valley can also indirectly generate several different environmental risks and impacts associated with further relevant investments.</p> <p>To address possible project impacts, the project's Executive Agency has developed an Environmental and Social Safeguards Management Framework (ESMF) in accordance with the Bank's operational policy OP 4.01 "Environmental Assessment" and appropriate national legislation. Several capacity-building activities for ESA, which will be supported by the project, are also proposed in the ESMF. In accordance with the requirements of the World Bank, a draft of the document was disclosed and discussed in the participating cities.</p>
<p><i>Natural Habitats (OP/BP 4.04)</i> This Policy aims to safeguard natural habitats and their biodiversity; avoid significant conversion or degradation of critical natural habitats, and to ensure sustainability of services and products which natural habitats provide to human society.</p>	No	<p>The specifics of the design work do not provide the implementation of activities that may affect the natural habitat.</p>
<p><i>Forestry (OP/BP 4.36)</i> This Policy is to ensure that forests are managed in a sustainable manner; significant areas of forest are not encroached upon; the rights of communities to use their traditional forest areas in a sustainable manner are not compromised.</p>	No	<p>The project will be implemented in non-afforested urban areas and thus no impacts on the forests status are expected.</p>
<p><i>Pest Management (OP 4.09)</i> This policy is to ensure pest management activities follow an Integrated Pest Management (IPM) approach, to minimize environmental and health hazards due to pesticide use, and to contribute to developing national capacity to implement IPM, and to regulate and monitor the distribution and use of pesticides.</p>	Yes	<p>It is expected that the project will finance the enterprises for processing agricultural products, the horticulture development, which may contribute to an increase of the pesticides use.</p>
<p><i>Physical Cultural Resources (OP/BP 4.11)</i></p>	No	<p>The design works will not affect the natural and cultural heritage objects</p>

SAFEGUARDS POLICIES	TRIGGERED	RELEVANCE
<p>This policy is to ensure that: Physical Cultural Resources (PCR) are identified and protected in World Bank financed projects; national laws governing the protection of physical cultural property are complied with; PCR includes archaeological and historical sites, historic urban areas, sacred sites, graveyards, burial sites, unique natural values; implemented as an element of the Environmental Assessment</p>		
<p>Indigenous Peoples (OP/BP 4.10) IP – distinct, vulnerable, social and cultural group attached to geographically distinct habitats or historical territories, with separate culture than the project area, and usually different language. The Policy aims to foster full respect for human rights, economies, and cultures of IP, and to avoid adverse effects on IP during the project development.</p>	No	There are no IPs in the country.
<p>Involuntary Resettlement (OP/BP4.12) This policy aims to minimize displacement; treat resettlement as a development program; provide affected people with opportunities for participation; assist displaced persons in their efforts to improve their incomes and standards of living, or at least to restore them; assist displaced people regardless of legality of tenure; pay compensation for affected assets at replacement cost; the OP. Annexes include descriptions of Resettlement Plans and Resettlement Policy Frameworks</p>	No	Activities that show the potential for temporary or permanent involuntary land acquisition, land use restrictions, economic activities, or access to resources will be not financed under the project. All subprojects will be screened on the credit appraisal and cluster sub-project evaluation process to identify involuntary permanent or temporary land acquisition risk.
<p>Safety of Dams(OP/BP4.37) This Policy is to ensure due consideration is given to the safety of dams in projects involving construction of new dams, or that may be affected by the safety or performance of an existing dam or dams under construction; important considerations are dam height & reservoir capacity</p>	No	The project activities will be implemented inside the urban areas and will not be dependent on the functionality of dams.
<p>Projects on International Waterways (OP/BP7.50) The Policy aims to ensure that projects will neither affect the efficient utilization and protection of international waterways, nor adversely affect relations between the Bank and its Borrowers and between riparian states</p>	No	The project will not finance the projects related to the impact on changes in the quality and volume of international watercourses
<p>Disputed Areas (OP/BP7.60) The Bank may support a project in a disputed area if governments</p>	No	The project is focused on urban areas in Uzbekistan. No disputed areas involved

SAFEGUARDS POLICIES	TRIGGERED	RELEVANCE
concerned agree that, pending the settlement of the dispute, the project proposed for one country should go forward without prejudice to the claims of the other country		
Disclosure Policy (BP17.50) supports decision making by the borrower and Bank by allowing the public access to information on environmental and social aspects of projects and has specific requirements for disclosure	Yes	The draft ESMF was disclosed on January 9, 2019 on Agency's website and consulted in the country before project appraisal on January 17-18, 2019 and will be also disclosed on the WB website.

World Bank Screening Categories and Environmental Assessment Procedures. Environmental Screening is a Mandatory Procedure OP/BP 4.01 on Environmental Assessment. The Bank undertakes environmental screening of each proposed project for which it will provide funding to determine the appropriate extent and type of the Environmental Assessment to be conducted. The Bank classifies a proposed project 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. These four Categories are A, B, C, and FI:

- Category **A** projects are likely to have significant adverse environmental impacts that are sensitive, diverse, or unprecedented.
- Category **B** projects has potential adverse environmental impacts on human populations or environmentally important areas - including wetlands, forests, grasslands, and other natural habitats - which are less adverse than those of Category A projects.
- Category **C**. An EIA or environmental analysis is normally not required for Category C projects because the project is unlikely to have adverse impacts; normally, they have negligible or minimal direct disturbances on the physical setting.
- Category **FI**. A Category FI project involves investment of Bank funds through a financial intermediary, in subprojects that may result in adverse environmental impacts.

More detailed information about World Bank's Categorization and Screening Procedures is given in Section 4.

Figure 2 presents the different steps in the WB project cycle and shows how the various Environmental Assessment (EA) phases fit in the project preparation process. The main EA phases concern screening, scoping, EA, and environmental management plan during and after project implementation - covering mitigation, monitoring and evaluation.

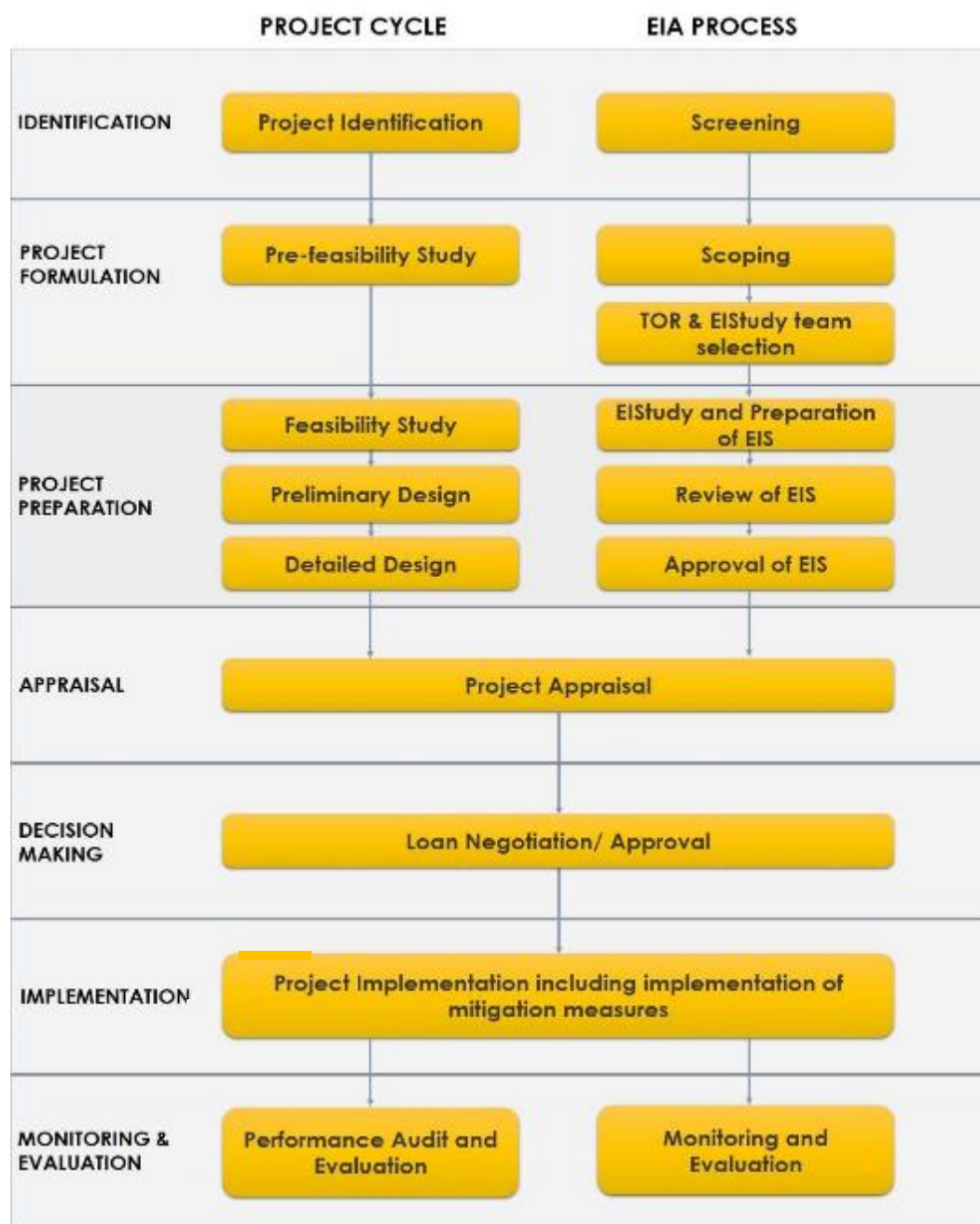


Figure 2: WB Project cycle and nature protection aspects

2.4. The Comparison of National and World Bank Environmental Assessment Requirements

While the basic provisions of the National EA rules and procedures are similar to the WB environmental requirements, there are several important differences, which are presented in Table 2.

Table 2: Comparative table between WB safeguards requirements and Uzbek national environmental legislation

ASPECT	WORLD BANK	NATIONAL UZBEK REGULATIONS	HARMONIZED FRAMEWORK								
ENVIRONMENTAL SAFEGUARDS REQUIREMENTS											
Environmental Policy and Regulations	There are key 10 Environmental and Social World Bank Safeguard Policies and World Bank Group Environmental, Health, and Safety General Guidelines (EHS)	Environmental assessment and permitting procedure in Uzbekistan is set out in the following laws and regulations: (i) The Law on Nature Protection (1992); (ii) The Law on Environmental Expertise (2000), and (iii) Decree of Cabinet Ministries (DCM) # 949 (November 22, 2018) on “Regulation on Environmental Expertise” Environmental legislation base consists of the more than 100 laws, bylaws and other regulative documents, such as sanitarian norms and rules, standards and etc.	In most of the cases national requirements and standards for environment quality are match with WB EHC standards. However, there are some parameters when national and WB requirements and standards are different. In such cases more strictly ones will apply for the project.								
Screening and Categorization	WB carries out project screening and categorization at the earliest stage of project preparation when sufficient information is available for this purpose. In the case where World Bank and national categorization requirements differ, the more stringent requirement will apply. This refers mostly in the case of deciding about Category C subprojects - the national EA legislation doesn’t refer to small scale activities, including construction and rehabilitation of various buildings. In these cases, the client will apply the WB criteria. Categorization into Category A, B, C, FI The project categorization depends on location. There are several locations which should be considered while deciding to qualify the project as category “A”: in or near sensitive and valuable	In Uzbekistan the EIA system is based on the State Ecological Expertise, which is regulated by Law # 73-II on Ecological Expertise (25.05.2000) and by DCM # 949 On approval of the Regulation of the State Ecological Expertise (22.11.2018). The category of the project is defined in accordance with Appendix 1 to RCM # 949. The Regulation stipulates 4 categories for development: Category I (High Risk), Category II (Middle Risk), Category III (Low Risk), Category IV (Local Impact). If the activity is not included into the Appendix 1 to the regulation, EA is not conducted.	WB and Uzbekistan project categorization could be harmonized by accepting the following principle: <table><tr><th>WB (A,B,C)</th><th>Uzbekistan (I-IV)</th></tr><tr><td>Category A;</td><td>Category I</td></tr><tr><td>Category A</td><td>Category II – (See selected activities specified in ESMF’s Annex 1. Table 1), correspond to WB Category A</td></tr><tr><td>Category B</td><td>Category II – all other projects, not specified in</td></tr></table>	WB (A,B,C)	Uzbekistan (I-IV)	Category A;	Category I	Category A	Category II – (See selected activities specified in ESMF’s Annex 1. Table 1), correspond to WB Category A	Category B	Category II – all other projects, not specified in
WB (A,B,C)	Uzbekistan (I-IV)										
Category A;	Category I										
Category A	Category II – (See selected activities specified in ESMF’s Annex 1. Table 1), correspond to WB Category A										
Category B	Category II – all other projects, not specified in										

ASPECT	WORLD BANK	NATIONAL UZBEK REGULATIONS	HARMONIZED FRAMEWORK						
	ecosystems, archeological heritages, densely populated areas and etc.	Location of the potential project is not considered during categorization	<table><tr><td></td><td>ESMF’s Annex 1. Table 1</td></tr><tr><td>Category B</td><td>Category III-IV</td></tr><tr><td>Category C</td><td>Not listed in the Attachment 2 of DCM #949 dated from 2018</td></tr></table> <p>The proposed harmonized categorization covers all types of activities included in Attachment 1 of DCM #949. Detail revision of activities belonged to Category II (Uzbek), but should be classified as Category A (WB) provided in Attachment 1. Table 1 showed, that this project activities are not included in the table 1. Therefore, all sub-projects categorized as II (Uzbek) will belong only to category B (WB).</p> <p>All potential sub-projects will be reviewed on location regarding sensitive areas. In this case WB categorization will be applied and such sub-projects will not be included into the program</p>		ESMF’s Annex 1. Table 1	Category B	Category III-IV	Category C	Not listed in the Attachment 2 of DCM #949 dated from 2018
	ESMF’s Annex 1. Table 1								
Category B	Category III-IV								
Category C	Not listed in the Attachment 2 of DCM #949 dated from 2018								
Environmental Impact Assessment Report	<p>In accordance with OP 4.01, EIA processes report for category A projects includes the following chapters: (i) Executive Summary, (ii) Policy, legal and administrative framework, (iii) Project description, (iv) Baseline data, (v) Environmental Impacts, Analysis of alternatives, and (vi) Environmental Management Plan. Information on public consultations is provided in Appendixes.</p> <p>For the category B project, the scope of EA and report should be narrow than for category A projects.</p>	<p>DCM # 949 (2018) defines content of EIA report for project belonged to categories I-III. The report must include: (i) baseline data, (ii) project description, (iii) anticipated environmental impacts, (iv) waste management, (v) analysis of emergency situation, and (vi) and anticipated changes due to project implementation. Information on applicable laws and regulation usually is presented in “Introduction” part.</p> <p>For the projects category IV, the EIA report</p>	<p>EISA prepared for category B sub-projects under this project should be developed in accordance with national requirements, fulfilled with WB requirements presented in this ESMF document and with WB information on public disclosure requirements.</p>						

ASPECT	WORLD BANK	NATIONAL UZBEK REGULATIONS	HARMONIZED FRAMEWORK
		more simplified.	
ESMP	ESMP should be prepared and should specify, along with the proposed mitigation activities, a monitoring plan and reporting requirements, institutional arrangements for ESMPs implementation. For sub-projects category B with low impact ESMP checklist should to be filled.	National legislation on EA requires to identify possible impacts, but it does not require a preparation of separate EMP or any other environmental documents/plans/checklists. There are no requirements on environmental monitoring with specification of monitoring parameters and location.	Based on results of sub-projects screening ESMP, ESMP checklist will be developed in accordance with Table 5 of this document
Public Consultations and Disclosure	The Sub-borrower is responsible for conducting at least one public consultation for all Category B projects to discuss the issues to be addressed in the EMP or to discuss the draft EMP itself.	Conduction of public consultation is not mandatory. It could be conducted, if required at the time of the ZVOS (second stage of EA). Advertisement on conduction of public consultation have to be announced in the media.	Public consultations will be carried out with the stakeholders, affected people, NGOs for all Category B subprojects. Questions and concerns raised during public consultations will be reflected in ESMP documents. Environmental Executive Summary in local language will be published prior conduction PC. Final version of ESMF (English and Russian) will be published on the SIC website and will be available in WB information.
Pest control	WB Pest control (OP 4.09) aims to ensure that pest control activities are consistent with Integrated Pest Management (IPM), to minimize environmental and health hazards due to the use of pesticides and to contribute to the development of national capacities for the IPM introduction, as well as to regulate and control the distribution and use of pesticides. The IPM approach is focused on reducing the use of synthetic chemical pesticides. If necessary, the Bank and the borrower shall include into the project the components to strengthen the capacity of the system.	Pest control is regulated by such laws of the Republic of Uzbekistan as the Law "On Agricultural Plants Protection from Pests, Diseases and Weeds", adopted on August 31, 2000 (116-II), the Law "On Plant World Conservation" (1997); the Law "On Plant Quarantine" (1995) the Law "On Agricultural Plants Protection from Pests, Diseases and Weeds" (2000), etc. The state's pest control policy also focuses on the use of more biological control methods.	During the implementation of sub-projects, the implementation of which may include pest control measures, it will be recommended the widespread use of IPM and best practices in this sphere

ASPECT	WORLD BANK	NATIONAL UZBEK REGULATIONS	HARMONIZED FRAMEWORK
SOCIAL SAFEGUARDS REQUIREMENTS			
Screening and Categorization	PIU/RO carries out project screening and categorization at the earliest stage of project preparation when sufficient information is available for this purpose.	According to legislation there is no categorization in Resettlement documents.	

3. INSTITUTIONAL EA FRAMEWORK

3.1.State Organizations Responsible for Environmental Assessment and Management

Several of agencies and organizations are involved in the process of environmental assessment and environmental monitoring in the Republic of Uzbekistan.

The State Committee for Ecology and Environmental protection (SCEEP) (Goskomecologiya) is the body of state administration in the sphere of ecology, environmental protection, rational use and reproduction of natural resources. The committee is accountable to the Cabinet of Ministers of the Republic of Uzbekistan.

The activity of the committee is regulated by President Resolution No. 5024 ‘On Improving the System of State Management in the sphere of Ecology and Environmental Protection’ of 21th April 2017.

The structure of Goskomecologiya takes the form of a central body in Tashkent with regional branches and agencies providing scientific and technical support. Regional environmental authorities are structured similarly to the Goskomecologiya.

Other government agencies of the Republic of Uzbekistan related to environmental issues are:

- Ministry of Water Resources;
- The Ministry of Agriculture;
- State Committee for Geology and Mineral Resources (or Goskomgeologiya);
- Centre of Hydro-meteorological Service (or Uzhydromet);
- Ministry of Health (or MoH RUz);
- State Inspectorate for Exploration Supervision, Operations Safety Supervision of Industry, Mining and Utilities Sector (or Sanoatgeokontekhnazorat).
- The State Chemical Commission at the Uzbek Research and Development Center of the Ministry of Agriculture and Water Resources of the Republic of Uzbekistan.

The Ministry of Agriculture is responsible for the implementation of a unified technical policy in agriculture based on in-depth study and implementation of advanced farming systems, ensuring stable production of the most important agricultural products; ensuring the introduction of new farming systems, highly efficient agricultural technologies, modern types of agricultural machinery for agriculture and livestock breeding; implementation of measures for reclamation of irrigated land; ensuring the expansion and rational use of forest resources, monitoring the compliance with forest legislation and others.

Ministry of Water Resources is responsible for water allocation among different users within Republic of Uzbekistan. Based on forecast and limits provided by Interstate Commission for Water Coordination (ICWC), water is allocated among users with the priority given to drinking water supply sector².

State Committee for Geology and Mineral Resources: (i) carries out, together with Geological Survey Services of the neighboring countries, work on identifying and studying

² Law of RUz “On water and water use” (1993), chapter 8, para 25

the focal points of radioactive and toxic pollution within transboundary territories, prepare geological maps and atlases reflecting specially hazardous zones and sections; (ii) in accordance with the procedure established by legislation, exercises control over protection of geological and mineralogical facilities as well as underground water from pollution and depletion.

Uzhydromet establishes and maintains the State Hydrometeorological Fund of Data, the State Fund of data on environment pollution, state accounting of surface waters; systematic observations of air, soil, surface water, as well as formation and development of disastrous hydrometeorological phenomena.

Ministry of Health – develops and approves sanitary regulations, rules, and hygienic standards, carries out state sanitary supervision over their observance as well as methodological supervision of the work of sanitary and epidemiological services, regardless of their departmental subordination.

Sanoatgeokontekhnazorat (State Inspectorate for Supervision of Subsurface Resources Geological Investigation, Safe Work in Industry, Mining, Utilities and Household Sector) – works together with the State Committee for Ecology and Environment protection of the RUz and carries out control in the field of geological investigation, use and protection of subsurface resources.

The State Commission for Chemical Use and Plant Protection Products under the Uzbek Research and Development Center of the Ministry of Agriculture and Water Resources of the Republic of Uzbekistan in the field of the protection of agricultural plants from pests, diseases and weeds.

The Republican Center for Plant Protection and Agrochemicals under the Ministry of Agriculture and Water Resources of the Republic of Uzbekistan, established to improve the quality of services provided to beneficiaries and ensure the safe use of agricultural pesticides.

State Plant Quarantine Inspectorate under the Cabinet of Ministers of the Republic of Uzbekistan in the field of the protection of agricultural plants from pests, diseases and weeds.

The Republican Center for Epidemiology - is responsible for assessment the impact of pesticides on human and animal health, issues various guidelines for the safe use of pesticides and chemicals.

Sanitary and Epidemiological Services (SES) – have the right, among other things, ³to prohibit the use of stimulants and growth regulators of agricultural plants and animals, pesticides and others in the event of a harmful effect on human health, till providing scientifically-based data on the safety of these substances, tools and methods by the developers.

3.2.Public involvement in environmental assessment

³ The law of the Republic of Uzbekistan "On the sanitary and epidemiological well-being of the population" dated 6.08.2015

According to the Law of the Republic of Uzbekistan "On the Environmental Examination", a public environmental examination can be carried out regardless of the state environmental examination on the initiative of non-governmental non-profit organizations and citizens in any field of activity that needs environmental justification. The conclusion of the public environmental examination has a recommendatory character and shall be taken into account when preparing the Conclusion of the State Environmental Examination.

In addition, according to the "Law on Environmental Control", non-governmental non-profit organizations, among other powers, can carry out public environmental control, inform specially authorized state bodies, local authorities, state and economic management bodies, economic entities about the fact of revealed violation of legislation in the field of environmental protection and rational use of natural resources. In addition, citizens' self-government bodies and non-governmental non-profit organizations can form a system of public inspectors of environmental control and coordinate their activities.

3.3.National EIA requirements

The national EIA procedure is regulated by the Law "On the Environmental Examination" and the Regulations "On the State Environmental Expertise" (SEE), approved by the Resolution of the Cabinet of Ministers No. 949 dated November 22, 2018. The Resolution specifies the legal requirements for EIA in Uzbekistan. According to the Resolution, SEE is a type of environmental examination carried out by specialized expert divisions to set up the compliance of the planned activities with the environmental requirements and determination of the permissibility of the environmental examination object implementation

The special authorized state body in the field of state environmental examination is the State Committee for Environmental Protection. SEE is carried out by the following specialized expert divisions of the State Committee for Environmental Protection:

- The state unitary enterprise "The Center of the State Environmental Examination" of the State Committee for Environmental Protection, hereinafter referred to as "The Center of the State Environmental Examination SUE";
- The state unitary enterprise "The Center of the State Environmental Examination" of the Republic of Karakalpakstan;
- The state unitary enterprises "The Center of the State Environmental Examination" of regions and Tashkent city.

"The Center of the State Environmental Examination SUE" carries out the state environmental examination of EIA of the objects of economic activity classified as the I and II categories of environmental impact (high and medium risk);

The state unitary enterprises "The Center of the State Environmental Examination" of the Republic of Karakalpakstan and regions carry out environmental examination of EIA of the objects of economic activity classified as the III and IV categories of environmental impact (low risk and local impact).

The Regulations details describe the procedure of arrangement and carrying out of the SEE (Annex 1 to PCM) and the procedure of the SEE carrying out (Annex 2 to PCM). The three stages of the EIA and their required results are summarized as follows:

Stage I: "A Preliminary Statement of the Environmental Impact ("PSEI") shall be carried out at the planning stage of the proposed project prior to the allocation of funds for development.

Stage II: "A Statement of the Environmental Impact" ("SEI") shall be prepared in due time, in conclusion, by Glavgosekspertiza / State Environmental Expertise at the stage I, to conduct the required additional studies or analyses. The Conclusion shall be submitted to Glavgosekspertiza / State Environmental Expertise prior to the approval of the Feasibility Study of the project and, therefore, prior to the beginning of the construction.

Stage III: "State Environmental Consequences" ("EPZ") is the final stage of the SEE process and shall be carried out prior to the start of the project. The report describes in detail the changes in the project made as a result of the analysis of the Glavgosekspertiza / State Environmental Expertise during the first two stages of the EIA process, the comments received during public consultations, the environmental standards applicable to the project, and the environmental monitoring requirements related to the project, as well as the main conclusions.

All types of SEE economic activities are classified into one of four categories:

- **Categories I and II** are "high and medium risks of environmental impact" (SEE will be within 30 days, all stages of EIA are required);
- **Category III** is "Low risk of impact" (all stages of EIA are required); and
- **Category IV** - "local impact" (only the first stage of EIA - PSEI is required).

According to paragraph 24 of the "Regulations on SEE", the positive conclusion of SEE is *a mandatory document for opening of financing by banks and other credit institutions* and execution of implementation of object of the state environmental examination by legal entities and individuals. The Conclusion of SEE shall be valid for three years from the date of its issuance. If the object is not implemented within three years from the date of issue of the Conclusion EIA report needs to be revised and re-submitted to the Center of the State Environmental Examination for revision and approval.

The Conclusion of the SEE shall be sent to the relevant regional (city) control inspections in the field of ecology and environmental protection for control. Such inspections under the State Committee for Environmental Protection supervise the compliance with the requirements and conditions specified in the Conclusion of the SEE.

The EIA procedure for this project is more detailed described in Section 8 of this document.

4. BASELINE SURVEYS

The project will be implemented in three provinces of Uzbekistan – Fergana, Andijan and Namangan provinces. The location of the project area is shown in Figure 3.

4.1. Namangan Province

General information. It is located in the North-Eastern part of the Fergana Valley. It borders the Fergana province of Uzbekistan in the South, Andijan province in the South-East and Tashkent region in the West, and in the North is the state border with the Kyrgyz Republic and Tajikistan. The region consists of 11 administrative districts, 8 cities, 12 urban settlements and about 100 rural settlements. The administrative center of the region is the city of Namangan (Figure 4, 5). The area of the territory is 7,900 sq. km. Ethnic composition of the region's population: 88.4% are Uzbeks, 8.8% are Tajiks, 0.7% are Russians, 1.0% are Kyrgyz, and 1.0% are other nationalities.

In 2018, in Namangan province, the number of registered and operating enterprises and organizations is 21.1 thousand of registered, and 21.0 thousand of operating, there was a significant increase in the real volume of gross regional product (GRP), which is 8,759.5 billion soums, and compared with 2017, it increased by 5%. GRP growth rates are due to positive growth rates in agriculture, forestry and fisheries – 105.8% (share in GRP structure – 26.4%), industry – 107.4 % (17.2%), construction – 103.6 % (7.0%) and services – 103.9% (49.4%). GRP per capita is increased by 3.1% and amounted to 3,222.0 thousand soums.

The total length of roads exceeds 11,800 km (including about 4,000 km of paved roads). In the South - East the territory of the region is crossed by the Tashkent - Kokand highway, connecting the Fergana Valley with Tashkent region through the Kamchik turnpike.

There are 681 general education schools, 11 academic lyceums, 98 professional colleges and 3 higher educational institutions in the province. There are 435 libraries, 146 palaces of culture, 1 local history museum, 1 Drama and Comedy Theater in Namangan, 5 parks of culture and recreation, 69 hospitals, 337 outpatient stations and polyclinics, 222 rural medical centers, as well as sanatoriums and rest houses.

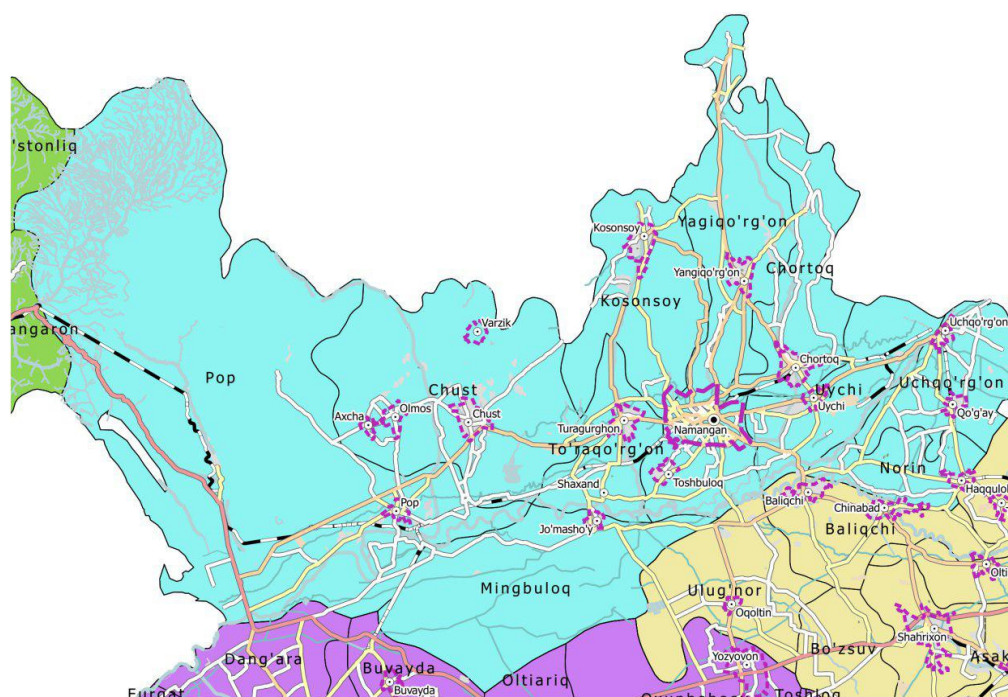


Figure 3: Namangan province

Climate. The climate is continental. Summers are long and hot, winters are relatively mild and short. There is a large range of daily temperature fluctuations and a small amount of precipitation. The temperature in January on the plains averages 3.5⁰ C, and in July - +25⁰C. Annual precipitation density on the plains and near the mountains is 100-200 mm, and in the foothills – up to 600 mm. The vegetative period in Namangan region lasts 229 days. This duration is the highest in the southern and eastern parts of the Fergana Valley.

Hydrogeological features. Salinity of groundwater varies from 1.2 to 3.74 g/l, they have low mineralization and are brackish, which allows to develop sub-irrigation due to shallow occurrence, which reduces water consumption for irrigation. The water has a quality sulfate composition with a high content of calcium and magnesium.

Groundwater in the project area lies at different depths, from 1 to 5 meters. The Fergana Valley belongs to the seismic zone with possibility of earthquake magnitude in 6-8 points on Richter scale.

Soil conditions. Soils in Namangan province are historically considered the most fertile in Uzbekistan, which, together with climatic conditions, is a condition that makes the project area an important agricultural area. Other contributing factors are regulated river flow and adequate natural drainage. Sierozems prevail: light sierozems - up to altitude of 700 - 850 m, ordinary and dark sierozems - at altitudes from 850 to 1200 - 1500 m, and chestnut and chernozem-like soils – at higher altitudes.

Surface water resources. The main waterway of Namangan province is the Syr Darya river, which is formed in the territory of the region by the confluence of the Naryn and Karadarya rivers. Podshaotasoy, Chortoksoy, Namangansoy, Kosonsoy, Novasoy, Chodaksoy, Govasoy and other flow to the river from the mountain slopes. To regulate the flow of the rivers, the Kasansay, Chartak, Eskier reservoirs were built. There are more than 15 lakes.

There are about 90 springs with cold water in the territory of the region, the most famous of which are the Imom Ota spring, located in the village of Parda Tursun, Kengulsoy spring, Chust in Chust town, and Abdullah Bur on the border of the village of Yangi-Kurgan.

Protected natural areas. There are two protected natural areas in the territory of Namangan region:

- i. Nature monument Ming-Bulak, formed in the territory of 1,000 hectares in 1991. The purpose of establishment is the preservation of desert ecosystems and the remains of Ak-Kum sands in the territory of Namangan region.
- ii. Natural monument Chust, established in the territory of about 96 hectares in 1994.

These protected areas were formed for the purpose of preservation of desert complexes and species of entomofauna.

Biological resources. There are 5 varieties of trees, 24 varieties of shrubs, 10 varieties of dwarf shrubs, 98 varieties of perennial plants and more than 160 varieties of annual and biennial plants growing in this territory.

There is also black and white saxaul, Richter saltwort, ammodendron, aristide, desert wild grapes, astragalus and other plant species.

4.2. Andijan province

Social and economic situation. The province is a large agro-industrial region of Uzbekistan, which borders the Kyrgyz Republic in the North-East and South, Fergana province of Uzbekistan in the West, and Namangan province in the North-West. The total area of the territory is 4,300 square kilometers. The province consists of 14 administrative districts and 3 cities. The administrative center is the city of Andijan (Figure 4). The territory of the city is 74.3 square km.

Representatives of more than 100 nationalities and ethnic groups live in the region. The majority of the population is Uzbek, with a large group of ethnic Russians and Kyrgyz.

The gross provinceproduct (GRP) of Andijan region amounted to 13,177.9 billion soums in 2018, showing an increase of 8.3%. Economic growth is due to positive growth rates in agriculture, forestry and fisheries – 100.4% (share in the structure of GRP – 27.9%), industry – 128.1% (27.7%), construction – 105.8% (6.4%), services – 104.1% (38.0%). GRP per capita amounted to 4,347.6 thousand soums and increased by 6.5%.

The priority sectors of the economy in the province are agriculture and such industries as the automotive industry, mechanical engineering, as well as the textile and clothing industries. One of the leading sectors of the economy is the production of consumer goods.

Small business and private entrepreneurship are also developing rapidly in the province. In Andijan province, there were about 28.5 thousand of registered enterprises, and 27.8 thousand of operating enterprises.

The total length of paved roads in the region is 8,200 km. There are 4 bus terminals and 8 bus stations. The length of the railway tracks in the region is 262 km. The network of railways and motor roads allows the transportation of export and import goods in the direction of China-Andijan-Tashkent.

There are 456 pre-school entities, 742 schools, 12 academic lyceums, 117 vocational colleges and 4 higher educational institutions in the region. There is developed library network, including 241 information and resource centers and 1 center of information and library services. Cultural and educational institutions include 149 clubs, 2 museums, 3 theaters, 27 music schools and art schools, 23 movie theaters and 24 parks of culture and recreation.

There are 86 outpatient clinics and rural medical centers, as well as 41 inpatient medical institutions in the region.



Figure 4: Andijan province

Climate. The climate of Andijan entities is sharply continental, with relatively mild winters and long hot summers. The main characteristic feature of the climate of the central part of the Fergana Valley is hot dry summers and especially cool and humid winters. According to many years of observation, the average temperature of the coldest month of the year, January,

is -3.40 C, and the hottest, July- + 26.80 C. The absolute maximum of positive temperatures reached 44.0C (in the shade), and the maximum of negative temperatures – 29.0C. The average annual temperature is 13.40 C.

The average annual total rainfall is 208mm. Most precipitation falls during the winter and spring months, which account for 89% of all precipitation. The minimum rainfall is in June, July, August and September. The largest amount of precipitation is in March - 33 mm.

The entities are characterized mainly by North and North-West winds. Severe dust storms causing wind erosion are commonly observed in April and May.

Hydrogeological features. Salinity of groundwater varies from 1.2 to 3.74 g/l, they have low mineralization and are brackish, which allows to develop sub-irrigation due to shallow occurrence, which reduces water consumption for irrigation. The water has a quality sulfate composition with a high content of calcium and magnesium.

Soil conditions. In the foothills and intermountain valleys of Andijan entities fresh light, typical and dark sierozems are developed with good drainage conditions of the upper terraces of river valleys, alluvial cones and pronounced loess terraces.

Surface water resources. The main source of surface water in these areas is the Syr Darya river. It is a typical mountain river with snow and glacial recharge, low runoff in April - May and high runoff from the end of June to the second half of August, and a wide range of flow during the day.

The main waterway of the region is the Karadarya river, which crosses the region from East to West, and the waters of which are used mainly for irrigation. There are 3 reservoirs and several lakes.

Andijan province is famous for its springs, the waters of which are very tasty and healthy. Thus, there are protected natural areas in the territory of the province, in particular, Balikchi district where such streams as Sarik Suv, Kul, Uch Bulok and Tuzlok Buvi are located. There are springs Kora Bosh Bulok, Olim Bulok, Kirk Bulok, Kambar Ota and Imom Ota in the settlements of Nayman, Buta Cori, Olim, Dustlik, Imom Ota. In total, there are 26 springs, mostly of ascending type, registered in the territory. There is approach road and power grid are carried out to all springs.

Biological resources. The main crop of the province is cotton. In addition to cotton, cereals, grapes, pomegranates, figs, persimmons, apricots, melons and pumpkins, as well as other varieties are grown in the region. Flora of the region is rich and diverse, a huge number of plant varieties, such as the asian poplar, tamarisk, chingil, reed, licorice, camel thorn, soranik etc. grows on the plains. Rare plants of flora of Uzbekistan, listed in the Red Book: *Tulipa ferganica* and *Allochrysa gypsophiloides* (in Uzbek: beh, etmak). The species composition of the fauna inhabiting the region is diverse. The area is the habitat of animals listed in the Red Book of the Republic of Uzbekistan, such as: *Luciobarbus capito* and other representatives of the fish world, Javanese cormorant, white stork, white-eyed diving-duck and many others.

Protected natural areas. Among the protected natural areas there are also areas falling into categories 3, 4 and 5 according to the classification of IUCN (International Union for Conservation of Nature and Natural Resources). According to the resolutions of the Cabinet of Ministers of the Republic of Uzbekistan No. 178 and 179 dated April 13, 2004, the following water conservation zones are identified in Andijan and Namangan regions of the Fergana Valley:

- Water conservation zones of the Karadarya river in Namangan and Andijan provinces;
- Water conservation zones of the Syr Darya river in Andijan province.

4.3. Fergana province

Social and economic situation. Fergana Valley is in the South-Western part of the vast mountain system of Tien Shan, glaciers and snow which feed the water of the river Naryn and Karadarya (Figure 5). The total area of the Ferghana province is 6,800 kilometers. The region consists of 15 administrative districts and 6 cities. The administrative center is the city of Fergana.

Representatives of more than 100 nationalities and ethnic groups live in the region. Most of the population is represented by Uzbeks, with a large group of ethnic Russians, Tajiks, Kyrgyz and Koreans.

The gross regional product (GRP) of Fergana province amounted to 14,345.2 billion soums in 2018. The growth rate of GRP is due to the growth rates of the region's economic sectors. In agriculture, forestry and fisheries, the growth rate was 104.5 % (share in the structure of GRP – 21.4%), industry – 106.6 % (26.9%), construction – 108.3 % (6.7%), services – 104.4 % (45.0%). GRP per capita reached 3,937

The priority sectors of the economy in the province are agriculture and such industries as textiles and clothing. One of the leading sectors of the economy is the production of consumer goods. Small business and private entrepreneurship are also developing rapidly in the region. In Fergana province, there were about 28.8 thousand of registered enterprises, and operating 28.4 thousand of operating enterprises.

The total length of paved roads in the region is 4,031 km. There is an airport, located in Fergana. The length of railways in the region is 228.6 km and there are 16 railway stations. The network of railways and motor roads allows the transportation of export and import goods in the direction of Kyrgyzstan, Tajikistan, Andijan, Namangan-Tashkent.

There are pre-school entities, schools, academic lyceums, vocational colleges and higher education institutions in the region. Cultural and educational institutions include museums, theaters, music schools and art schools, movie theaters and parks of culture and recreation.

There are outpatient clinics and rural medical centers, as well as inpatient medical institutions in the province.

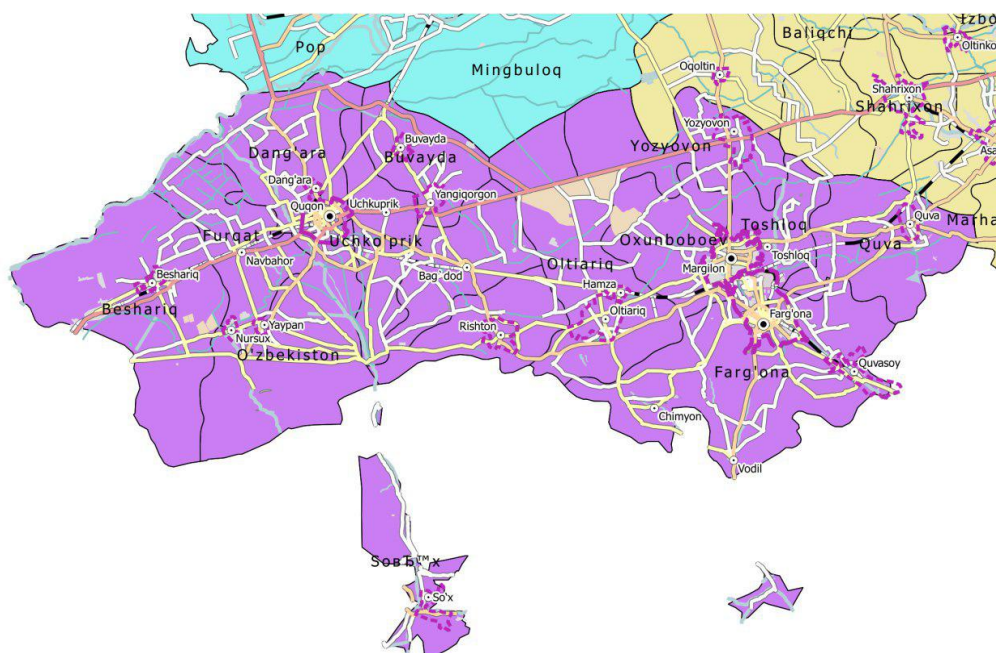


Figure 5: Fergana province

Climate. The climate of the Fergana province, as well as of entire Valley, is continental. Winter is mild, sometimes severe. January average temperature -3.2°C (Fergana), absolute minimum -25°C . Snow cover is short. On some winter days, the weather is warm. Summers are hot. July average temperature $+28^{\circ}\text{C}$, maximum $+42.4^{\circ}\text{C}$. The unfavorable side of the climatic conditions of the western part of the region are strong winds that occur in the neck of the Fergana Valley in the Leninabad area. In spring, these winds sometimes dry the surface layers of the soil, exposing the root system of young cotton and other plants. The force of the wind reaches 30 — 35 m per second. On average, there are 42 windy days in Fergana region. Sometimes there are strong dust storms. Usually the strong winds diminish with the advancement in the eastern part of the region. In July, hot dry wind garmsil often blows, especially in the western part. There is little precipitation in Fergana region. Its western and central parts are especially dry. The best conditions for moisture are in the eastern part, where precipitation for the year reaches 170 mm. In the foothills precipitation increases to 270 mm, with an absolute maximum — up to 447 mm. Most precipitation is in the spring. The vegetation period in the region is 210-220 days per a year, the sum of useful temperatures during the growing season— 4,300— 4,700 $^{\circ}\text{C}$. The climate of the region as a whole is milder than the climate of the neighboring Syrdarya and Tashkent oases, which are open to the northern winds. The closed position of the Fergana Valley determines the overall stability of the weather; sometimes a drop-in temperature does not exist even in the winter. The climatic conditions of Fergana region under the system of irrigated agriculture are favorable for the cultivation of cotton and other heat-loving crops.

Geological and hydrological features. The relief of the Fergana province is a plain, which rises from West to East from 360 to 500 m, as well as from North to South from Kokand — Margilan line towards the Alay ridge to 576 m near the city of Fergana and 700-1200 m — in the foothills. The northern part of Fergana province is occupied by Karakalpak and Yazyavan steppe lands of Central Fergana. It is covered with sands alternating with salt marshes. There are dunes to the south of the Tashkent - Andijan railway. The lands of the Central Fergana

(Karakalpak steppe) in the south are bordered by a strip of extensive cones of rivers flowing from the Alay range (Isfayramsay, Sokh, Isfara). Cones consist of sandy loam, loamy and clay deposits. The band of adyrs with a height of 1000-1200 m, dissected by deep river valleys limits the plain region in the south. The foothills of the Alay range cut by ravines and gorges are behind the strip of adyrs, there are longitudinal valleys between them. There are copper fields in Fergana region on the left bank of the Syr Darya, in the territory of Kirov district, oil (Chimion), sulfur (Shorsu), mineral springs (near Altyaryk). The region is rich in a variety of natural resources. There are large fields of quartz, gold, silver, aluminum, copper, iron, tungsten, uranium, molybdenum, granite, coal, marble, large reserves of oil and gas are explored.

Soil conditions. The formation of the soil potential of the valley was influenced by the formation of Quaternary sediments, with multiple changes in denudation processes, inset bed as a basis for drainage provoked the layered structure of the geomorphological structure, which imposed the creation of soil cover.

If we consider the map of the valley soil types, it is obvious that the bulk of the soil cover is directly in the floodplain of modern and ancient – meadow, meadow-marsh, meadow-sierozems soils; saline soils are confined to the periphery of the removal cones; high and foothill valleys, as well as the upper river terraces are characterized by different types of mountain soils, ranging from mountain sierozems to mountain forest black-brown and gravelly ones. A large area is sierozems and sierozem-brown soil. A special place is occupied by sandy-hilly soils of Central Fergana, which have clearly Aeolian origin.

Surface water resources. Fergana province has significant water reserves. Here flow Syr Darya and smaller rivers - Isfara, Sokh, Shakhimardansay and Isfayramsay, flowing down from the Alay ridge and not reaching the Syr Darya. The rivers are high-water, have regimes of runoff convenient for fields irrigation. The maximum water consumption falls on the summer months. The Naryn river gives rise to the Large Fergana, Southern Fergana, and also the Large Andijan canals, many other large irrigation main pipelines which pass through the territory of region. Although the bulk of the water falls on the Syr Darya, its moisture consumption from March to September is 47% of the annual flow. The Syr Darya riverbed is located significantly below the level of Fergana region, so that the withdrawal of irrigation canals from the river is extremely difficult. Therefore, in recent years, Frunze and Abdusamat pumping stations have been built on the coast of the Syr Darya, providing water to the fields of Frunze and other districts. All of these rivers except the Sokh, are of glacier-snow feeding with two peaks of flows. Sokh - is mainly of glacial feeding. The greatest amount of water these rivers carry during the melting of glaciers - in July and August. The large water flow is from March to September — 59% per year. In Fergana region, sierozems and meadow-marsh soils are dominated. Adyrs are predominantly occupied with light and typical sierozems. Alluvial meadow soils are on the terraces of the Syr Darya. They are characterized by a high content of mineral nutrients and have high natural fertility under irrigation. There are salt marshes.

Groundwater resources. The Fergana Valley is rich in groundwater resources, which has about 38.6% of the underground water resources of Uzbekistan. The total groundwater supply in the Fergana Valley is estimated at about 6,500 m³ per day, of which the highest is about 2,900 m³ per day in Fergana region, and about 1,900 and 1,700 m³ per day in Andijan and Namangan provinces. The formation of groundwater reserves is due to infiltration from rivers, canals, streams and irrigated fields. It seems that groundwater basins are mainly located in the peripheral zones of the northern and southern upper slopes of the valley, where

three project areas are also located, making these areas favorable in terms of groundwater supply. Wells are already being used for irrigation in these regions. However, due to lack of maintenance, many wells are currently in poor condition and are not in use. The use of groundwater as a means of increasing water supply from alternative water sources will be considered in the fight against water scarcity in the project areas.

Mirzayev (1974) identified three hydrogeological zones in the Fergana Valley: (1) groundwater of natural recharge and transit (Zone A); (2) springs (Zone B); and (3) groundwater dispersion (Zone C).

Zone A is the upper part of the removal cones of small rivers in the Valley. Rivers and canals feed underground waters, which lie deep in the Zone A. Aquifer deposits of Zone A are represented by deposits of pebble and gravel, forming favorable conditions for the occurrence of water. These highly permeable deposits are gradually replaced by loamy and sandy deposits of sandy loam on the periphery of the removal cones and belong to Zone C. Between these two zones is a narrow Zone B, where groundwater forms springs and flows into the drainage system (Fig.1). The transmittance factor from the aquifer increases from Zone C to Zone A, and ranges from 50 to 16,000m² per day. On the other hand, the level of groundwater and soil salinity increases from Zone A to Zone C. underground water intake, which was at a maximum level of 4.4 km³ in the early 1990s, fell to 2.7-2.8 km³ by 2005

Biological resources. Much of the land is occupied by cultivated vegetation, mainly cotton. In oases, the most common pyramidal poplar, here, elm, jida, willow, walnut, apricot, apple, pear, peach, pomegranate, fig, quince, cherry, grapes, plum, almonds. White acacia, tulip tree, maclura, ailanth and many others also grow. The animal world is diverse and rich. From mammals in the tugai of the Syr Darya there are wild boar, in the band of adyrs and foothills of the Alay range there are often a wolf, fox, badger, porcupine, in oases — eared hedgehog, bats. Among the birds the sparrows, rosy starling, doves, and especially turtle-doves, shura, swallows, quail, hoopoe, cuckoo, crow, nightingale and others are common here. In the foothills on the rocky scree, stone partridge (keklik) and larks. Eagles and vultures are frequent from birds of prey. Reptiles the ordinary turtle, many lizards, snakes; spiders — phalanges, scorpions, tarantula; fish — marinka, barbel, catfish, minor carps.

Protected natural areas

The territory of Fergana province was largely subjected to anthropogenic impact. Among the protected natural areas there are objects belonging to the III, IV, V categories of IUCN. According to resolutions No. 178 and 179 of the Cabinet of Ministers of Uzbekistan dated April 13, 2004, the following protected areas are in the Fergana Valley: Water conservation zones of the Syr Darya river in Andijan and Fergana areas.

5. POVERTY ASSESSMENT, SOCIAL AND GENDER ASPECTS

5.1 Social profile of the project area

The Fergana Valley is an intermountain basin, stretching 300 km in length and 170 km in width. In the north it is surrounded by high ridges of the Kuramin and Chatkal ranges, in the east - the Fergana and Atoynak ranges, and in the south by the Alay range. The flat part of the Fergana Valley is 22 thousand km². About 60% of this territory falls on Uzbekistan, 25% belongs to Tajikistan and 15% - to Kyrgyzstan.

Demography

Three provinces of Uzbekistan are located in the Ferghana Valley: Andijan, Fergana and Namangan provinces. It is the most densely populated region of Uzbekistan, where 28.5% of total population of the country lives, about 10 million people (Table 3), and the average population density here is about 500 people per km². The share of the urban population is slightly higher than the average for the Republic and amounts to 57.8%.

Table 3:Population of Uzbekistan and Ferghana Valley provinces as of Jan 1, 2018

Province	Total Population (in thousands)	Including			
		Urban population		Rural population	
		In '000	%	In '000	%
Andijan	3 050.5	1 595.4	52.3%	1 455.1	47.7%
Namangan	2 737.7	1 767.9	64.6%	969.8	35.4%
Ferghana	3 665.6	2 073.0	56.6%	1 592.6	43.4%
Uzbekistan	33 085.2	16 728.2	50.6%	16 357.0	49.4%

About 60% of the total population of the three provinces of the Fergana Valley is in working age, and 30% are young people under 16, the remaining 10% are residents of retirement age. The proportion of men and women is approximately the same 51.3% men and 48.7% women.

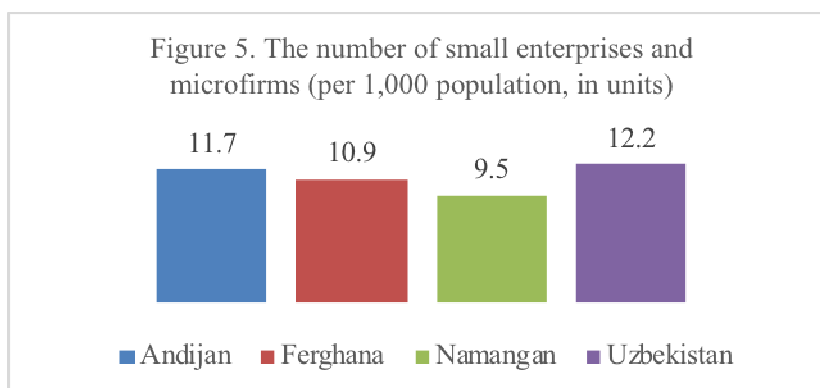
Economy

The share of industries in formation of Gross Domestic (Regional) Product is shown in Figure 4. As it is shown here the share of service industry varies from 40% to 46%, agriculture remains on the second place. In total three Fergana Valley provinces contributes to 16.7% of the total GDP of the country.



Figure 4: Structure of GDP by industries in Uzbekistan (in % by the results of 2017)

The number of small enterprises and microfirms on average in Uzbekistan is 12.2 per each 1,000 people as of January 1, 2018. This indicator in the provinces of Ferghana Valley is



even less than average in the country (Figure 5).

Employment and Migration

The average labor force in Uzbekistan as of January 1, 2018 was 18,672.5 thousand people, or 57.7% of the total population. In the labor force, the economically active population was 14,357.3 thousand people (76.9% of the total labor force), and the economically inactive population was 4,315.2 thousand people (23.1%). The economically active population of the regions of the Fergana Valley is 4,133.6 thousand people, or 29% of the total economically active population of the entire republic.

The number of unemployed, determined by the method of calculating the unemployed population in need of employment, approved by government decree of May 24, 2007 No. 106, averaged 5.8% of the economically active population.

Although the employment level of the economically active population according to official data shows quite good results - more than 90%, nevertheless, the majority in the Fergana Valley are employed in the agricultural sector (about 30%), and in other sectors where the service sector dominates (transportation, food, handicraft and so on). The proposed monthly average wage remains low (less than \$100 per month), and in the Ferghana Valley provinces it is even below the national average, as a result, many residents have to look for work outside of the FV and the country (Table 6).

Table 6: Migration of the Ferghana Valley population in 2017

	In-migration	Out-migration	Balance
Andijan	6 300	8 300	- 2 000
Namangan	4 200	5 700	- 1 500
Ferghana	13 200	15 300	- 2 100
Uzbekistan	157 100	177 700	- 20 600

The largest number of departures abroad from the Republic of Uzbekistan (in percent to the total number of departures abroad) is the number of departures to the Russian Federation (52.2%) and the Republic of Kazakhstan (42.0%).

Income

By the end of 2017, the total per capita income per annum in the Republic of Uzbekistan averaged 5.8 million UZS (real growth - 10.3%). At the same time, in the FV area, incomes are lower than the national average (Figure 6).



Figure 6: Annual average income per capita in Uzbekistan by regions
(in thousand UZS in 2017)

Summary

Ferghana Valley has a great potential for the economic development, it advantages by the:

- 1/3 of the economic active population of the country;
- Developed agriculture;
- Good Infrastructure and close location of its main cities;
- Potential for exporting of consumer goods to neighboring Kyrgyzstan and Tajikistan markets.

However, for many years, this region, due to many restrictions, could not develop properly and many people have to look for decent work abroad, leaving their homes. The number of medium and small businesses remains lower than on average in the country, twice less than existing labor power indicator.

Ferghana Valley Enterprise Development Project will help train many entrepreneurs, especially young people and women, to start private businesses in the region, which in turn will contribute to the increase in jobs with decent wages, as well as the total income of the population. It is also very important that medium and small businesses, in the first place, will open many jobs opportunities especially for women, whose share in the employment of many sectors remained low.

Along with other reforms carried out by the state over the past 2 years, this will give impetus to the economic development of the region and help solve one of the major social problems of the region - the mass labor migration of the economically active population.

5.2 Gender assessment of the project area

Legal context

GoU has been taking considerable efforts to support women through developing comprehensive targeted programs to facilitate employment among women by engaging in crafts, family and private entrepreneurship.

Since February 2018, the Women's Committee⁴ was reorganized to improve support providing to women. To cover all women, organization placed one specialist on women's affairs in each mahalla nationwide to support women willing to work, set up business and resolve family issues. Public Fund to support women and families was launched in March 2018⁵ under collaboration among Women's Committee, Youth Union and Business Women Association to assist women in organizing family and private entrepreneurship, craftsmanship, and gaining knowledge and skills in the professions in demand in the labor market.

Specific women-focused organization Business Women Association BWA ("Tadbirkor ayol") since 1991 supporting economic and social rights of women, their entrepreneurial and community initiatives, promote women's access to financial and information resources, improve the competitiveness of women's labor by retraining and improving their qualifications, legal support for women entrepreneurs. BWA has 14 regional and 62 district level offices nationwide and conducting various programs with national and international partners to facilitate women entrepreneurship.

Supporting women especially from low-income families to find a job or set up business is incorporated into various State Programs: "On employment assistance to population in 2018"⁶, "Microfinance support to small enterprises and low-income families"⁷, "Development of crafts and supporting craftsmen"⁸ and others. Women and youth supporting initiatives have been conducting by Youth Union, Council of farms, dehqan farms and household plots owners' Council, Ministry of Employment and Labor Relations and other key state and non-state agencies.

Evidence based barriers and constraints women face to enter/expand business

Women represent about 50 percent of the total population in Uzbekistan, many of whom live in rural areas and work in agriculture. Female employment has always formed an integral part of the labor force, especially in rural areas of Uzbekistan. Women have played an important role in sustaining the economy and contributing to family income through subsistence farming.

Diagnostic Study of Barriers for Strengthening Livelihoods of Low income rural woman in Uzbekistan conducted in 2016⁹ revealed that while agriculture remains the primary option for employment in rural areas, women's participation is mostly informal, unregulated, with low remuneration and part-time. Thus, households that rely solely on women's earnings—as is the case in female-headed households—tend to have lower household incomes. Many women who work on their family garden plots (*tomorkas*), on small farms, and in their households

⁴ President's Resolution No 5325, 02.02.2018 "About measures in the field of support of women's welfare and improvement of strengthening of activity of the family institute"

⁵ CM Resolution No 201, 14.03.2018 "On approval of the regulation on the specialist on working with women and strengthening spiritual and moral values in families"

⁶ President's Resolutions No 3506, 03.02.2018, No 3856, 14.07.2018. On Measures for implementation of the state program of assistance to employment of the population for 2018

⁷ CM Resolution No 655, 22.08.2017 "About additional measures for providing microfinance support to small entrepreneurs, financing projects considering creation of new working places and providing microfinance services for families with low income"

⁸ President's Resolution No 5242, 17.11.2017 "On measures for the further development of craftsmanship and comprehensive support of artisans", No 3393, 17.11.2017 "About measures for further improvement of the activity of the association "Khunarmand"

⁹ World Bank 2016, Diagnostic Study of Barriers for Strengthening Livelihoods of Low income rural woman in Uzbekistan

typically self-identify as unemployed and are considered as such by others.

28 focus group discussions and 44 interviews conducted among 296 people in Jizzakh, Kashkadarya, Namangan, and Karakalpakstan regions confirmed that women in rural areas have limited opportunities for fulltime nonfarm employment. Options for formal full-time employment are mostly limited to state-based organizations; there are few opportunities to work full-time in the private sector. In the rural areas sampled, of those employed in state organizations, 40 to 70 percent of these employees are women, such as schools, clinics, colleges, and mahallaoffices. Nonfarm income-generating activities for rural women include baking, cooking, sewing, tailoring, beauty salon work, hairdressing, work in retail stores, dairy production, fruit and vegetable processing, carpet making, copying and printing documents, craft activities,

Women's domestic responsibilities are a major constraint to employment opportunities. Women perform most of the domestic duties in Uzbek rural households. Many female Focus Group Discussion (FGD) respondents reported spending three to six hours per day collecting water, preparing and cooking food, baking bread, cleaning, managing indoor heating, working in *tomorkas*, and caring for children and the elderly. Duties vary seasonally, with more time and effort spent in *tomorkas* and collecting water during the summer, and more spent on indoor heating and cooking in winter. With regard to age and position within a household, younger women (*kelin*) tend to bear the greatest burden of domestic chores, while some other women may have more opportunities to engage in income-generating activities.

Barriers to rural women's entrepreneurship and employment are evident and range from household responsibilities to capacity and access limitations. Barriers reported in qualitative fieldwork included, but were not limited to

- (1) expectations to shoulder the burden of household responsibilities;
- (2) the need to manage household affairs while men migrate for labor;
- (3) capacity and skill deficiencies (particularly where educational opportunities are not promoted for women); and
- (4) lack of access to financial resources.

The World Bank-financed projects Horticulture Development Project (HDP) and Livestock Sector Development Project (LSDP)¹⁰ support value chain development through measures to strengthen market information, quality and food safety systems in the country, technical assistance to the government on improving the policy environment for the horticulture and livestock sectors. They also support these efforts by providing a line of credit to increase access to finance by farmers and private sector entrepreneurs to undertake the needed investments to improve their competitiveness.

Both projects recognize gender issues and strive to engage women in its components through the facilitation of loan applications and through participation in training workshops. Under two projects **Gender-focused value chain analysis in Uzbekistan: rapid assessment of selected value chains – women focus**¹¹ was conducted in March-July 2018 to develop a better understanding of current position of women in selected value chains, constraints and opportunities for upgrading in selected value chains.

10 Livestock Sector Development Project (P153613), Horticulture Development Project (P164226)

¹¹World Bank 2018, Gender-focused value chain analysis in Uzbekistan: rapid assessment of selected value chains – women focus

Nine focus group discussions and 56 interviews were conducted with end buyers and women producers in Ferghana, Kashkadarya and Jizzakh regions in order to identify the most efficient products for women. The eleven products and related value chains were chosen based on recent research of the German Agency for International Cooperation (GIZ)¹² and preliminary findings of Center for peace, security and development studies (CPSD)¹³ on markets for the diversification of agricultural exports from Central Asia. Those international competitive products were complemented by products perceived most suitable from women and stakeholder perspective. The chosen products included fruit and vegetable products (grapes, pomegranates, apricots, sweet cherries, nuts, beans, tomatoes) and livestock products (milk and dairy products, meat, wool, and honey).

The findings from the FGD and interviews confirmed that women are currently mainly engaged in the early stages of value chains, e.g., cultivation, harvesting, and post-harvesting activities. Women are mainly working with intermediaries and without contracts. Also, at the input side only few women are active in nurseries business, they do have problems with access to funds for forage. Many of the highest value activities, like trade, transport, marketing is typically the domain of men. At the same time, the study shows that women have relatively better position in milk and honey sector, both driven by domestic market growth and where women have access to land and are capable to meet quality and quantity standards. Importantly, as stated by men, representatives of dairy enterprises, “women are very accurate and responsible, and, thus, are interested in women’s cooperation for production of milk and cooperatives for production of dairy products”

Study shows that among the major constraints influencing the ability of women to upgrade their position in value chains are:

- ***Two value chains for the same product are operating in parallel***, one for local and one for high end, e.g. supermarkets, foreign processors, export. Export-driven value chains are more organized; they are characterized by substantially different technologies (cold chain, drying, UHT, etc.), food safety procedures, and standards (HACCP, GAP, GMP) which are required by end buyers. Many of them hard to match by women due to lack of knowledge about these standards and complicated verification procedures.
- ***Women are not aware of the mechanism and benefits of networks and cooperation.*** According to research results, women perceive the idea of cooperation positively, but they require information about the terms and features of working in cooperatives.
- ***Lack of knowledge in production process and skills*** in maintenance of agricultural equipment have a negative impact on products’ quality and impedes the development of the farm. Most respondents confirmed that the educational level of women is lower than of men. Also exporting products is more difficult for women entrepreneurs since there are many restrictions on access to foreign markets for women farmers resulting from the knowledge gap. Lack of knowledge about logistics or of the requirements of foreign consumers make a woman farmer uncompetitive. Women are forced to sell their goods to dealers at lower prices.
- The main obstacles for entering high end markets are ***lack of certificates and lack of attractive packing and promotion.*** Interviews with women already involved in

¹² Details on the research are provided in GIZ Analysis of Priority Markets for diversification of export of products from Central Asia, 2017

¹³ CPSD Preliminary Findings, 2018

exporting indicate that internationally recognized and accredited testing laboratories that follow international standards are missing. In general, the testing and certification infrastructure for agricultural products is weak.

- Women **are poorly skilled in obtaining financial assistance**. They do not have information about the availability of loans. More often than men, women have issues in obtaining credits since they do not have collateral to provide to the bank. Property (houses, apartments, vehicles) are mostly used as collateral to get a loan from bank. All of these listed types of properties are usually registered to men, not women. In addition, property used as collateral usually should have a cost higher than the amount of loan. Without collateral, banks are not willing to provide any credit. Women are trying to deal with this issue by managing with their own funds or funds borrowed from their relatives or their spouse which might not be enough for upscaling.

Recommendations to be incorporated into Ferghana Valley Enterprises Development Project

1. ***Developing women-focused financial products*** (low % loans to individual and group entrepreneurs; grants to projects targeting improving livelihood of village or facilitating employment of women and youth from low income families)
2. ***Targeted and tailored capacity building program*** based on needs assessments among rural women (focus on networking and cooperating among women, marketing, certification, ICT etc.)
3. ***Developing online platforms facilitating trade*** among women-entrepreneurs in three regions of Ferghana Valley, with other regions and countries (could be linked to women supporting organization)
4. Collaboration with WB financed infrastructure projects in regions ***to improve access to drinking water, gas, electricity*** in mahallas and facilitate women to invest to renewable energy sources
5. ***Knowledge share models*** among best and least developed women businesses to facilitate mentorship among women; supporting ***study tours*** for women leaders to learn best international practices in priority sectors for district.
6. Supporting women ***investing in kindergartens, libraries, sport clubs, language courses*** that will provide opportunities for other women to work and self-learning.

6. OPPORTUNITIES AND CONDITIONS FOR PARTICIPATION OF INTERESTED PARTIES IN THE DEVELOPMENT PROCESS

6.1. Citizen Engagement

Issues of citizen engagement in decision-making and project implementation processes are given special attention in the Republic of Uzbekistan. Thus, according to the Law of the Republic of Uzbekistan "On the Ecological Expertise" citizens can conduct an independent public environmental examination. Although the conclusion of the public environmental examination has a recommendatory character, the conclusions of such examination shall be considered when preparing the Conclusion of the State Environmental Examination. In addition, the Law of the Republic of Uzbekistan "On Environmental Control" specifies the right of public organizations to carry out environmental control, take an active part in the development of relevant regulatory documents, monitor the with legislation in the field of environmental protection and rational use of natural resources by legal entities and individuals.

The government is keen to improve its responsiveness and adopt mechanisms which help tackle gaps in service delivery. The recent Decree of the President on measures to improve the efficiency of preparation and implementation of projects with the participation of international financial institutions and foreign governmental financial organizations (No. 3857 dated July 2018), during the implementation of investment projects with the involvement of funds of such organizations, the procedure of land acquisition and resettlement shall be carried out in accordance with the operational policy of international financial institutions on the basis of established agreements. This means active engagement of the public in the procedure of development and implementation of project documents, in particular on environmental and social assessment.

In addition, the "Law on Social Partnerships" provides a framework for cooperation between state bodies and local self-government institutions, such as the mahalla, through the establishment of state funds and public commissions at the local level, and the "Law on the Openness of State Bodies Activities" requires greater transparency and accessibility of information on government actions. Therefore, based on the above-mentioned decrees and laws, within the framework of this project, citizen participation mechanisms can be implemented in accordance with the legislation of Uzbekistan to enhance public participation in the project planning, implementation and monitoring stages.

6.2. Definitions

According to the Strategic Framework for Mainstreaming Citizen Engagement in World Bank Group Operations following definitions are used in Citizen Engagement:

Citizens are understood as the ultimate client of government, development institutions', and private sector interventions in a country. Citizens can act as individuals or organize themselves in associations and groups such as community-based groups, women's groups, or indigenous peoples' groups. Makhalla can represent citizens and can include organizations outside the public or for-profit sector, such as nongovernmental organizations (NGOs), charitable organizations, faith-based organizations, foundations, academia, associations, policy development and research institutes, trade unions, and social movements.

Beneficiaries are defined as a subset of citizens directly targeted by and expected to benefit from the World Bank project and CE mechanisms will help to establish two-way interaction with them.

Citizen engagement is defined as the two-way interaction between citizens and governments or the private sector within the scope of WBG interventions—policy dialogue, programs, projects, and advisory services and analytics—that gives citizens a stake in decision-making with the objective of improving the intermediate and final development outcomes of the intervention.

6.3. Proposed citizen engagement mechanisms

The spectrum of citizen engagement includes consultation; collaboration/participation; and empowerment. Access to information is a necessary enabling condition; it is not a substitute for successful citizen engagement in WBG development interventions, as it typically implies a one-way interaction. Information and awareness raising activities therefore do not meet the definition of citizen engagement.

Citizen engagement will be regulated by Project Management Unit. Apart from consultations and meeting at local levels, ICT platforms will be actively used to collect opinions, feedbacks and recommendations given by citizens and stakeholders. This will be done through application of multiple uptake channels such as mail, e-mail, telephone, project web- site. Nowadays the citizens are active in using mobile internets and therefore, project will open special groups in Telegram app and in Facebook. To establish systemized CE, PIU established close contact with representatives of Makhallas and local NGOs. Also, websites and information platforms of other project participants - Chamber of Commerce, Youth Union, Women's Committee, etc. - will be actively used for dissemination of information about the project and interaction with the population.

On the website of the Executive Agency - the Rural Restructuring Agency (RRA) there is a page where any citizen of the Republic will be able to leave his feedback, suggestions, questions on projects implemented by the Agency. For its part, RRA publishes not only general information about each project, but also planned activities, that allows citizens to receive timely information about projects, leave a message on any issue. In addition, the "hot line" telephone number calling by which any citizen can speak is published on the website.

In frame of FVEDP following citizen engagement mechanisms are proposed:

- **Consultations.** Public consultations will be organized during the feasibility study period of each subproject. The objectives of consultations are to share proposed activities of the project and get the comments, ideas, and recommendations from citizens at respective project areas towards improvement of policies and programs within the project.
- **Focus Group Discussions.** Focus groups are composed of a small number of stakeholders to discuss project impacts and concerns and consult in an informal setting. They are designed to gauge the response to the project's proposed actions and to gain a detailed understanding of stakeholders' perspectives, values, and concerns.
- **Grievance Redress** is a system by which queries or clarifications about the project given by citizens at each subproject areas are responded to, problems with implementation are resolved, and complaints and grievances are addressed efficiently and effectively.
- **Participatory planning** convenes a broad base of key stakeholders and citizens, on an iterative basis, in order to generate a diagnosis of the existing situation and develop appropriate strategies to solve jointly identified problem.
- **Citizen Satisfaction surveys** provide a quantitative assessment of each subproject performance and service delivery based on citizens' experience. The surveys collect data on new water supply, sewerage, lightening services and other physical works set in each subproject.
- **Participatory Monitoring and Evaluation** is a process through citizens and stakeholders at various levels engage in taking or identifying corrective actions in monitoring or evaluation process through their feedbacks, recommendations and opinions.

6.4. Public Displays of Information

Information about project activities or services will be announced in public areas, such as on billboards or in government offices, schools, health centers, community centers, project sites, and other places where communities receive services or discuss government affairs.

During implementation, citizens of the project areas will be informed about their rights and options through citizen engagement forums during the public consultations organized during the feasibility studies at each subproject areas. The grievance mechanism will continue to operate, and all grievances will be recorded. A dynamic participatory approach involves citizens in decision making about livelihood and community development programs.

At the final stage based on surveys, opinions, recommendations and actions taken a Citizen Engagement Report will be developed. This report will be disclosed by posting in a project website, city governorate website, telegram groups and will be sent directly to representatives of makhallas and NGOs.

6.5. Gender aspects in social assessment

Separate attention to the needs of women is required in interventions to strengthen citizen engagement. To ensure that all citizens have equal opportunities to have their voices heard, each citizen engagement intervention should take into consideration the specific constraints faced by women, such as lack of awareness about legal rights, mobility, family care responsibilities, social and cultural norms, power imbalances in communities, etc. This would be achieved through developing project-specific gender action plan, based on targeted social assessments.

For mobilization measures to facilitate women's participation in project activities; first of all the need assessment should be done for each community to understand their needs, only after that the mechanisms should be developed both for consultation of different groups (women, youth, the poor, the disabled, and the elderly), and ensure the extension of equal opportunities to male and female community members to participate in project activities and benefit from skill development, employment, and/or other opportunities. For motivation of women to participate in the project-related activities only the consultation and provision of information will not be enough, as in the regional communities' women are not encouraged to participate in the activities which are mainly considered as "male", so other mechanisms also should be developed during the next stages and applied in cooperation with communities and also with the Contractor.

Project foresees establishing business incubator dedicated for women –entrepreneurs. Involving women through various citizen engagements mechanisms will help to develop efficient business incubator meeting needs of rural women in area of business promotion. Engaging with women can be structured by phases: at initial stage, public consultations with rural women of different age in mahallas will push women to voice up the key challenges they face in entering business. It should be followed up by needs assessment and their prioritization to have tailored action plan based on revealed findings. Effective project-level gender-specific Grievance Redress Mechanism (GRM) should be set up to receive feedback from citizens on impact from project. Customer/community satisfaction cards could be the best solution to have regular feedback from citizens, specifically from women, to check whether project helps to improve livelihoods and quality of life in rural areas. Young female students of colleges and schools could be facilitated through capacity building programs and citizen engagement models to raise their awareness of project and support them to enter business.

6.6.Consultation with Project Affected Persons

To ensure effective engagement of citizens and ensure the interests of the affected persons are fully included in the process, the consultant will engage in meaningful consultations with the affected persons, representatives of any affected group, any interested groups or stakeholders and the various administrative and government departments affected by the project. More detailed information on the requirements for public consultation is provided in Section 9.

7. ENVIRONMENTAL AND SOCIAL IMPACTS OF PROPOSED SUB-PROJECTS

The environmental and social impact assessment concluded that the Project will generate mainly positive socio-economic benefits through the establishment and growth of micro and small enterprises and the support of the required infrastructure. However, certain types of activities that will be financed under the project may result in several adverse environmental impacts, both during the construction stage and during the operation of the financed sub-projects. These impacts will be related to waste generation, noise, dust and air pollution, impacts from possible pesticide use, health and safety risks, etc. It is expected that they all be typical of small-scale construction/rehabilitation work, temporary in nature and site-specific, and they can be easily mitigated by applying the best construction methods and appropriate mitigation measures.

The impacts expected during the operation of the facilities will need to be mitigated by using activities identified in the national environmental documents and the relevant WB Guidelines on Environment, Health and Safety.

Sub-projects that could result in temporary and/or permanent involuntary land acquisition, land use restrictions, economic activities, or access to resources because of involuntary resettlement, will be not financed under the Project. Any land acquisition must be done under a willing buyer – willing seller arrangement or acquiring unused government land. All investments in productive activities through cluster development and credit lines will be screened in the credit appraisal and cluster sub-project evaluation process to identify any impacts to categorize the project. Only Category B subprojects (environment) will be financed by the Project. As a result, World Bank Operational Policy OP 4.12 on Involuntary Resettlement is not triggered but social issues will continue to be assessed through the given ESMF and will be monitored during project preparation and implementation.

A summary of potential environmental and social risks and impacts during the implementation of sub-projects that will potentially be included in the program, along with overall mitigation measures, is presented in the Table 7 below. The proposed measures can be used for ESMP development for individual sub-projects. The presented list in the Table 7 represents an indicative list types/sectors of subprojects to be supported by the project, - all other types of subprojects that might be financed under the project must be assessed in terms of their potential impacts and necessary mitigation measures in compliance with those specified in the WG Guidelines on Environment, Health and Safety (see: https://www.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/Sustainability-At-IFC/Policies-Standards/EHS-Guidelines/).

As only those sub-projects that do not require land acquisition or involuntary physical relocation will be included in the financing within the framework of this project, all sub-project activities will be carried out in the territory of existing facilities, that minimizes the impact on flora and fauna during the construction stage.

Herewith, for the construction of some facilities, there may be an option when it is necessary to dismantle part or all existing building or structure, which will significantly increase the volume of waste, dust and noise.

For sub-projects related to the modernization of existing production, namely, the purchase of new equipment or the expansion of production by increasing capacity, the main impact on the environment is expected during the operation phase, in the form of increased waste generation and wastewater. In these cases, no construction / rehabilitation work is foreseen. However, in the case of modernization by replacing existing old equipment, it is most probably that emission reductions and waste generation will occur due to the use of modern equipment.

Table 7: Potential project environmental risks and impacts

No	PROPOSED TYPES OF SUBPROJECTS	EXPECTED ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS	MEASURES TO PREVENT/MITIGATE NEGATIVE IMPACTS
1a	Craftsmanship (construction stage) – construction / extension: <ul style="list-style-type: none"> of small shops for the production of furniture; small shops for the production of ceramic products; 	<ul style="list-style-type: none"> Waste generation Dust pollution Noise pollution and vibration Increased traffic Blocked access Accidents at construction site Land use 	<ul style="list-style-type: none"> ✓ Separation of waste into recyclable and non-recyclable; ✓ Recyclable waste shall be passed out / sold to relevant organizations; ✓ Non-recyclable waste shall be disposed at municipal landfills; ✓ Avoid the waste storage outside the territory of the facility; ✓ Ensure timely disposal of all waste from the site under construction (within 1 day). ✓ Apply watering of construction sites and roads within settlements in the dry season; ✓ Cover the transported bulk material; ✓ Limit the speed of vehicles when driving inside settlements - no more than 40 km/h; ✓ In cases where the construction/rehabilitation work leading to the generation of significant dust emissions, which can create inconvenience to the population – use a dust shield. ✓ Construction work that produces noise shall only be carried out from 7:00 to 19:00; ✓ Speed limit of vehicles within settlements ✓ Contractor will ensure an alternative road bypassing the construction site, if any ✓ Contractor will organize the works in a way not to block access to the residences, income generated assets and public facilities. ✓ The Contractor will consider some mitigation measures to avoid or reduce safety risks, particularly, ensure, that they use personal protective gear, workers receive safety training, workers operating large equipment are properly trained, that construction equipment is properly licensed and inspected, first aid medical kit and fire-fighting equipment is on site, active work sites are fenced ✓ Implementer of the subproject should have rights to the land plot (ownership, leasholding), otherwise the subproject will not be financed.

No	PROPOSED TYPES OF SUBPROJECTS	EXPECTED ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS	MEASURES TO PREVENT/MITIGATE NEGATIVE IMPACTS
		<ul style="list-style-type: none"> • Unequal opportunities for vulnerable groups of workers • Labor influx, forced and child labor • Damage of existing underground infrastructure, such as electric and communication cables, water and sewage systems and other linear communication. 	<ul style="list-style-type: none"> ✓ Promote the fair treatment, nondiscrimination, and equal opportunity of workers. ✓ Prepare a code of conduct that must be followed by labor force with regards to work site and surrounding community. ✓ Prohibit forced labor, target to local workers where possible, and prohibit child labor. In case of lack of local skilled workers, the ESMP shall be developed to mitigate adverse social impacts due to labor influx. ✓ Use utility survey map to identify existing underground facilities along the corridor before excavation works to prevent damage and disruption of services
1b	Craftsmanship (functioning): <ul style="list-style-type: none"> ▪ The functioning of small shops for the production of furniture; ▪ The functioning of small shops for the production of ceramic products 	<ul style="list-style-type: none"> • Surface /ground water pollution • Air pollution with wood dust, chemicals (solvent vapors, varnish, etc. - mainly for furniture shops) 	<ul style="list-style-type: none"> ✓ Approval of environmental standards for water in accordance with the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 949 dated November 22, 2018¹⁴ ✓ Prevention of discharge of waste water into the sewerage, open reservoirs or on a land configuration not conforming to the established Rules of discharge into the sewerage¹⁵ and on a land configuration¹⁶. ✓ Timely compensation payments for discharges into sewer networks; ✓ Ensuring the compliance of emissions from workshops into the air with national requirements¹⁷

¹⁴ Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 949 dated November 22, 2018 "On the Approval of the Regulations On the State Environmental Expertise"

¹⁵ Rules of reception of industrial waste water and the procedure for compensation payments calculation for excess discharges of pollutants into municipal sewer networks of cities and other settlements of the Republic of Uzbekistan (Annex 1 to the RCM No.11 dated 2010)

¹⁶ SanR&N of RUz No. 0172-06. Hygienic requirements for the protection of surface water in the territory of the Republic of Uzbekistan

No	PROPOSED TYPES OF SUBPROJECTS	EXPECTED ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS	MEASURES TO PREVENT/MITIGATE NEGATIVE IMPACTS
		<ul style="list-style-type: none"> Noise pollution (mainly for furniture shops) Waste generation Safety precautions for workers 	<ul style="list-style-type: none"> ✓ The noise level in the territory of surrounding accommodation shall not exceed 55 dB during the day and 45 dB at night. If standards are exceeded, use additional noise reduction measures: double-glazed windows in workshops, acoustically-treated coating, or acoustic shield; ✓ The noise level for workers in the workplace shall not exceed 70 dB. In case of excess - use Personal Protective Equipment (PPE) ✓ Separation of waste into recyclable and non-recyclable; ✓ Sale of recyclable waste to the relevant organizations (paper, plastic, ferrous and nonferrous scrap, mercury lamps); ✓ Timely disposal of non-recyclable waste at municipal landfills; ✓ Avoidance of waste storage outside the shop territory ✓ Ensuring the work performance in accordance with the Labor Code of the Republic of Uzbekistan (1998), Orders of the Minister of Labor "On the approval of Rules of labor protection for workers of the enterprises of national art crafts and souvenirs production" (No. 204-B dated 2010), the Rules of labor protection for workers of furniture production (No. 62/1-B dated 2009) and the General Guidance of the IFC on the Occupational Safety and Health (2007)
1c	Craftsmanship – New equipment procurement	<ul style="list-style-type: none"> Packaging materials waste 	<ul style="list-style-type: none"> ✓ Separation of waste into recyclable and non-recyclable; ✓ Recyclable waste shall be passed out / sold to relevant organizations, non-recyclable waste shall be disposed at municipal landfill;
2a	Livestock/poultry production <ul style="list-style-type: none"> Construction of new / extension of existing farms, poultry farms 	<ul style="list-style-type: none"> Dust generation Noise pollution Waste generation 	<ul style="list-style-type: none"> ✓ The same as for subproject No. 1 (dust generation) ✓ The same as for subproject No. 1 (noise pollution) ✓ The same as for subproject No. 1 (waste generation)

¹⁷ SanR&N of RUz No. 0293-11. Hygienic standards, the list of maximum allowable concentrations (MAC) of pollutants in the air of populated areas in the territory of the Republic of Uzbekistan

No	PROPOSED TYPES OF SUBPROJECTS	EXPECTED ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS	MEASURES TO PREVENT/MITIGATE NEGATIVE IMPACTS
		<ul style="list-style-type: none"> Noise pollution and vibration Increased traffic Blocked access Accidents at construction site Land use Unequal opportunities for vulnerable groups of workers Labor influx, forced and child labor Damage of existing underground infrastructure, such as electric and communication cables, water and sewage systems and other linear communication. 	<ul style="list-style-type: none"> ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1
2b	Livestock - Growing	<ul style="list-style-type: none"> Increased load on pastures and, consequently, soil degradation as a result of increased grazing; Organic waste generation/increase; 	<ul style="list-style-type: none"> ✓ Maximum use of livestock housing¹⁸; ✓ Ensuring the livestock grazing on pastures taking into consideration the potential of pastures (0.3 c.u. of livestock per 1 ha on degraded lands and 1.5 c.u. on good pastures); ✓ Use of livestock housing; ✓ Minimize the livestock grazing in early spring and late autumn; ✓ Use trails for livestock to minimize soil trampling and gashes formation ✓ Ensuring the manure storage in accordance with international regulations (Food and Agriculture Organization (FAO)) to provide the required land area for manure storage; ✓ Feed chopping to increase the efficiency of their digestion by animals, which in turn will reduce the amount of feed required and the formation of manure;

¹⁸ Taking into consideration the high population density in the project area (Ferghana Valley) and the development of available land, livestock housing is the most likely. Nevertheless, in some foothills areas of the project area it is possible to graze cattle on pastures

No	PROPOSED TYPES OF SUBPROJECTS	EXPECTED ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS	MEASURES TO PREVENT/MITIGATE NEGATIVE IMPACTS
		<ul style="list-style-type: none"> • Pollution of surface and underground water; • Atmospheric pollution, including harmful substances, odor and greenhouse gases; 	<ul style="list-style-type: none"> ✓ The use of manure as fertilizer for fields after testing for harmful substances (heavy metals), taking into consideration the standards and the season of application (usually before the beginning of the season of plant growth); ✓ Increasing the efficiency of storage, transloading and use of feed to minimize losses and waste generation; ✓ Maintaining the feeding system in good working condition to prevent spilling and getting of feed on the ground; ✓ Provision of structures for manure storage, preventing leakage into surface and underground water (concreting of bottom and walls, installation of double valves); ✓ Reduced use of water for cleaning (use of high pressure nozzles with low flow rate); ✓ Reduction of water consumption and spills during watering of animals by preventing spills and the use of automated watering devices; ✓ Arrangement of waste water treatment into water bodies and sewerage in accordance with the Rules of discharge into the sewerage¹⁹ and on a land configuration²⁰. ✓ Ensure the compliance with SPZ for livestock farms, animal farms, breeding nurseries and poultry farms in accordance with national regulations²¹; ✓ Consideration of the possibility of manure composting to reduce odor; ✓ Introduction of balanced nutrition (IFC and FAO recommendations); ✓ Minimizing the surface area of manure during storage; ✓ Cooling of manure surface (optimum 15°C) and humidity to reduce emissions into the atmosphere; ✓ Introduction of special chemicals for ammonia emissions reduction (IFC and FAO recommendations); ✓ Installation of dust collection systems during dust-creating operations (feed

¹⁹ Rules of reception of industrial waste water and the procedure for compensation payments calculation for excess discharges of pollutants into municipal sewer networks of cities and other settlements of the Republic of Uzbekistan (Annex 1 to the RCM No.11 dated 2010)

²⁰ SanR&N of RUz No. 0172-06. Hygienic requirements for the protection of surface water in the territory of the Republic of Uzbekistan

²¹ SanR&N No.0350-17 Sanitary rules and regulations for the protection of atmospheric air of populated areas of the Republic of Uzbekistan (section 6.3, up to 100 head – 100 meters, for breeding species in accordance with table 6.3.1)

No	PROPOSED TYPES OF SUBPROJECTS	EXPECTED ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS	MEASURES TO PREVENT/MITIGATE NEGATIVE IMPACTS
		<ul style="list-style-type: none"> • Handling of hazardous materials (antibiotics, hormones, disinfectants) • Animal diseases • Impact on workers and population of the surrounding territories 	<ul style="list-style-type: none"> ✓ grinding) and general measures to reduce dust (water spraying on access roads); correction of animal nutrition as recommended in the General Guidelines for Livestock Production (2007) ✓ Perform loading and unloading operations, storage and transportation of hazardous materials in accordance with the IFC's General EHS Guidelines; ✓ Minimize the use of hazardous materials using integrated pest and predator control strategy (IFC's Guidelines "Livestock production", 2007); ✓ Use advanced pest control practices (IFC's Guidelines "Livestock production", 2007) ✓ To carry out prevention measures, diagnostics of animals and required measures in accordance with the Law of the Republic of Uzbekistan "On Veterinary Medicine" (2015) and the IFC's Guidelines on "Occupational Safety and Health for Livestock" (section 1.1, "Animal Diseases") ✓ Ensuring the performance of work in accordance with the "Labor Code of the Republic of Uzbekistan" (1998), "Rules of labor protection in the service of cows and stud bulls" and the IFC's Guidelines on "Occupational Safety and Health for Livestock" (2007), (Section 1.2 and 1.3)
2c	Livestock - meat processing	<ul style="list-style-type: none"> • Solid waste and by-products; 	<ul style="list-style-type: none"> ✓ Separation of high-risk materials (HRM) from carcasses before processing of the latter into commercial by-products²²; ✓ Disposal of HRM in accordance with the national procedure or IFC Guidelines (specialized high-temperature furnaces)²³; ✓ The use of recyclable solid waste for subsequent use in the manufacture of clothing, feed for animal, but another kind; ✓ Disposal of unused solid waste in specialized high-temperature furnaces or biogas units ✓ Storage of sick and dead animals, their utilization shall be made in strict accordance with the Law of the Republic of Uzbekistan "On Veterinary Medicine" (2015) and the IFC's Guidelines on "Occupational Safety and Health for Livestock Production" (section 1.1 "Environmental Protection. Recyclable

²² The definition of HRM is presented in the IFC's Guidelines on "Occupational Safety and Health for Livestock", section 1.1 "Environmental Protection"

²³ Guidelines for the environment, health and safety protection. Poultry. IFC, 2007

No	PROPOSED TYPES OF SUBPROJECTS	EXPECTED ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS	MEASURES TO PREVENT/MITIGATE NEGATIVE IMPACTS
		<ul style="list-style-type: none"> • Waste water; • Air emissions (odor, dust); • Resource consumption • Impact on workers (EHS) • Impact on population (EHS) 	<p>Solid Livestock Waste"</p> <ul style="list-style-type: none"> ✓ Ensure the rational use of water in the production process in accordance with the IFC's General EHS Guideline (2007); ✓ Ensure the collection and treatment of waste water in accordance with national requirements and the IFC's Guidelines on "Occupational Safety and Health for Livestock Production" (section 1.1 "Environmental Protection. Waste Water") ✓ Ensuring the location of meat processing enterprises in accordance with SanR&N of RUz No. 0350-17 "Sanitary rules and regulations for the protection of atmospheric air", section 6.1.8; ✓ Use of the recommendations on odor and dust reducing given in the IFC's Guidelines on "Occupational Safety and Health for Livestock Production" (section 1.1 "Environmental Protection. Air Emissions") ✓ Improvement of the energy efficiency of livestock enterprises in accordance with the IFC's Guidelines on "Occupational Safety and Health for Livestock Production" (section 1.1 "Environmental Protection. Energy Consumption") ✓ Ensuring the performance of work in accordance with the "Labor Code of the Republic of Uzbekistan" (1998), "Rules of labor protection in the service of cows and stud bulls" and the IFC's Guidelines on "Occupational Safety and Health for Livestock Production" (2007), (Section 1.2 and 1.3) ✓ Use veterinary medicines only in accordance with the Law of the Republic of Uzbekistan "On Veterinary Medicine" (article 22) and the IFC's Guidelines on "Occupational Safety and Health for Livestock Production" (section 1.3 "Health and Safety of the Local Population");
2d	Poultry - growing	<ul style="list-style-type: none"> • Feed waste generation, animal waste, bird carcasses, sludge treatment facilities residual, etc.; • Waste water generation; 	<ul style="list-style-type: none"> ✓ The same as for livestock (paragraph 2b) ✓ Minimize waste water generation as recommended in the IFC Guidelines (section 1.1 Waste water) by pre-disposal of solid organic waste, use of steam instead of boiling water; ✓ Minimize the loss of steam and water in the scalding and reuse for the same process ✓ Ensure that waste water generated is treated in accordance with national

No	PROPOSED TYPES OF SUBPROJECTS	EXPECTED ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS	MEASURES TO PREVENT/MITIGATE NEGATIVE IMPACTS
		<ul style="list-style-type: none"> • Air emissions - odor, pollutants (dust, ammonia, odor); • Impact on workers (HSE); • Impact on population (EHS); • Hazardous materials (use of pesticides, disinfectants, hormones, etc.); • Animal diseases 	<p>requirements²⁴.</p> <ul style="list-style-type: none"> ✓ The same as for air protection in livestock (paragraph 2b) ✓ Ensuring the performance of work in accordance with the Labor Code of the Republic of Uzbekistan (1998), and the IFC's Guidelines on "Occupational Safety and Health for Poultry" (section 1.2 "Occupational Health and Safety"). ✓ Use veterinary medicines only in accordance with the Law of the Republic of Uzbekistan "On Veterinary Medicine" (article 22) and the IFC's Guidelines on "Occupational Safety and Health for Poultry" (section 1.3 "Health and Safety of the Local Population"); ✓ The same as for hazardous materials in livestock (paragraph 2b); ✓ To carry out prevention measures, diagnostics of poultry and required measures in accordance with the Law of the Republic of Uzbekistan "On Veterinary Medicine" (2015) and the IFC's Guidelines on "Occupational Safety and Health for Poultry" (section 1.1, "Animal Diseases")
2e	Poultry - processing	<ul style="list-style-type: none"> • Solid organic waste and industrial waste 	<ul style="list-style-type: none"> ✓ Separation of solid waste into (i) material associated with a high risk²⁵, and (ii) material not associated with a high risk; ✓ Disposal of materials associated with a high risk outside of the enterprise (in the high-temperature heat-treatment furnaces); ✓ Low-risk material recycling (for the manufacture of products, as feed); ✓ Safe disposal of low-risk material that is not recyclable; ✓ Use of bird droppings and other non-recyclable waste in biogas units (if available)

²⁴SanR&N of RUz No. 0172-06. Hygienic requirements for the protection of surface water in the territory of the Republic of Uzbekistan

²⁵ High-risk material includes birds that have died for any reason other than slaughter, birds or parts of birds that are deemed unsuitable for human consumption, as well as birds suspected of having a disease capable of being transmitted to animals, IFC's Guidelines on "Occupational Safety and Health for Poultry" (2007)

No	PROPOSED TYPES OF SUBPROJECTS	EXPECTED ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS	MEASURES TO PREVENT/MITIGATE NEGATIVE IMPACTS
		<ul style="list-style-type: none"> Waste water generation; Air emissions; Consumption of resources (energy), water; Impact on workers (EHS) Impact on population (EHS) 	<p>in the surrounding territory) or as fertilizer; ✓ Disposal of fats unsuitable for use in biogas units at solid waste landfills.</p> <p>✓ Ensure the rational use of water in the production process in accordance with the WBG's General EHS Guideline (2007); ✓ Ensure the collection and treatment of waste water in accordance with national requirements and WBG's Guidelines on "Occupational Safety and Health for Poultry Processing" (section 1.1 "Environmental Protection. Waste Water") ✓ Ensuring the location of meat processing enterprises in accordance with SanR&N of RUz No. 0350-17 "Sanitary rules and regulations for the protection of atmospheric air", section 6.1.8; ✓ Use of the recommendations on odor and dust reducing given in the WBG's Guidelines on "Occupational Safety and Health for Livestock" (section 1.1 "Environmental Protection. Air Emissions")</p> <p>✓ Use of energy-efficient measures in accordance with the WBG's Guidelines on "Occupational Safety and Health for Livestock" (section 1.1 "Environmental Protection. Energy Consumption")</p> <p>✓ Ensuring the performance of work in accordance with the "Labor Code of the Republic of Uzbekistan" (1998), "Rules of labor protection in the service of cows and stud bulls" and the WBG's Guidelines on "Occupational Safety and Health for Poultry Processing" (2007), (Section 1.2 and 1.3)</p> <p>✓ Use veterinary medicines only in accordance with the Law of the Republic of Uzbekistan "On Veterinary Medicine" (article 22) and the WBG's Guidelines on "Occupational Safety and Health for Poultry" (section 1.3 "Health and Safety of the Local Population");</p>
3a	Weaving (manufacture of carpets) <ul style="list-style-type: none"> Construction of new / modernization of existing shops; 	<ul style="list-style-type: none"> Dust generation Noise pollution Waste generation Increased traffic Blocked access 	<p>✓ The same as for subproject No. 1 (dust generation)</p> <p>✓ The same as for subproject No. 1 (noise pollution)</p> <p>✓ The same as for subproject No. 1 (waste generation)</p> <p>✓ The same as for subproject No. 1</p> <p>✓ The same as for subproject No. 1</p>

No	PROPOSED TYPES OF SUBPROJECTS	EXPECTED ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS	MEASURES TO PREVENT/MITIGATE NEGATIVE IMPACTS
		<ul style="list-style-type: none"> Accidents at construction site Land use Unequal opportunities for vulnerable groups of workers Labor influx, forced and child labor Damage of existing underground infrastructure, such as electric and communication cables, water and sewage systems and other linear communication. 	<ul style="list-style-type: none"> ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1
3b	Weaving (manufacture of carpets) - functioning	<ul style="list-style-type: none"> Surface /ground water pollution Waste water - if dyeing production is supposed 	<ul style="list-style-type: none"> ✓ Approval of environmental standards for water in accordance with the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 949 dated November 22, 2018²⁷ ✓ Prevention of discharge of waste water into the sewerage, open reservoirs or on a land configuration not conforming to the established Rules of discharge into the sewerage²⁸ and on a land configuration²⁹. ✓ Timely compensation payments for discharges into sewer networks ✓ Ensure the rational use of water in the production process in accordance with the WBG's General EHS Guideline (2007); ✓ Ensure the collection and treatment of waste water in accordance with national requirements and the WBG's General Guidelines on "Occupational Safety and Health"

²⁷ Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 949 dated November 22, 2018 "On the Approval of the Regulations on the State Environmental Expertise"

²⁸ Rules of reception of industrial waste water and the procedure for compensation payments calculation for excess discharges of pollutants into municipal sewer networks of cities and other settlements of the Republic of Uzbekistan (Annex 1 to the RCM No.11 dated 2010)

²⁹ SanR&N of RUZ No. 0172-06. Hygienic requirements for the protection of surface water in the territory of the Republic of Uzbekistan

No	PROPOSED TYPES OF SUBPROJECTS	EXPECTED ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS	MEASURES TO PREVENT/MITIGATE NEGATIVE IMPACTS
		<ul style="list-style-type: none"> Air emissions <ul style="list-style-type: none"> emissions of chemical substances from dyes (in case there is dye production) cotton fiber dust Noise pollution²⁶ Vibration Waste 	<ul style="list-style-type: none"> Ensuring the compliance of emissions from workshops into the air with national requirements³⁰ All emissions are local in nature and located within the working area The MAC value shall not exceed 4.0 mg/m³³¹. The premises shall have a mechanical general exchange supply and exhaust ventilation, designed for the effective removal of cotton fiber dust³². The air removed from the shops shall be cleaned in dust collectors before being released into the atmosphere. The noise level in the territory of surrounding accommodation shall not exceed 55 dB during the day and 45 dB at night. If standards are exceeded, use additional noise reduction measures: double-glazed windows in workshops, acoustically-treated coating, or acoustic shield; Noise reduction of process equipment in the workplace shall be carried out in accordance with the requirements of KMK 2.01.08-96 "Noise Protection". Walls and ceilings in weaving shops should be covered with sound-absorbing materials (felt, peat, acoustic plaster, etc.), which significantly reduce the noise intensity. The noise level for workers in the workplace shall not exceed 80 dB³³. In case of excess – use PPE. The level of vibration in the workplace shall not exceed the allowable values according to SanPiN No. 0122-01 "Sanitary regulations for whole-body and local vibration in the workplace", namely the indicator of the level of whole-body vibration shall not exceed 92 dB

²⁶ Noise levels in the workplace are estimated according to: GOST-23941-79 OSSS "Noise. Measurement technique", "Guidelines for measurement and hygienic assessment of noise in the workplace" No. 1844-78. Hygienic assessment of the actual state of noise in the workplace is carried out in accordance with SanPiN No. 0120-01 "Sanitary regulations for the allowable noise levels in the workplace"

³⁰ SanR&N of RUz No. 0293-11. Hygienic standards, the list of maximum allowable concentrations (MAC) of pollutants in the air of populated areas in the territory of the Republic of Uzbekistan

³¹ SanR&N No. 0046-95 "Maximum allowable concentrations (MAC) of hazard substances in the working zone area"

³² SanR&N of RUz No. 0299-11. Hygienic requirements for textile enterprises

³³ SanR&N of RUz No. 0299-11. Hygienic requirements for textile enterprises

No	PROPOSED TYPES OF SUBPROJECTS	EXPECTED ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS	MEASURES TO PREVENT/MITIGATE NEGATIVE IMPACTS
		<ul style="list-style-type: none"> Impact on workers (EHS): <ul style="list-style-type: none"> Severity and intensity of work processes, Insufficient illumination, Microclimate 	<ul style="list-style-type: none"> ✓ Separation of waste into recyclable and non-recyclable; ✓ Sale of recyclable waste to the relevant organizations; ✓ Timely disposal of non-recyclable waste at municipal landfills; ✓ Avoidance of waste storage outside the shop territory ✓ Ensuring the performance of work in accordance with the "Labor Code of the Republic of Uzbekistan" (1998) ✓ It is required to carry out periodic medical examinations systematically³⁴, followed by the development of measures aimed at improving working conditions and proper employment of identified sick persons ✓ Lighting in the workplace shall meet the requirements of KMK 2.01.05-98 "Natural and artificial lighting". ✓ To achieve uniform illumination and optimal spectral composition of light, luminescent lamps (LB, LD, LDC) with large light surfaces are recommended. ✓ Temperature and humidity conditions in the working areas of industrial premises of textile enterprises shall comply with the standards regulated by SanR&N No. 0203-06 "Sanitary and hygienic regulations for microclimate of industrial premises". ✓ To create a standard temperature and humidity conditions in the production shops, the automatic devices for temperature and humidity control shall be installed. ✓ In the cold period of the year, the effective heating of industrial and auxiliary premises shall be provided, in addition, measures shall be taken to eliminate the causes that contribute to the hypothermia of the body of workers (glazing, air curtains, vestibules arrangement, winterization, etc.).
4a	Agricultural production: <ul style="list-style-type: none"> Construction of new greenhouses; Construction/modernization of enterprises for processing of agricultural products 	<ul style="list-style-type: none"> Dust generation Noise pollution Waste generation Waste water generation 	<ul style="list-style-type: none"> ✓ The same as for subproject No. 1 (dust generation) ✓ The same as for subproject No. 1 (noise pollution) ✓ The same as for subproject No. 1 (waste generation) ✓ The same as for subproject No. 1 (waste water generation)

³⁴ Order of the Ministry of Health of the Republic of Uzbekistan No.300 dated 06.06.2000 "On carrying out mandatory pre-employment and periodic medical examinations of workers exposed to harmful and adverse working conditions"

No	PROPOSED TYPES OF SUBPROJECTS	EXPECTED ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS	MEASURES TO PREVENT/MITIGATE NEGATIVE IMPACTS
		<ul style="list-style-type: none"> • Increased traffic • Blocked access • Accidents at construction site • Land use • Unequal opportunities for vulnerable groups of workers • Labor influx, forced and child labor • Damage of existing underground infrastructure, such as electric and communication cables, water and sewage systems and other linear communication. 	<ul style="list-style-type: none"> ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1
4b	Agricultural production - products growing	<ul style="list-style-type: none"> • Impact on water bodies (pollution, irrational use); • Air pollution (dust, exhaust gases from machinery, chemicals due to improper handling); • Soil erosion and contamination from machinery operations and its maintenance; • Contamination of soil, groundwater and surface water, health risks to workers and the public due to the use of 	<ul style="list-style-type: none"> ✓ Use modern methods of irrigation (drip) to prevent irrational use of water resources ✓ Prevent discharge of untreated water into water courses ✓ Do not allow washing of agricultural machinery near open water bodies ✓ Avoid carrying out works that lead to the dust generation near settlements in windy weather. If it is necessary to carry out such work in windy weather, use dust shields to protect houses; ✓ Do not allow agricultural machinery to idle near houses for more than 5 minutes; ✓ For minimization exposure to chemicals, refer to "pesticide use" paragraph ✓ Use of machinery in accordance with the technical parameters and taking into consideration the reclamation conditions of the soil; ✓ Do not allow refueling and maintenance of machinery in the fields. In case of need of filling in the field, use special facilities (pallets, adsorbing material, etc.); ✓ For minimization exposure to pesticides, refer to Annex 8

No	PROPOSED TYPES OF SUBPROJECTS	EXPECTED ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS	MEASURES TO PREVENT/MITIGATE NEGATIVE IMPACTS
		pesticides	
4c	Agricultural production - processing	<ul style="list-style-type: none"> Waste water generation Waste generation Energy consumption Air emissions Impact on workers (EHS) 	<ul style="list-style-type: none"> ✓ Minimization of waste water generation through the introduction of water recycling principles; ✓ Ensuring wastewater treatment in accordance with national standards³⁵; ✓ Provide a separate waste collection system; ✓ Recycle waste in a timely manner shall be disposed to the relevant organizations; ✓ If possible, use organic waste as compost ✓ Ensure timely removal of organic waste to prevent the reproduction of rodents and the spread of infectious diseases; ✓ Use of energy-efficient measures in accordance with the IFC's Guidelines on "Occupational Safety and Health. Manufacture of food products and beverages" (section 1.1, "Environmental Protection. Energy Consumption") ✓ Minimize dust emissions and odors from production in accordance with the measures specified in the IFC's Guidelines on "Occupational Safety and Health. Manufacture of food products and beverages" (section 1.1, "Environmental Protection. Energy Consumption") ✓ Ensuring the performance of work in accordance with the "Labor Code of the Republic of Uzbekistan" (1998), "Rules of labor protection in the service of cows and stud bulls" and the IFC's Guidelines on "Occupational Safety and Health for Poultry Processing" (2007), (Section 1.2 and 1.3)
5	Cluster approach in the production of cotton: <ul style="list-style-type: none"> Institutional and legal support Technical support (construction/reconstruction, new equipment procurement) 	<ul style="list-style-type: none"> When providing institutional and legal support, environmental impacts are not expected The expected impacts are the same as during the construction / rehabilitation of other project activities (dust, noise and waste generation) 	<ul style="list-style-type: none"> ✓ The same as for subproject No. 1 (dust generation) ✓ The same as for subproject No. 1 (noise pollution) ✓ The same as for subproject No. 1 (waste generation)

³⁵SanR&N of RUz No. 0172-06. Hygienic requirements for the protection of surface water in the territory of the Republic of Uzbekistan

No	PROPOSED TYPES OF SUBPROJECTS	EXPECTED ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS	MEASURES TO PREVENT/MITIGATE NEGATIVE IMPACTS
6a	Sericulture - Construction	<ul style="list-style-type: none"> Dust generation Noise pollution Waste generation Increased traffic Blocked access Accidents at construction site Land use Unequal opportunities for vulnerable groups of workers Labor flux, forced and child labor Damage of existing underground infrastructure, such as electric and communication cables, water and sewage systems and other linear communication. 	<ul style="list-style-type: none"> ✓ Site selection for the construction of silkworm-rearing plants, silkworm breeding and filature enterprises, placement of its buildings, layout and landscaping, gardening and watering of the territory shall be made in accordance with the requirements of KMK 2.09.09-97 "Enterprises, buildings, structures". The size of the sanitary protection zone shall be equal to 100 m (IV class). ✓ The same as for subproject No. 1 (dust generation) ✓ The same as for subproject No. 1 (noise pollution) ✓ The same as for subproject No. 1 (waste generation) ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1
6b.	Sericulture - Functioning	<ul style="list-style-type: none"> Surface water pollution 	<ul style="list-style-type: none"> ✓ The process water recirculating in cocoon-winding machines is contaminated with organic substances washed out of cocoons and pupae of the silkworm³⁶. water oxidation index reaches 289 mg/l, ammonia content up to 20.0 mg / l, Colo-

³⁶SanR&N No. 0133-02 "Sanitary rules and regulations for enterprises of sericulture and silk-processing industry of the Republic of Uzbekistan"

No	PROPOSED TYPES OF SUBPROJECTS	EXPECTED ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS	MEASURES TO PREVENT/MITIGATE NEGATIVE IMPACTS
		<ul style="list-style-type: none"> Air emissions <ul style="list-style-type: none"> papilioninae dust chemicals discharge Increased water resources consumption 	<p>titer up to 0.001. During the shift, contaminated process water is sprayed during the extraction of raw silk, when twisted and becomes a source of bacterial contamination of equipment, air, skin of hands and clothes of the working persons with staphylococci and other opportunistic forms of bacteria.</p> <ul style="list-style-type: none"> ✓ Regulated according to the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 949 dated November 22, 2018³⁷ ✓ Prevention of discharge of waste water into the sewerage, open reservoirs or on a land configuration not conforming to the established Rules of discharge into the sewerage³⁸ and on a land configuration³⁹. ✓ Timely compensation payments for discharges into sewer networks ✓ All premises shall have a mechanical general exchange supply and exhaust ventilation, designed for the effective removal of harmful chemicals and dust in the air of the working area (dust content in the air of the working area in the silkworm breeding plants shall not exceed 2.0 mg/m3, in the sorting and calibration shops of steam filatures, in silkworm-rearing plants the dust content shall not exceed 6.0 mg/m3, in the steam filature shops the ammonia content in the air of the working area shall not be higher than 20.0 mg/m3, content of hydrogen sulfide shall not be higher than 10 mg/m3⁴⁰). ✓ Assessment of air pollution with hazard chemicals shall be made in accordance with SanR&N No. 0046-95 "Maximum allowable concentrations (MAC) of hazard substances in the working zone area", microclimate in accordance with SanR&N No. 0058-96 "Sanitary regulations for microclimate of industrial premises" ✓ The air removed from the shops shall be cleaned and disinfected in dust collectors before being released into the atmosphere, the filters shall be systematically cleaned, papilioninae dust shall be burned. Papilioninae equipment shall be equipped with aspirated shelters and suction devices ✓ As a rule, air pollution occurs in the working area and is local. ✓ Ensure the rational use of water in the production process in accordance with the

³⁷ Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 949 dated November 22, 2018 "On the Approval of the Regulations on the State Environmental Expertise"

³⁸ Rules of reception of industrial waste water and the procedure for compensation payments calculation for excess discharges of pollutants into municipal sewer networks of cities and other settlements of the Republic of Uzbekistan (Annex 1 to the RCM No.11 dated 2010)

³⁹ SanR&N of RUz No. 0172-06. Hygienic requirements for the protection of surface water in the territory of the Republic of Uzbekistan

⁴⁰ SanR&N No. 0133-02 "Sanitary rules and regulations for enterprises of sericulture and silk-processing industry of the Republic of Uzbekistan"

No	PROPOSED TYPES OF SUBPROJECTS	EXPECTED ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS	MEASURES TO PREVENT/MITIGATE NEGATIVE IMPACTS
		<p>and waste water</p> <ul style="list-style-type: none"> Noise and vibration pollution Impact on workers (EHS): <ul style="list-style-type: none"> Safety and health care, Severity and intensity of work processes, Insufficient illumination, Microclimate 	<p>WBG's General EHS Guideline (2007);</p> <ul style="list-style-type: none"> ✓ Ensure the collection and treatment of waste water in accordance with national requirements and the WBG 's General Guidelines on "Occupational Safety and Health" ✓ Moving metal parts of the equipment of cocoon-winding production generate non-constant, fluctuating in time medium-high-frequency noise in the workplace, the equivalent level of which is 84 dBA and the whole-body vibration equal to the equivalent level of vibration velocity of 98 dB. ✓ Noise levels in the workplace shall not exceed the admissible values according to SanPiN No. 0120-01⁴¹, vibration according to SanPiN No. 0122-01⁴². ✓ Noise and vibration reduction of process equipment in the workplace shall be carried out in accordance with the requirements of KMK 2.01.08-96 "Noise Protection". ✓ In order to prevent industrial noise, fans shall be installed in special chambers, separated from the industrial and auxiliary premises, on vibration-insulating bases. ✓ Ensuring the performance of work in accordance with the "Labor Code of the Republic of Uzbekistan" (1998) ✓ Provision of workers with means of individual protection (protective pastes, ointments, respiratory protection, etc.) in accordance with SanR&N No. 0133-02 "Sanitary rules and regulations for enterprises of sericulture and silk-processing industry of the Republic of Uzbekistan" (Section 7. Requirements for preventive health care). ✓ Persons starting to work at the enterprises of sericulture and silk-processing industry are subject to pre-employment, and during the period of work are subject to periodic medical examinations in accordance with the Order of the Ministry of Health of the Republic of Uzbekistan No. 300 dated 06.06.2000. "On improving the system of pre-employment and periodic medical examinations of workers of the Republic of Uzbekistan (registered In the Ministry of Justice of RUz dated 23.06. 2000, No. 937). ✓ Lighting in the workplace shall meet the requirements of KMK 2.01.05-98 "Natural and artificial lighting".

⁴¹SanR&N No. 0120-01 "Sanitary regulations for the allowable noise levels in the workplace"

⁴²SanR&N No. 0122-01 "Sanitary regulations for whole-body and local vibration in the workplace"

Ferghana Valley Enterprise Development Project (FVEDP)

No	PROPOSED TYPES OF SUBPROJECTS	EXPECTED ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS	MEASURES TO PREVENT/MITIGATE NEGATIVE IMPACTS
			<ul style="list-style-type: none"> ✓ Temperature and humidity conditions in the working areas of industrial premises of textile enterprises shall comply with the standards regulated by SanR&N No. 0203-06 "Sanitary and hygienic regulations for microclimate of industrial premises".
7a	Small sewing shops - construction of new shops/modernization of existing ones	<ul style="list-style-type: none"> • Dust generation • Noise pollution • Waste generation • Increased traffic • Blocked access • Accidents at construction site • Land use • Unequal opportunities for vulnerable groups of workers • Labor flux, forced and child labor • Damage of existing underground infrastructure, such as electric and communication cables, water and sewage systems and other linear communication. 	<ul style="list-style-type: none"> ✓ The same as for subproject No. 1 (dust generation) ✓ The same as for subproject No. 1 (noise pollution) ✓ The same as for subproject No. 1 (waste generation) ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1 ✓ The same as for subproject No. 1
7c.	Small sewing shops - functioning	<ul style="list-style-type: none"> • Surface /ground water pollution 	<ul style="list-style-type: none"> ✓ Approval of environmental standards for water in accordance with the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 949 dated November 22, 2018 ✓ Prevention of discharge of waste water into the sewerage, open reservoirs or on a land configuration not conforming to the established Rules of discharge into the sewerage and on a land configuration. ✓ Timely compensation payments for discharges into sewer networks

No	PROPOSED TYPES OF SUBPROJECTS	EXPECTED ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS	MEASURES TO PREVENT/MITIGATE NEGATIVE IMPACTS
		<ul style="list-style-type: none"> Atmospheric air pollution Noise pollution Vibration Waste generation Safety precautions for workers 	<ul style="list-style-type: none"> ✓ Ensuring the compliance of emissions from workshops into the air with national requirements⁴³. ✓ The premises shall have a mechanical general exchange supply and exhaust ventilation, designed for the effective removal of cotton fiber dust. ✓ The air removed from the shops shall be cleaned in dust collectors before being released into the atmosphere. ✓ The noise level in the workplace shall not exceed the allowable values according to SanR&N No. 0120-01 "Sanitary regulations for the allowable noise levels in the workplace" ✓ For sewing machine operator and masters the level of the total production noise in workplace shall not exceed 70 dB. In case of excess - use Personal Protective Equipment (PPE) ✓ The level of vibration in the workplace shall not exceed the allowable values according to SanR&N No. 0122-01 "Sanitary regulations for whole-body and local vibration in the workplace" (whole-body low-frequency vibration registered on the cover of sewing tables) ✓ Separation of waste into recyclable and non-recyclable; ✓ Sale of recyclable waste to the relevant organizations; ✓ Timely disposal of non-recyclable waste at municipal landfills; ✓ Avoidance of waste storage outside the shop territory ✓ Ensuring the performance of work in accordance with the Labor Code of Uzbekistan (1998), the Order of the Minister of Labor and Social Protection of the Population of the Republic of Uzbekistan "On approval of labor protection rules for workers of knitting and sewing manufacture" (No. 63-B dated August 20, 2013) and IFC's General Guidelines on "Occupational Safety and Health" (2007)

⁴³ SanR&N of RUz No. 0293-11. Hygienic standards, the list of maximum allowable concentrations (MAC) of pollutants in the air of populated areas in the territory of the Republic of Uzbekistan

No	PROPOSED TYPES OF SUBPROJECTS	EXPECTED ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS	MEASURES TO PREVENT/MITIGATE NEGATIVE IMPACTS
		<ul style="list-style-type: none"> • Impact on workers (EHS) <ul style="list-style-type: none"> ○ Severity and intensity of work processes, ○ Insufficient illumination, ○ Microclimate 	✓ The same as for the impact on the workers in the weaving shop (paragraph 3b)
8	Arrangement of cooperatives in all the sectors listed above (institutional and legal support)	<ul style="list-style-type: none"> • Due to the institutional nature of the activities, no environmental impacts are expected 	

A detailed description of the expected impacts is provided below:

Dust generation will occur during conduction of most types of construction/rehabilitation works that are related to earth works, movement of vehicles, rehabilitation of buildings, etc. Especially, risk of dust pollution will increase during the windy weather. The magnitude of impact will increase when construction/rehabilitation works will be conducted close to populated area. Taking in account nature of most of the works this impact is expected to be short term with moderate risk and it could be easily mitigated by implementation of measures recommended in the Table 3. However, the application of additional measures (more often watering, installation of dust screen) could be required for sub-projects related to construction of new ground water intake and networks, rehabilitation of bridges, etc.

Dust generation is also expected during the stage of sub-project functioning. This will be more often occurred in woodworking, loading and unloading and preparation of feed on poultry farms and livestock farms. Also, the straw dust will be generated during the processing of meat in meat processing plants. Dust impact at these stages can be minimized by recommended measures applying.

Waste generation - two types of waste are expected to be generated because of project work implementation: non-hazardous and hazardous.

Non-hazardous wastes will be represented by construction wastes, which will be generated during construction/repair works. Storage of such wastes in areas close to settlement and untimely or improper disposal may impact on air quality, dust generation and disturbance of neighboring settlements. Besides these wastes, used welding rods, packing materials, woods will be generated as well.

During the functioning of the project facilities, organic waste will be generated, the effective disposal of which can bring additional profits to enterprises in the form of biofuel, fertilizers or feed to other animals. As a rule, most of the waste that will be generated at this stage relates to recyclable waste and their timely and correct disposal will ensure minimal impact on the environment.

Hazardous waste - can be generated at the stage of functioning of such sub-projects as poultry and livestock, agricultural production cultivation. As indicated in Table 3, special attention should be paid to the disposal of carcasses that have died by any means other than slaughter and to the handling of pesticides.

Noise pollution and vibration- Noise pollution and excess norms for vibration may occur mainly during operation of machinery and trucks movement. It is not expected that during project works noise level will significantly exceed established norms. Noise pollution can be mitigated by the use of recommended measures. Taken into consideration the specifics of the civil works it is expected that the vibration will not affect the health of people and the integrity of the structures, as the work generating a noticeable vibration will not be carried out.

The exceedance of the standards during the operation of the wood-processing and furniture shops is possible. Compliance with the recommended measures will allow carrying out work in accordance with environmental requirements and health protection of workers and the population.

Health and safety of workers and community:

For community - Inadequate lighting and fencing of construction sites inside of settlement areas can be dangerous for pedestrians and vehicles especially during the night time. Increasing of traffic due to trucks and vehicles movements to construction sites, temporary closing of roads during pipe laying inside of settlements may cause inconvenience for local population as well. In addition, pipe laying will cause temporary blockage of household access.

Untimely and inefficient disposal of solid waste and improper sanitary conditions generated by the construction workers at construction sites and labor camps may cause pollution of the surrounding environment and affect the health of local people. Moreover, a movement of heavy trucks may destroy or deteriorate conditions of roads inside settlements.

For workers - Safety and health non-compliance may create a risk for construction workers. The contractors shall comply with the rules of occupational health and safety including strict compliance with established standards and procedures of occupational health and safety, which depend on the type of work carried out, the use of PPE, training and monitoring of compliance with established requirements. In addition, all workers need to be introduced to working procedure with hazardous materials (such as asbestos materials, PCBs etc.). Contractors should provide workers with appropriate living conditions: safe water supply, washing conditions, rooms for rest and etc.

Air pollution - During construction stage pollutants emissions will be caused by earth works, construction/demolishing activities and exhaust gases from vehicles. Improper waste management, especially the burning of construction and household waste, the idle operation of machinery for more than 5 minutes, etc. can lead to air pollution. This impact could be minimized through implementation of standard good practice.

Risk of loss of tree vegetation - since the program does not suppose the financing of sub-projects requiring land acquisition and resettlement, i.e. all project work will be carried out in the territory of existing facilities, no impact on the flora is expected.

Water pollution – for project sites, when project activities will be conducted next to the water courses the surface water could be polluted due to improper placement of excavated soil, improper storage of construction materials, leakage of fuel and lubricates from construction machinery, washing of vehicles and techniques without proper treatment. Irrational use of water resources can lead to increased water shortage, soil salinization and increased groundwater levels.

Hazardous materials (*handling of pesticides*) - the financing of activities such as construction/reconstruction of greenhouses and agricultural processing enterprises is planned within the program framework. It may indirectly lead to an increase in the use of pesticides in agricultural production. Improper handling of pesticides (without PPE use), their storage (in non-equipped places with non-compliance with water protection zones) and use (quantity and method of application) may present a risk to the health of workers and the population living near the places of storage and use of such preparations.

Socio – economic impacts - in addition to the discomfort that may be caused by the above impacts, the wrong choice of the site for the implementation of the sub-project, namely, non-compliance with sanitary protection zones, inappropriate storage and untimely disposal can

bring significant inconvenience to the population from livestock farms and poultry enterprises.

8. RULES AND PROCEDURES FOR ENVIRONMENTAL AND SOCIAL SCREENING AND ASSESSMENT

8.1. Main stages of environmental assessment

The specificity of this project assumes that the inclusion of sub-projects into the program will be made directly by the decision of central / regional PIU (under Component 1, sub-components 1.1 and 1.2) based on screening conducted by the Regional Project Implementation Units (RPIU) and Financial Intermediaries (FI) (under Component 2, sub-component 2.1). The Participating Financial Institutions (PFIs) – banks will be the financial intermediaries in this project. It is expected that those PFIs which already have experience with IFIs will participate in this program that provides for the application of Environmental and Social Management System (ESMS) in the activities of these banks. Thus, many banks of the Republic are involved in the implementation of such investment projects as "Horticulture Development" and "Livestock Development" Projects (WB), "Support of small and medium entrepreneurship" (Asian Development Bank (ADB)), etc. One of the conditions for the inclusion of national banks in such projects was the introduction of ESMS in the operational activities of banks. Generally, ESMS are harmonized with national environmental legislation. The basic distinctive requirement of the ESMS is the monitoring of environmental aspects (compliance with environmental requirements) and environmental reporting.

Nevertheless, within the framework of this project, as part of the capacity-building component, it is planned to conduct special trainings for the staff of the PFI on the implementation of the developed Environmental and Social Management Framework (ESMF). More detailed information on the recommended training is provided in the Chapter 10.

According to the proposed institutional framework, the issues of environmental and social screening, assessment and further monitoring during the implementation stage will be assigned to the RO specialists (sub-components 1.1 and 1.2) and the PFI staff (sub-component 2.1) responsible for the safeguards implementation. More detailed description of the role of the parties involved is presented in the Chapters 8.4 and 11.

Each application for financing (sub-project) will be subject to an ESA procedure, which will consist of the stages described below: ***screening, preparation of documents for examination and implementation***. The ESA procedure will be the same for components 1 and 2.

As the locations of the sub-project and the types of activities are not yet known at this stage, it is important to have the appropriate tools to assist PIU and PFIs in the screening of these activities for potential impacts and implementation of measures to effectively address them. The screening and review process will consist of the steps shown in Figure 7. The stages of ESA presented in the figure are maximally harmonized with the requirements of the national environmental legislation and the WB's safeguard policies.

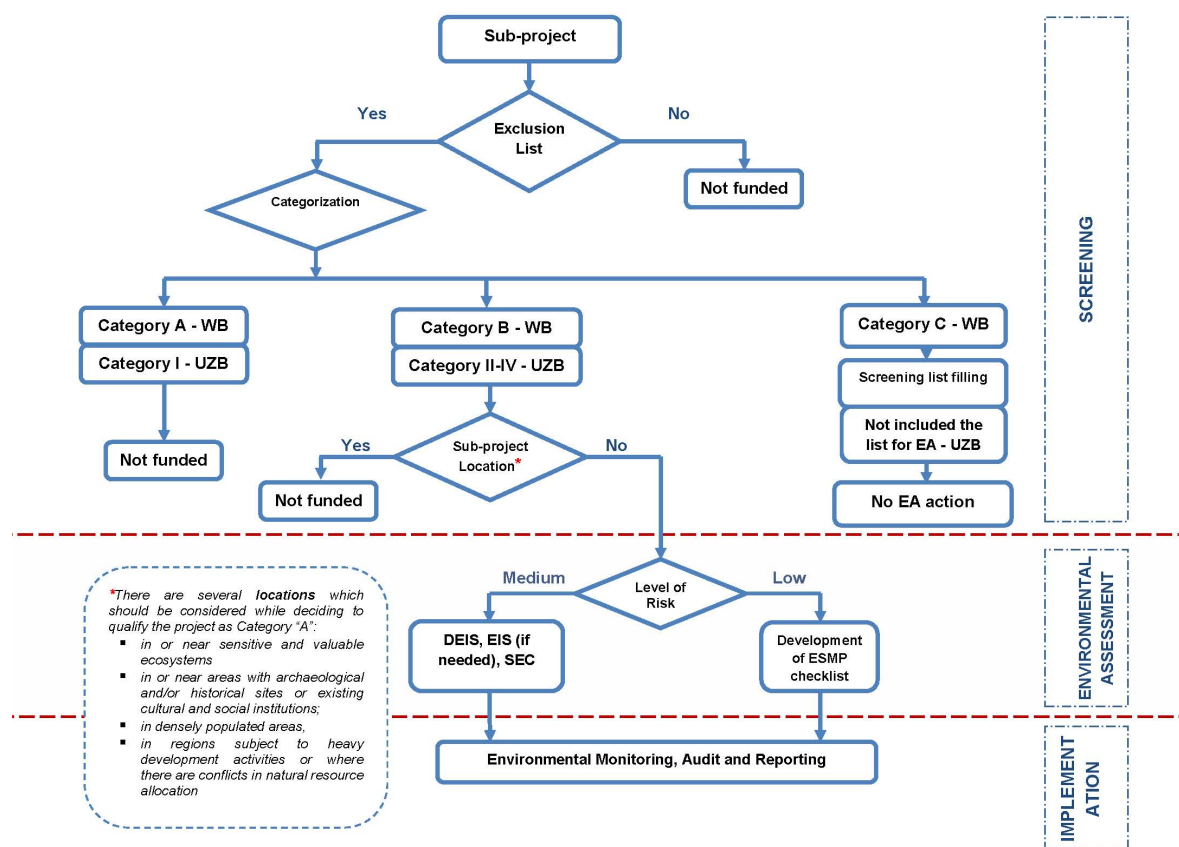


Figure 7: Screening and review process

For sub-projects associated with the development of business plans (Component 1.1), the environmental impact can be both direct and indirect. The direct impact will involve water and air pollution, waste generation, health risks to workers and the population, etc. Based on this, PIU/RPIU safeguards specialists shall also conduct screening of business plans within the framework of the matching grant and to determine the need for conducting EA and/or only the ESMP development. In addition, the screening procedure will also allow the PIU/RPIU to conduct a preliminary environmental assessment of business plans and identify the potential areas and make recommendations to improve the environmental part of the activities proposed for financing by offering environmentally friendly and socially positive alternatives (i.e. energy efficiency, waste treatment and reduction, closed water supply cycle, etc.). Herewith, it should be noted that the proposals made in the framework of environmental screening for these projects will be advisory in nature and will not be a condition for financing.

Although grant activities relating to category B, as such, will not lead to any significant adverse environmental and social impacts, but if the environmental assessment will not be carried out properly, indirectly it may cause some environmental and social risks during the project implementation. If the preliminary screening of Safeguards Specialist of the PIU/RPIU concludes that an environmental assessment (EA) shall be carried out for activities to be financed by an appropriate grant, the Safeguards Specialist of the PIU will review the Terms of Reference for the EA to ensure that it is in line with the national policy and WB's safeguards measures. The Terms of Reference for the EA shall be published on the RRA website and discussed with stakeholders prior to the award of the relevant grant.

For all proposed types of grants (types of activities), all requirements of national environmental legislation will also shall be met: development of DSEI, SEI, SEC, etc.

8.2.Environmental screening of the sub-projects

This section provides guidance on screening process and proposing resources (instruments)for ESA.

Priormaking decision on the inclusion of the sub-project into the program, the safeguards specialist of PIU or PFI will verify the suitability of the sub-project in relation to the exception list of IFI (Annex 3). After that an environmental category of the project must be defined in accordance with DCM # 949 (2018) or World Bank categorization.According to the project category it is decided what documents must be prepared to meet the sub-project environmental requirements.

If the sub-project belongs to category A (WB) equivalent to category I (Uzbekistan), it must be excluded from the Project. Detail definition of WB categorization is provided in Chapter 2.

It is expected the supported sub projects will be not related to specify above circumstances and respectively will not have significant environmental and social impacts. Only projects with categories II-IV (Uzbekistan) or categories B and C (WB) will be eligible for including into the project.

The potential project impact depends not only from type of activities but also depends on the subproject location. Thus, there are several locations which should be considered while deciding to qualify the project as category “A”:

- ✓ in or near sensitive and valuable ecosystems — wetlands, wild lands, and habitat of endangered species
- ✓ in or near areas with archaeological and/or historical sites or existing cultural and social institutions;
- ✓ in densely populated areas, where resettlement may be required, or potential pollution impact and other disturbances may significantly affect communities;
- ✓ in regions subject to heavy development activities or where there are conflicts in natural resource allocation; along watercourses, in aquifer recharge areas or in reservoir catchments used for potable water supply; and on lands or waters containing valuable resources (such as fisheries, minerals, medicinal plants, prime agricultural soils).

These conditions are not considered by the Uzbekistan regulation. Therefore, each sub-project needs to be checked on its location as well. Similarly, as above, the project will not support any sub-projects located in the proximity of mentioned areas and with specified potential impacts.

Once screening process confirmed that proposing sub-project is eligible for inclusion in the Program, PIU or PFI Safeguard Specialist (SS) will identify required instruments for environmental assessment. As it was mentioned above, only sub-projects category B (with moderate and low impact) which may generate some environmental and social impacts which can be addressed by applying certain mitigation measures. For B category projects (with

moderate and low impact) that may create some environmental and social impacts that can be addressed through a set of mitigation measures.

8.3. Identification of the required documents on ESA

After determining the category of the project, it is required to determine what documents are required to prepare in accordance with national legislation and the WB's OP. The list of the required documents depending on the category is also shown in Figure 7, more detailed description is below.

For the *projects categorized as B (with moderate impact)* a development of an Environmental and Social Impact Assessment (ESIA) and ESMP will be required. The requirements (TOR) for the development of the ESIA are presented in Appendix 5, and recommended ESMP format - in Appendix 6.

For sub-projects that involve certain impacts which are not significant, and which can be mitigated through certain mitigation or preventive measures, or through the application of best practices in household management and/or construction – *B category (low impact)*, it is recommended to apply the ESMP checklist (Annex 7), for small - scale construction and rehabilitation. Table 8 provides detailed information on the categorization of potential projects and the proposed environmental assessment tools.

As it was described in Chapter 2 there are some differences in the project categorization and required actions between WB OPs and national environmental legislation. In accordance with national legislation, EA and further actions are not required for existing objects if: (i) planning rehabilitation/repairing of some of the object's facilities be conducted without extension of the territory of facilities where construction of rehabilitation will be implemented, and (ii) during operation phase consumption of natural resources and generation of wastes, discharges and emissions will not increase. The legislation does not require a preparation of separate ESMP or any other environmental documents/plans/checklists.

However, WP OP 4.01 requires development of separate ESMP checklist for the activities which have low environmental impacts. Taking in account, that more strictly requirements need to be applied for this project, for thus sub-projects/activities which are not included in the list of mandatory state environmental expertise (Attachment #2 to CRM #949 dated from 2018), but which is under activities with low impact (category B), *the development of ESMP checklist is required (Annex 7)*.

In the case of sub-projects that do not require or require only minor construction work or that will have no environmental and social impact at all (e.g. vehicles or other equipment procurement), the sub-project will be categorized as C category, for which no further ESA activities are required. The table below presents the proposed project activities and proposes their category of environmental protection along with the ESA tools that can be applied.

It is also necessary to pay attention to the difference in the preparation of documents at the stage of construction or functioning of sub-projects. According to the requirements of the WB, the developed ESMP describes the required environmental measures both at the stage of construction/reconstruction and at the stage of operation. Development of further documents is not required by the World Bank. In the case of national legislation for sub-projects of categories 2 to 3, the development of Environmental Consequences Statement (SEC) is required.

Table 8: Screening of categories for proposed types of sub-projects and suggested EA instrument

No.	Types of potential sub-projects	Proposed Categories		The required EA documents
		WB	Uzbekistan	
1a	Craftsmanship (construction stage) – construction / extension: <ul style="list-style-type: none"> small shops for the furniture production; (shop for the manufacture and repair of furniture) 	B (low risk)	Category 4 (paragraph 12) – in case of shop ⁴⁴ Category 3, (paragraph 21) - in case of furniture manufactures and factories	The ESMP Checklist For category 4 - Draft Statement of the Environmental Impact (DSEI) For category -3 DSEI and Environmental Consequences Statement
	<ul style="list-style-type: none"> small shops to produce ceramic products 	B (low risk)	No category (-) in case of repair shop, Category 3, (paragraph 38) - in case of production	The ESMP Checklist, No action required (-) For category 3 - DSEI and SEC
1b	Craftsmanship, new equipment procurement for – <ul style="list-style-type: none"> furniture production 	C	Category 4 (paragraph 12)	After completing the Environmental Screening Checklist, no further actions are required If there is a positive environmental opinion for the enterprise – no additional documents are required
	<ul style="list-style-type: none"> production of ceramic products 	C	-	After completing the Environmental Screening Checklist, no further actions are required
2a	Livestock New construction/reconstruction ⁴⁵ of existing ones <ul style="list-style-type: none"> Livestock farms (cattle, horse, pig, sheep and rabbit farms); 	B (low risk)	Category 4 (paragraph 11)	The ESMP Checklist Compliance with best practices DSEI development
	<ul style="list-style-type: none"> Reconstruction of cattle-breeding complexes; 	B (low risk)	Category 3 (paragraph 11)	The ESMP Checklist Compliance with best practices DSEI and SEC development

⁴⁴In accordance with the Resolution of the Cabinet of Ministers No. 949 "Regulations on the Environmental Examination" dated November 22, 2018.

⁴⁵If as a result of the reconstruction of the enterprise there is no increase in waste generation, discharges into water bodies, no new environmental permits are required

Ferghana Valley Enterprise Development Project (FVEDP)

No.	Types of potential sub-projects	Proposed Categories		The required EA documents
		WB	Uzbekistan	
	<ul style="list-style-type: none"> Meat industry facilities (slaughter and processing) 	B (low risk)	Category 3 (paragraph 20)	The ESMP Checklist Compliance with best practices DSEI and SEC development
2b	Livestock – purchase of cattle for growing	C	Category 4 (paragraph 11) -	After completing the Environmental Screening Checklist, no further actions are required In the presence of the current SEI project, additional documents are not required
2c	Livestock - purchase of equipment for meat processing	C	Category 3 (paragraph 20)	After completing the Environmental Screening Checklist, no further actions are required If there is a conclusion of the current SEC and there is no increase in waste generation and emissions, sewage discharge, additional documents are not required. Otherwise, EIA development in two stages (DSEI and SEC) is required
3a	Poultry <ul style="list-style-type: none"> Construction of new / reconstruction of existing poultry enterprises 	B (low risk)	Category 3 (paragraph 40)	The ESMP Checklist Compliance with best practices EIA development in two stages (DSEI and SEC)
	<ul style="list-style-type: none"> Construction of new / reconstruction of poultry enterprises, including poultry farming, processing and slaughter 	B	Category 2 (paragraph 26)	Simple EIA and ESMP and/or ESMP or ESMP checklist EIA in two stages (DSEI and SEC)
3b	Poultry - purchase of birds for growing	C	Category 3 (paragraph 40) or 2 (paragraph 26)	After completing the Environmental Screening Checklist, no further actions are required If there is a conclusion of the current SEC and there is no increase in waste generation and emissions, sewage discharge, additional documents are not required. Otherwise, the development of a new SEC is required
3b	Poultry - purchase of equipment for poultry processing	C	* Category 3 (paragraph 40)	After completing the Environmental Screening Checklist, no further actions are required If there is a conclusion of the current SEC and there is no increase in waste generation and emissions, sewage discharge, additional documents are not required. Otherwise, EIA development in two stages (DSEI and SEC) is required new SEC

Ferghana Valley Enterprise Development Project (FVEDP)

No.	Types of potential sub-projects	Proposed Categories		The required EA documents
		WB	Uzbekistan	
4a	Weaving (manufacture of carpets) construction of new / modernization of existing shops	B (low risk)	Category 4 (paragraph 4) -	The ESMP Checklist Compliance with best practices DSEI development
4b	Weaving (manufacture of carpets) - equipment procurement	C	Category 4 (paragraph 4)	After completing the Environmental Screening Checklist, no further actions are required If there is a positive environmental opinion for the enterprise – no additional documents are required
5 a	Agricultural production: • Construction of new greenhouses;	B (low risk)	Category 4 (paragraph 10)	The ESMP Checklist Compliance with best practices. DSEI development
	• Construction/modernization of enterprises for processing of agricultural products	B (low risk)	Category 4 (paragraph 8)	The ESMP Checklist Compliance with best practices. DSEI development
5b	Agricultural production - equipment procurement	C	Category 4 (paragraphs 10 and 8)	After completing the Environmental Screening Checklist, no further actions are required If there is a positive environmental opinion for the enterprise – no additional documents are required
6a	Sericulture Construction of new shops/reconstruction of existing ones	B (moderate risk)	Category 2 (paragraph 8)	The ESMP Checklist Compliance with best practices EIA in two stages (DSEI and SEC)
6b	Sericulture – Equipment / raw materials procurement	C	Category 2 (paragraph 8)	After completing the Environmental Screening Checklist, no further actions are required If there is a conclusion of the current SEC and there is no increase in waste generation and emissions, sewage discharge, additional documents are not required. Otherwise, EIA development in two stages (DSEI and SEC) is required new SEC
7a	Small sewing shops construction of new/modernization of existing ones	B (low risk)	-	The ESMP Checklist
7b	Small sewing shops equipment procurement	C	-	After completing the Environmental Screening Checklist, no further actions are required

For Category C sub-projects beyond screening (filling the screening list (Appendix 4. Form 1)), no further EA action is required. If the ROs meet difficulties with WB categorization of sub-projects, it should consult the central PIU. The PIU, based on an environmental screening checklist, decides what category is proposed for sub-project and informs the beneficiary on the type of the ESA that needs to be designed.

When development of ESIA (WB requirements) and DEIS (national requirements) are required at the same time for the certain sub-project, it is recommended that national DEIS needs to be developed in format of ESIA. It will to allow avoid double work on preparation of EA documents. As part of capacity building program under this project, special training could be conducted for beneficiaries on development EA documents per WB OP 4.01 requirements.

As described above, the most the most stringent criteria for sub-projects categorization will be applied. Respectively as per WB's safeguards requirements, all category A sub-projects (Category I and II per national legislation (specified in Annex 1, Table 1) will be non-financed under the project, while for all sub-projects category B there will be necessary: a) an ESIA and ESMP; b) ESMP/ESMP checklist in addition to DSEI per national legislation.

Thus, to fulfill WB requirements to follow the most stringent standards between national law and Bank safeguards requirements, alternative instruments (ESMP checklist or simple ESMP) will be prepared either instead or in addition to EIAs that are prepared to meet national environmental regulations.

8.4.Social screening

No subproject will be supported entails temporary or permanent involuntary land acquisition and resettlement impacts, land use restrictions, impact on economic activities, or access to resources. Subprojects will be allowed to acquire land under a willing buyer – willing seller arrangement or acquiring unused government land. Identification of the impacts and categorization of the subprojects is done as early as possible during subproject investment planning by the PIU and the project implementer through the procedure of social screening. The subproject shall be screened again on the other stages of its implementation, if the design, project scope is being revised and/or new project component(s) are being added.

The following steps of the screening procedure needs to be followed:

1. Identify potential social risks and their significance
 - Collect project map superimposed on the cadastral and/or Google earth map if available. The boundary of the land needed for the project, including all safety and buffer zones, assess roads, utilities to be relocated, etc. should be made available on the map based on the available draft or detailed design. The boundary could be superimposed on the Cadastral map and/or on the Google earth map to understand potential impact of the proposed design, including illegally used land plots.
 - Review available information and collect additional information required from different relevant sources if needed. At least, land use documents relevant to the subproject area should be available.
 - Conduct field visit if needed
 - Identify any associated activity needed for sub-project. (a subproject with an associated activity which requires involuntary land acquisition will not be funded under the project).
 - Fill the screening form attached and identify: physical and economic displacement (which will not be allowed under this project), including RoW clearance, direct and/or indirect impacts, full and/or partial, past, present, future, preconstruction and

construction, operation stage impacts, including restrictions on easement rights and land use; impacts on vulnerable groups.

2. Identify possibility of avoiding of the impact through modifications to the subproject design and/or subproject scope.
3. Determine category of the project based on resettlement impacts. Any project that requires involuntary land acquisition, or displacement, will not be funded.
 - Severe: projects land acquisition in a project affects more than 200 people, takes more than 10 percent of any holding, and/or involves physical relocation of population.
 - High: projects land acquisition in a project affects less than 200 people, takes more than 10 percent of any holding, and/or involves physical relocation of population.
 - Low: there is no any impact.
4. Table 9 below summarized subproject categorization indicators, respective planning documents to be prepared and eligibility for the Project financing.

Table 9: Subcomponent Categorization and Resettlement Planning Requirements

Subproject Category	Eligibility for Project Financing	No. of Affected People	Resettlement Impact	Planning Requirement
Severe	Not eligible for project financing	200 or more PAPs experience major impacts: -Physical displacement and/or	Significant	Full RAP
High	Not eligible for project financing	Less than 200 people experience major impacts	High	Abbreviated RAP
Low	Eligible for project financing	No loss of assets and incomes or displacement	None	Due Diligence Report with screening form attached

5. Document screening process in a Social Screening Format tool following the structure proposed in the Annex 9.
6. Start screening process if project scope and/or design are revised.

9. ENVIRONMENTAL AND SOCIAL ASSESSMENT GUIDELINES

Taking into consideration the environmental assessment requirements specified in the national legislation, as well as the WB's Operational Policy and general guidelines on HSE, the ESA process for selected sub-projects may require the development of the following documents: DSEI, SEI, SEC, EIA, ESMP, ESMP Checklist. Below is a summary of the contents of these documents and recommendations for their preparation.

Draft Statement of the Environmental Impact (DSEI). This document shall be prepared by the beneficiary of the sub-project and/or a consultant hired on his behalf. RCM No. 949 (2018) specifies the content of the DSEI. The content of the document for the projects of category IV differs from the content of the DSEI development for the projects of category 1-3. The content of the DSEI for the projects of category IV is more simplified than for the projects of category 1-3. The complete DSEI shall indicate a wide range of environmental and social issues based on the feasibility study of the sub-project, and in particular the following: (a) environmental, social and economic framework; (b) general layout plan showing existing recreational areas, settlements, irrigation, reclamation facilities, agriculturally used areas, power lines, transport communications, water supply pipelines, gas pipelines and other information about the area; (c)

description of project activities and technologies used; (d) expected emissions, discharges, waste, their negative impact on the environment and methods of neutralization; (e) waste warehousing, storage and disposal; (f) analysis of alternatives to proposed or existing activities and technological solutions from the point of view of environmental protection taking into account the achievements of science, technology and best practices; (g) organizational, technical, technological solutions and measures, excluding the negative impact on the environment and mitigating the impact of the exanimated facility on the environment; (j) analysis of emergency situations; and (i) prediction of environmental changes and impacts on the environment as a result of implementation of the exanimated facility.

For the projects relating to Category 4, the following information shall be provided in the Environmental Assessment Report⁴⁶: (a) general layout plan indicating the land use in the area; (b) description of production technology, (c) information on the availability of sewerage network and requirements for waste water discharge; (d) quantity and content of discharges/emissions, (e) quantity and conditions of waste storage, (f) measures for the environment protection.

The DSEI shall be reviewed and approved at the national level by the Glavgosecoexpertiza (for projects relating to category 1-2) or at the regional level of the State Environmental Expertise (for projects relating to category 3-4) under the State Committee for Ecology and Environmental Protection (at national and regional levels, respectively). The State Environmental Expertise confirms the category of the project and identifies the main issues that the project beneficiary shall focus on in the next stages of the environmental assessment process and during the project implementation (construction or rehabilitation works).

Statement of the Environmental Impact (the second stage of national EIA). This stage shall be implemented if it is required in the Environmental Conclusion for DSEI. Usually, such documents are developed to complement the specific information provided in the DSEI. This may be an assessment of environmental problems of the selected site based on the results of engineering and geological surveys, model and other necessary studies, the results of public hearings, if any. The SEI shall be developed prior to the beginning of construction work or before the start of operation of the facility – in accordance with the requirements specified in the Environmental Conclusion for DSEI.

Environmental Consequences Statement (SEC) (for sub-projects relating to categories 2-3). The document presents the adjustment of project decisions and other measures taken because of the DSEI and SEI review and the results of public hearings, location plan of sources of contamination, requirements for the work arrangement and implementation of measures for environmental support of the operated facility. The document will need to be developed before the selected sub-projects start working.

When preparing these documents, it is required to use as guidelines the RCM No. 949 "Regulations on the Environmental Examination" dated November 22, 2018, "Manual on the Environmental Impact Assessment"⁴⁷. Also, when preparing the EIA documents, it will be required to use SanR&N. To determine compliance with building codes - SNIps (KMKs), Orders of the Minister of Employment and Labor Relations of the Republic of Uzbekistan (on normalization of working conditions in various sectors of the economy). The list of regulatory documents applicable to sub-projects of this project is presented in Chapter 2.1 and Table 3 of Chapter 7, in the column "measures to reduce the negative impact".

The following three documents are being developed in the format of World Bank's requirements. ***Environmental and Social Impact Assessment (ESIA)***. The document is developed in the WB

⁴⁶ Resolution of the Cabinet of Ministers (RCM), No. 949 (dated November 22, 2018)

⁴⁷ Annex to the KMK 1.03.01-96 "Instruction on the composition, procedure for the development, agreement and approval of design and estimate documentation for the construction of enterprises, buildings and structures", 2002

format. The TOR for the development of this document is presented in Annex 5. Comparative analysis of the requirements to national EA with TOR in the format of the World Bank showed that in many respects the requirements are the same. The main difference is the absence of an Environmental and Social Management Plan and a mandatory requirement to the holding of public hearings.

Environmental and Social Management Plan (ESMP). It is an integral part of the ESIA, but at the same time can be developed as a separate document. The Environmental and Social Management Plan (ESMP) shall include mitigation, monitoring and administrative measures to be taken during the implementation of the project to avoid or eliminate negative environmental impacts. The plan clearly defines who, when and what activities shall be taken to reduce impacts. To ensure the effective implementation of the activities, an environmental monitoring plan is a mandatory part of the ESMP, which outlines what measurements, when, by whom and where shall be carried out. The results of the monitoring shall be included into the reports prepared by the sub-borrowers and Safeguards Specialist of the RO and PIU. The ESMP format is presented in Annex 6.

The ESMP Checklist. The ESMP Checklist format attempts to cover typical key mitigation measures for construction contracts with small localized impacts or with simple and low risk. This format provides the key elements ESMP to meet the minimum requirements of the environmental assessment of the World Bank for the projects of category B in accordance with OP 4.01. The purpose of this checklist is to provide practical, real and implementable recommendations to Contractors and supervising engineers over the simple contracts for construction works. It shall be completed at the final design stage separately or in combination with any environmental documentation prepared in accordance with national legislation (e.g., the ESIA reports) and is an integral part of the tender documents and, ultimately, of the work contracts. The form of the ESMP Checklist is presented in Annex 7.

When developing these documents, it is necessary to use the general and sectoral IFC guidelines on Ecology, Health and Safety, best practices guidelines. References to the guidelines are also provided in Table 3, Chapter 7 in the last column.

Preparation of all the above documents is the responsibility of the sub-borrower. He (she) can prepare documents using own resources or by hiring a legal entity and an individual engaged in the development of materials submitted to the state environmental examination.

Safeguards Specialists of the RO shall provide consultations on the categorization of sub-projects, determination the types of documents required for ESA. Also, specialists of the PIU and RO can provide consultations on the type of possible environmental impacts and measures to reduce them.

The deviation of the sub-project: If a sub-project is rejected for environmental and social reasons after site visit and review of the ESA documents, an improved version of the ESA documents can be submitted by the project initiator and re-assessed as above.

Disclosure of ESMP and public consultations. All ESMPs for a sub-project of Category B shall be disclosed and public consultations shall be held with all stakeholders and the local population. For the said purpose, the beneficiary of the sub-project shall post on his website and submit the draft of the ESMP document to the local council in Uzbek/Russian language. After about two weeks, the beneficiary will arrange a public briefing on the document, prepare the minutes of the meeting with the participants' specifications and raise questions. After consultation, the beneficiary reviews the document, answers the questions raised and prepares the final version. The final version of the document, together with other project documents, shall be submitted to the RO/PIU for financing.

9.1. The role of various stakeholders in environmental screening, environmental assessment processes and monitoring the implementation of safeguards requirements

The institutional structure of the parties involved in the environmental assessment process is shown in Figure 8 below.

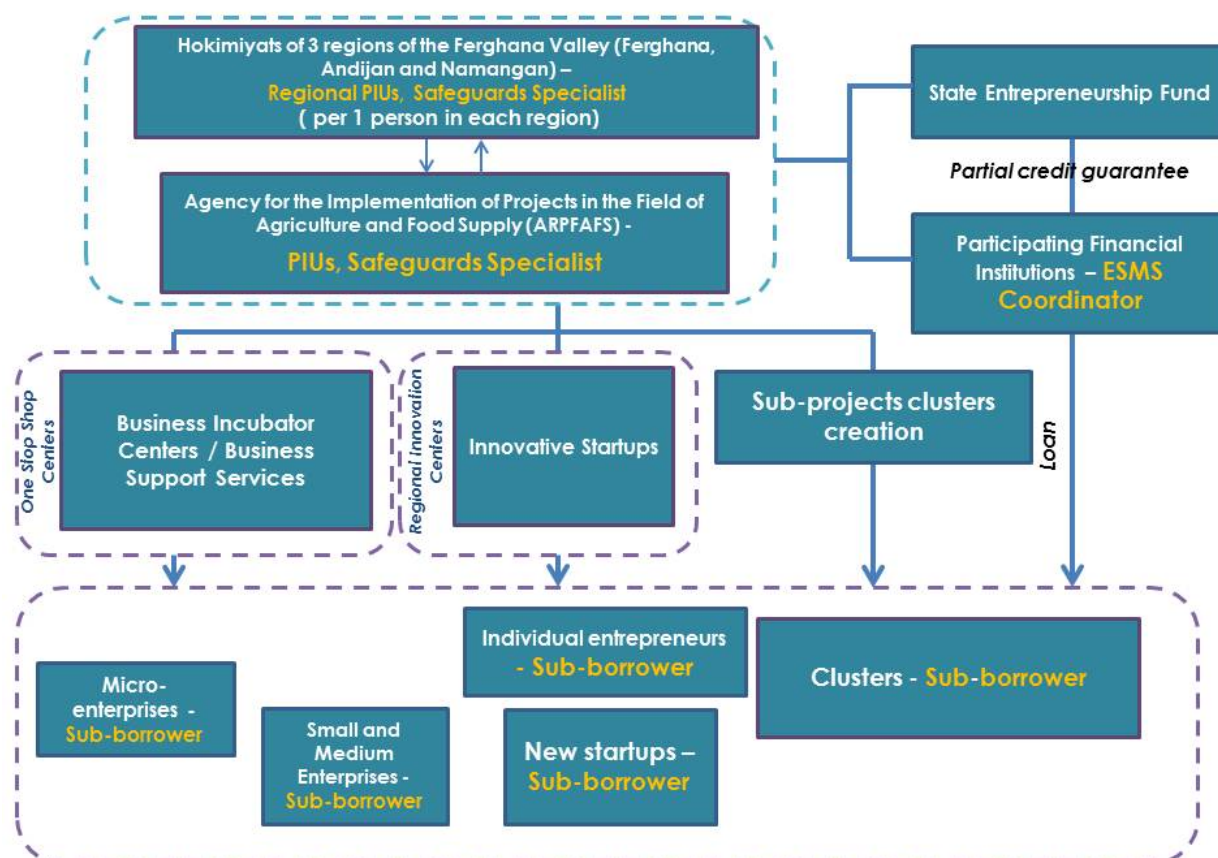


Figure 8: Institutional structure of parties involved in the environmental assessment process

Sub-borrowers. To receive financing within the framework of the project, the beneficiaries of potential sub-projects shall: complete the form (Annex 4, Form 1 part 1) to determine the possible environmental and social impacts of the proposed activities. Beneficiary means any candidate applying for financing through the program under sub-components 1.1, 1.2 and 2.1, regardless of whether the application is submitted to the RO or the PFI. The same form shall apply to all applicants.

When completing these forms, sub-project applicants will use the information provided in the Draft Statement of the Environmental Impact (DSEI) of the facility under construction. Sub-project applicants are also responsible for obtaining the relevant permits and approvals that may be required to finance the activities and are issued by the regional ecology and environment protection committees. Based on the results of the environmental screening and in case the sub-project qualifies as category B, the sub-project applicants shall ensure the carrying out of the ESIA and/or the ESMP shall be prepared, which includes the monitoring plan.

The initial decision (recommendation) to include sub-projects in the financing by the program will be taken by the regional project coordination units (RPIUs) (sub-components 1.1 and 1.2) or by the responsible persons in the PFI (for sub-loans under sub-component 2.1).

Regional PIUs/ PFIs. After the completed application for financing together with the environmental and social issues form (Annex 4/form 1, part 1) is submitted to the RO, The PIU/PFI specialist reviews the received application for not including the financed activity in the prohibited list (according to Annex 3).

Further, the specialist of the RO/PFI conducts environmental audit of each project by completing the Checklist of environmental audit (Annex 4 / Form 1 Part 2). For sub-projects classified under environmental category B, the safeguards specialist of the RO/PFI shall visit the project site to ensure compliance with all national requirements and to conduct a simple environmental and social impact assessment and identify mitigation measures, as well as to complete the checklist (Annex 4 / Form 1, part 4) on-site. When a visit of the RO/PFI identifies environmental and social risks, the sub-project applicant hires a consultant to prepare a specific ESIA in the territory and/or ESMP. The cost of the ESIA can be included in the sub-project cost retroactively, if it has already been approved. If the sub-project belongs to category B with low impact, then the sub-borrower develops only the ESMP. In cases when the sub-project falls under category C, only Annex 4/Form 1 and Form 3 shall be completed by the PIU and RO / PFI specialists. Further environmental documents development for these sub-projects is not required.

PMU. The final approval of the ESA for the environment and social sphere will be carried out by the Central PIU (Annex 4/Form 1, part 3). For category 2 and 3 sub-projects, the ESA process also requires the development of the Environmental Consequences Statement, which shall also be prepared by the sub-borrower. The content of the SEC is presented in Chapter 2 and Section 9.1.

During the implementation of the project, **the RO / PFIs and the PIU** shall ensure the implementation of environmental and social mitigation measures. In case of non-compliance, these authorities will examine the nature and cause(s) of the non-compliance and decide what is necessary to bring the sub-project to conformity or suspend financing. In turn, **Sub-borrowers** who have received financing under the project will be responsible for the implementation of the ESMP during the construction and implementation of sub-projects.

Based on the procedures described above, the following responsibilities are assigned to the safeguards specialists of the RO/PFI:

- (i) conduct screening of applications for sub-projects, including compliance with project criteria, environmental and social impacts by completing the screening forms (Annex 4 / Form 1, part 2);
- (ii) verify that all required environmental permits have been obtained;
- (iii) when necessary, visit the sites for on-site environmental screening (for sub-projects classified as category B) (Annex 4 / Form 1, part 4),
- (iv) verify environmental and social data submitted by applicants;
- (v) assist in the identification of mitigation measures and in confirming that the environmental category is appropriate and that the ESMP is adequate;
- (vi) ensure compliance of the sub-project implementation with the requirements of the ESMP by monitoring the implementation of sub-projects.

Safeguards Specialist of the PIU (PIU SS) (located in Tashkent):

- (i) monitor the quality of environmental screening of applications for sub-projects conducted by Safeguards Specialist of the RO and PFI, including the quality of environmental and social impact on the environment and social sphere;
- (ii) verify the availability of the required permits (DSEI conclusion, SEC);

- (iii) according to the results of paragraph 1 and 2 perform the final ESA by filling out the screening sheet of Annex 4/ Form 1, part 3;
- (iv) carry out sample monitoring of compliance of project activities with the ESMP requirements;
- (v) consult the RO and the PFIs on specific issues that may arise, including the preparation of the ESMP and the provision of assistance to the projects of B category through site visits;
- (vi) monitor cumulative impacts;
- (vii) provide training on ESA rules and procedures within the framework of the third component of the project.

9.2.Labor (Labor influx, Forced and Child Labor)

Uzbekistan has been taking considerable efforts to eliminate child and forced labor. National legislation (Article 7 of Labor Code, Administrative Responsibility Code and other acts) strictly prohibits using child and forced labor and people who infringe these acts are imposed fines. In addition, Uzbekistan joined/ratified ILO conventions No 29 and No105 on elimination of forced labour and Conventions No 138 and No 182 that foresee abolition of child labour.

Since 2014, Coordination Council for Child Labour and Forced Labour has been operating in Uzbekistan that comprise representatives of the Federation Council of Trade Unions, the Ministry of Employment and Labour Relations, the Chamber of Commerce and Industry, line ministries and agencies, NGOs. Council develops/implements action plans to abolish child and forced labor in country.

Starting from 2015 International Labor Organization (ILO) annually conducts Third Party Monitoring during cotton harvesting season at projects financed by the World Bank in agriculture, irrigation, education and healthcare. ILO raise awareness and build capacity of all state stakeholders on prohibition of CFL, supports channels to receive feedback from citizens who are involuntarily mobilized to harvest cotton. ILO works closely with Coordination Council in these areas.

In 2014, the tripartite partners of Uzbekistan (Ministry of Employment and Labour Relations, Council of Federation of Trade Unions, Chamber of Commerce and Industry) and ILO signed Decent Work Country Program for 2014-2016 that was extended up to 2020.

Highest level political commitment to eradication of child and forced labor in all sectors was evidenced in speech of Uzbekistan President, Shavkat Mirziyoyev, at the General Assembly of the United Nations in September 2017. This was followed by creation of new Senate Committee on Labor Rights Guarantees for parliamentary and public control and prevention of labor rights' violations by state authorities, institutions and individuals in October 2017. Public debate about the extent of labor mobilization of local authorities for streetscape improvements/maintenance and other works became more open. On May 10th, 2018 it culminated in a Cabinet of Ministers Decree on *"About additional measures to eradicate forced labor in the Republic of Uzbekistan"*, outlining concrete measures to eradicate and prevent forced labor in all sectors and take strict disciplinary measures to management of organizations that directly or indirectly mobilize workers of educational, healthcare and other sectors and students to forced labor.

According to TPM 2017: *"There is no systematic use of child labour in the cotton harvest in Uzbekistan and significant measures to end forced labour are being implemented"*.

Big progress was made in building dialogue between Government (law enforcement bodies, Ministry of Employment and Labor Relations) and local CSOs that was resulted in participation of local human rights activists in TPM 2018. Report on TPM 2018 will be disclosed around mid of February, but taking into account progress made towards eliminating forced labor, focus should be on supporting and facilitating decent working conditions and broader labor rights.

Mitigation measures: Project can collaborate with WB financed projects in horticulture and livestock sectors and implemented by RRA and develop action plan to support labor rights of employees engaged in project, promote decent working conditions as well as to mitigate any residual risks of child and forced labor among project beneficiaries.

Plan could comprise capacity raising of project beneficiaries on applicable legislation and regulation on child and forced labor, labor rights, decent working conditions and occupational health and safety in agriculture and other related sectors; public – awareness campaign among project beneficiaries, monitoring of working conditions at enterprises that will be supported through project and other measures that will be tailored to project.

The general mitigation measures shall be described in ESMP that will be developed during the project preparation as part of the tender package and construction contract. During preparation, the project ESIA and the ESMP should identify the risks of labor influx, avoiding forced and child labor. The ESMP should be included in the bid documents. Additionally, contractors will need to implement a code of conduct to be followed by their employees.

10. INSTITUTIONAL ARRANGEMENTS AND CAPACITY FOR ESMF IMPLEMENTATION

10.1. Project coordination

The main executive body of the project is the Agency for the Implementation of Projects in the Field of Agriculture and Food Supply (ARPFASF – “Agency”) (former RRA), established based on CMR No. 940 dated November 21, 2018. According to the Resolution, the main tasks of ARPFASF are:

- Assistance in the development and formation of projects, including investment in the field of agriculture, food supply, as well as the development of entrepreneurship support;
- Attraction of foreign investments, loans, grants and technical assistance of international financial institutions and foreign governmental organizations for the projects implementation;
- System monitoring of the implementation of projects and sub-projects, identifying the obstacles to their effective implementation;
- Cooperation with the initiators in the implementation of startup projects, introduction of innovative ideas and technologies;
- Assistance to state and economic management bodies, local authorities and other organizations within the framework of projects implementation, including investment in the field of agriculture and food supply.

ARPFASF will assist in the daily implementation of the project in close cooperation with the three khokimiyats of the Ferghana Valley.

10.2. Project Implementation Unit

RRA will establish a Central project implementation unit (PIU) within its current structure and will use its three regional offices in the Ferghana Valley, located within the regional khokimiyat structure, to facilitate the day-to-day implementation of the project together with implementing partners. RRA will cooperate closely with implementing partners who will be responsible for the implementation of specific project activities in the following areas:

- Business consulting services: The Chamber of Commerce (lead service provider), the Business Women's Association and the Youth Union will provide business development services and technical assistance to start-ups and SMEs for participating entrepreneurs along with additional business consulting support or expert knowledge;
- "Single window" centers under the Ministry of Justice will host and support Business Incubator Centers, including through the expansion of their mobile department stores (mobile portable offices).
- Regional innovation centers under the Ministry of innovation and regional khokimiyats will receive and support activities to launch innovations, including the provision of physical space and support for RRA in innovation problems solving.
- Participating financial institutions will provide credit lines for SMEs
- The State Entrepreneurship Development Fund will manage the partial credit guarantee Fund within the project framework and work with the participating financial institutions;

The PIU will hire a safeguards specialist (SS) who will maintain supervision over the overall coordination of the ESMF implementation and separate ESMPs, inform ARPFAFS and the World Bank regarding safeguards issues, as well as integrate the safeguards requirements into the tender and contract documents. He/she will also be responsible for interaction with environmental agencies, local implementing agencies, ensuring effective implementation of documents of protection, and will visit construction sites and carry out monitoring and evaluation of compliance with environmental and social requirements at the workplace, consulting of Regional Project Implementation Units (RPIUs) and Participating Financial Organizations (PFIs) for environmental and social safeguards. The Safeguards Specialist of the PIU will also be responsible for determination of the training needs for Environmental Assessment for all parties involved in the implementation of the ESMF/ ESMP. The Safeguards Specialist of the PIU for this project will work in close cooperation with specialists from other PIUs of ARPFAFS working on the IFI projects.

10.3. Regional Project Implementation Units

The project will be implemented at the local level through the regional offices (RO) of ARPFAFS in three project regions which will cooperate closely with the respective regional khokimiyats. The Safeguards Specialist will also be hired for ROs, the main tasks of which will be to ensure the implementation of project activities in accordance with the safeguard procedures of the WB "Operational Policy" and national rules and procedures for environmental assessment.

The main responsibilities of the Safeguards Specialist of RO will include: environmental and social screening of potential sub-projects, determination of required environmental permits and documents on land ownership rights, monitoring of implementation of environmental measures

during construction/rehabilitation works, preparation of reports and their submission to the PIU in Tashkent. It will also be the responsibility of the safeguard specialist to provide consulting services to the sub-borrower on the categorization of the sub-project, as well as the preparation of the ESMP, as required. Detailed description of the responsibilities of the Safeguard Specialist of Regional Offices of ARPFAS was presented in Chapter 9.2. The Safeguard Specialists of Regional Offices will be answerable to the PIU.

10.4. Participating Financial Institutions

The subprojects ESIA and ESMPs implementation will remain under the responsibility of the PFIs and of sub borrowers, including responsibilities for supervision and monitoring of proposed activities and selected subprojects. Compliance with the ESMPs and monitoring of the impact during the construction phase will be undertaken by the PFIs and periodically by RRA and Regional Offices Safeguards Specialists as part of his/her contract supervisory duties. The PFIs will also play the major role in implementing ESMF provisions and will be required to ensure that sub-borrowers conduct an appropriate ESIA and where necessary prepare an ESMP, for each sub-project. The PFIs will be involved in the process of project implementation from the very beginning, at the project's appraisal stage. They will evaluate project proposals to attribute them to the WB Category and determines type of Environmental Assessment to be conducted for project, reviews the set of documents prepared by sub-borrowers (sub-projects' Information Sheet or Project Summary Sheet as well as all necessary permits and clearances needed for project implementation) completes Environmental Screening Checklist and makes a final decision on project's financing. In case of non-compliance with presumed mitigation measures during project implementation, the PFIs can make a decision on suspending of funding

10.5. The responsibility of sub-borrowers

Actual investments will be made by sub-borrowers selected through an open tender. They shall act in full compliance with national environmental and social legislation and the ESMP requirements. In addition, sub-borrowers under the sub-projects related to construction/rehabilitation works are obliged to comply with the regulatory requirements of national legislation relating to the receipt of all required environmental documentation, compliance with established standards for health and safety; fire safety; environmental protection. All activities related to ESMP shall be carried out through allocated sub-loans. Sub-borrowers will also be asked to appoint a person responsible for environmental, social, health and safety issues, as well as for the ESMP implementation. As it is mentioned above, the sub-borrowers shall ensure the implementation of the ESMP during construction/rehabilitation works.

Sub-borrowers on sub-projects aimed at modernization and re-equipment of existing enterprises shall ensure timely obtainment of environmental permits and regulations and timely submission of reports to the ecology and environment protection committees. Copies of the reports received standards and reports shall be submitted by the sub-borrowers to the regional offices of ARPFAS and PFI.

11. MONITORING AND REPORTING ACTIVITIES

11.1. Basic requirements for environmental and social monitoring and reporting

Environmental and social monitoring during the implementation of sub-projects shall contain information on key environmental and social aspects of sub-projects, their impact on the environment, social consequences of impacts and the effectiveness of measures taken to mitigate

the consequences. This information allows the PIU/RO and PFIs to monitor the performance of sub-borrowers' (project beneficiaries) obligations to implement environmental measures, assess the effectiveness of mitigation measures, and allow timely implementation of corrective action(s) that need to be observed how often, where and by whom monitoring shall be carried out.

Monitoring of the implementation of environmental measures shall be carried out by safeguards specialists of the RO and PFI. Representatives of the Committee for Nature Protection may also be involved in monitoring. The aim is to verify the main points of compliance with the ESMF, the progress of implementation, the scope of consultations and the participation of local communities. The standard checklist prepared during the evaluation studies will be used for the activities report. In the medium term of the project implementation and at the end of the project, an independent audit will be carried out in the field of environmental, social, health and safety. The audits are necessary to ensure that (i) the ESMF has been properly implemented and (ii) mitigation measures are identified and implemented accordingly. The audit will be able to identify any amendments to the approach to the ESMF to improve its effectiveness.

Monitoring for social part will be done on the continuous bases by the safeguards specialist of the PIU to ensure, that there is no any unanticipated impact during construction works on land, productive assets, illegal users, people's livelihood, assess to the assets etc. Monitoring will also cover health and labor issues. If some issues are identified, the mitigated measures will be proposed in the progress reports or separate Corrective Action Plans (CAP) (details are presented in the below section on the Environment and Social reporting).

11.2. Environmental Monitoring

To ensure implementation of the environmental measures specified in the ESMP, the monitoring shall be carried out as follows:

- **Visual monitoring** - during the construction stage of the sub-projects the safeguards specialists (SS) of the RO and PFI shall continually monitor the performance of ESMP by sub-borrowers. This will be achieved through monthly inspections of construction / reconstruction projects by specialists throughout the whole construction period. The Safeguards Specialists of the RO or PFI has the right to suspend work or payments if the sub-borrower breaches any obligation on ESMP implementation. For monitoring, it is recommended to use special check lists, that can be compiled based on ESMP with the attachment of photos from the monitoring site.
For functioning facilities, the Safeguards Specialist shall verify the timeliness of the sub-borrower's reporting on discharges to water bodies, air emissions and solid waste, which the sub-borrowers shall submit on a periodic basis to the regional ecology and environment protection committees.
- **Instrumental monitoring of environmental quality**, such as air and water quality. Taking into consideration the types of activities that will be implemented within the framework of this Project, instrumental monitoring may not be carried out. However, in the case of complaints of violations or inconveniences from the local population, instrumental measurements of air or water quality shall be carried out by the sub-borrower through the hiring of a certified laboratory. In case of national standards exceeding, the sub-borrower shall be obliged to take additional measures to reduce the detected exceedances to meet the standards.

Separately, the World Bank experts will also annually visit certain sites to monitor the compliance. As has been mentioned above, in the case of non-compliance, the RO/ PIU and the

PFI will investigate the nature and cause(s) of the non-compliance and, if necessary, decide what is necessary to ensure the compliance with the sub-project or financing shall be suspended.

11.3. Environmental and Social Reporting

Environmental activities performance, including monitoring, shall be properly documented and reported. In accordance with national legislation *for the facilities under construction* each contractor shall keep a log with information on HSE training for workers and another log for the registration of accidents during construction works. In the case of instrumental monitoring, the original records of the results of the required instrumental environmental monitoring (air and water quality) shall also be stored in a separate file for records.

For sub-projects related to construction / rehabilitation, it is recommended that sub-borrowers, with the assistance of the SS OFRO and PFI, develop a format (checklist) for site inspection to optimize the environmental supervision process before commencement of the work. The format can be in the form of a checklist with a list of mitigation measures to be implemented at construction sites, the status of their implementation and some explanations on the status of implementation, as required. On monthly basis the sub-borrowers will present short reports on ESMPs implementation. The list of measures that are checked by the Safeguards Specialists when visiting the site shall correspond to the measures specified in the ESMP for the controlled sub-project. Information on the results of the monitoring on the construction / rehabilitated facilities shall be submitted to the RO and PFIs to the PIU (Tashkent) on a quarterly basis. Based on received from the RO reports on semiannually basis the PIU will prepare a brief report on ESMF and ESMPs implementation to be included in the progress reports to be submitted to the WB.

For operating facilities that have received sub-loans for the equipment procurement, environmental reporting will consist in submitting by the sub-borrower copies of environmental reports to be submitted to the regional committees of nature protection and statistics committees. According to the national legislation, such reports shall be submitted by the economic activity entities belonging to 1-3 categories⁴⁸. Thus, each sub-borrower, the activities of which require the submission of environmental reports, shall submit a copy of such reports to its RO or PFIs. RO and PFI consolidate the information and submit it to PIU. Sub-borrowers should submit the environmental performance reports to PFIs on annual base. The PFIs have to assemble all reports received from sub-borrowers and submit them to PIU on annual base as well.

Monitoring reports during the project implementation will provide information on key environmental and social aspects⁴⁹ of the project activities, especially regarding environmental impacts and the effectiveness of mitigation measures. Such information will allow the PIU and the World Bank to evaluate the success of measures to mitigate the consequences within the framework of project supervision, and allow, if necessary, to take corrective actions.

The sub-projects ESMP monitoring section will provide:

- (a) details of monitoring measures, including parameters to be measured, methods used, sampling locations, frequency of measurements; and
- (b) monitoring and reporting procedures: to (i) ensure early identification of conditions requiring mitigation measures; and (ii) provide information on the progress and results of mitigation.

⁴⁸ Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 949 dated November 18, 2018.

⁴⁹ Including the impact on the labor force, gender issues, impact on socially vulnerable groups, the standard of living of the population, impact on land resources and others.

The PIU will provide brief information on the implementation of the ESMF and the environmental and social activities of the sub-project as part of the progress reports to be submitted to the WB every six months.

If social monitoring identified any impacts, it should be mitigated immediately. If there is an impact on land, productive assets, illegal users, people's livelihood, assess to the assets etc. the subproject construction works should be stopped and the PIU needs to be informed immediately. A Corrective Action Plan (CAP) needs to be developed. The CAP should contain information on the subproject, status of the civil works, impact types and social impact assessment, proposed mitigation measures. CAP should be prepared by the subproject implementer and approved by the PIU. All unanticipated impacts under the subproject, which have been occurred out of the RoW, should be compensated/mitigated by the Contractor. This needs to be reflected in the bidding documents. All impacts in the RoW should be compensated by the Subproject Implementer.

11.4. Integration of ESMF into the project documentation

The provisions of the ESMF will be used for the following:

- i. Inclusion of the ESMF requirements into the Operational Manual of the project;
- ii. The inclusion of environmental guidelines, ESMP into the construction contracts for individual sub-projects, both in the specification and in the bills of work, sub-borrowers shall include the cost of ESMF implementation in their financial proposals;
- iii. The allocation of subsequent responsibility of ESMF within the framework of the PIU and RO;
- iv. Specifying mitigation and prevention measures during the implementation of selected sub-projects;
- v. Monitoring and evaluation of mitigation/prevention measures identified in the site-specific review and in the ESMP. The required mitigation measures will be an integral part of the sub-project, including contracts requiring contractors to meet environmental and social obligations during construction.

All contractors shall use environmentally acceptable technical standards and procedures during the work. In addition, the contract provisions shall specify the requirements for compliance with all national building codes, health, protective procedures and regulations, as well as environmental protection.

12. ACTIVITIES OF TECHNICAL ASSISTANCE IN THE FIELD OF ENVIRONMENTAL PROTECTION AND THE SOCIAL SPHERE

The ESMF implementation requires special knowledge from the beneficiaries and all project participants at each stage of the project. To ensure the effective implementation of the project and a clear understanding of the requirements for safeguards of the project, a capacity-building program is provided.

The program provides training in both general environmental and social policy principles of the World Bank, relevant national legislation, and in more detailed aspects. It is planned to conduct training and provide information on such topics as the introduction of ESMF, reporting on ESMF/ ESMP, as well as on specific topics such as the use of pesticides in agriculture, integrated pest management, preparation of feed to minimize carbon dioxide emissions and odor, etc.

For the said purpose, prior to commencement of construction work, ARPFAFS will hire a Consultant with knowledge of the environmental and social management requirements of the Republic of Uzbekistan, as well as substantial knowledge of the policies and requirements of the World Bank's safeguards, who will develop training materials and trainings themselves. The training will include basic WB requirements, national rules and procedures for safeguards, as well as case studies in this regard. All developed training materials, after the first series of trainings by the Consultant will be transferred to the Executive Agency for further application.

The proposal for capacity-building of the Project on environmental and social issues will cover four basic areas:

- i) ***PIU and PIU regional offices (RO) potential capacity*** for the implementation of ESMF during the process of sub-projects selection, stages of construction and functioning of the sub-projects. A hired Consultant will provide appropriate training for PIU, staff of RO and Safeguards Specialists on the requirements of safeguards of the operational policy of the World Bank, preparation of ESMF and ESMP, and further assistance in the monitoring of social aspects and ESMP. The training can be conducted in the regional centers of project sites with practice of on-site visits.
- ii) ***PFI potential capacity*** for the issues of ESMF implementation. The trainings will be held for the PFI coordinators on social and environmental issues and employees of credit departments directly involved in the selection of potential sub-projects. It will be very effective if the top management of the PFI will participate in the introductory part of the training, which will present the main provisions of the WB's safeguards policy, national legislation and a summary of the sociological and environmental obligations under this project.
- iii) ***ARPFAFS potential capacity***. Even though the agency conducts trainings on the safeguards implementation within the framework of currently implemented projects, on general environmental activities during the operation of projects - Consultant together with SS of the PMU will develop and conduct a training program on the overall review of the operational policy of the safeguards of the World Bank and national environmental and social requirements. The purpose of this training will be to present the World Bank's safeguards and national environmental requirements for different types (categories) of projects and further necessary actions.
- iv) ***The potential capacity of the beneficiaries*** on the ESIA and ESMP development. As the program will be implemented during several years and additional sub-projects will be proposed for inclusion into the program, the Consultant will conduct training for local organizations preparing environmental assessment documents. The trainings will cover the WB requirements for the development of ESIA, the main differences between the requirements of the national environmental legislation and the WB requirements for environmental assessment. The aim will be to train environmental assessment developers and specialists from local environmental authorities in the development of documents in accordance with World Bank standards.

The consultant shall also provide separate training on specific topics such as integrated pest management, environmental issues in livestock and poultry, pesticide and herbicide handling. The training materials, along with the requirements of national legislation on safety, health at workplace and environmental measures, shall provide information on best practices and requirements of international financial institutions. It is recommended that the training materials provide the detailed information on mitigation measures presented in Table 3, Chapter 7.

It is necessary to consider that within the framework of projects currently in ARPFAFS trainings are already conducting, including the topics described above. Namely, within the framework of the "Project for the development of horticulture in the Republic of Uzbekistan additional

financing" (WB) trainings are conducting on plant protection, general environmental issues, requirements of the WB and national legislation, advanced methods of agriculture (mainly gardens, greenhouses). Also, at the time of preparation of this document it was completed the conduction of training for specialists of regional committees of ecology and environmental protection, developers of documents on environmental assessment. The purpose of this training was to build the capacity of beneficiaries in the field of WB safeguards policies and preparation of documents on environmental assessment in accordance with these requirements.

Within the WB "Livestock development project" it is planned to conduct trainings on best practices in livestock, silk production and beekeeping. In this regard, the Consultant will need to study the available materials and develop training materials taking into consideration the specifics of this project. A preliminary capacity-building plan and training plan are presented below.

Table 10: Preliminary capacity-building plan and training program

	The name of the training	Time and estimated duration of training	Target group	Arranger	Estimated cost
1	Review of WB safeguards and their implementation during the project cycle. National environmental requirements for project preparation and implementation	During the first year of the Project implementation Duration - 0.5 days	ARPFAS Heads of PIU on IFIs and their experts	Consultant	1,000 US dollars
2	Implementation of ESMF, ESMP, social screening	Prior to selection of sub-projects Duration - 2 days	SS of the PIU and RO of the PIU	Consultant	2,000 US dollars
3	Implementation of ESMF, ESMP, social screening	Prior to selection of sub-projects Duration - 2 days	PFI safeguards coordinators, specialists of project departments	Consultant	2,000 US dollars Total 6,000 US dollars for three areas
4	Development of ESIA, ESMP, Gender Actions Plan	Up to 2 days	The representatives conducting the national EIA	Consultant	3,000 US dollars each. Total 9,000 US dollars for three areas
5	Safe handling of pesticides	Prior to the sub-projects implementation 1 day and during the projects implementation	Safeguard Specialists of PIU, regional offices of PIU, PFI, specialists of regional divisions of "Agrokimyo" ⁵⁰	Consultant, PIU	Per 3,000 US dollars at the beginning and in the middle of the project. Total 18,000 US dollars for three areas
6	Integrated pest control	Prior to the sub-projects implementation 1 day and during the projects implementation	Safeguard Specialists of PIU, PIU Regional Offices, PFI, farmers, bio-laboratory under the Ministry of Agriculture	Consultant, PIU	Per 3,000 US dollars at the beginning and in the middle of the project. Total 18,000 US dollars for three areas
7	Environmental aspects in livestock and poultry	Prior to the sub-projects implementation 1 day and during the projects implementation	Safeguard Specialists of PIU, PIU Regional Offices, PFI, farmers	Consultant, PIU	Per 3,000 US dollars at the beginning and in the middle of the project. Total 18,000 US dollars for three areas

⁵⁰ Agrokimyo - the state agency which is engaged in questions of processing of fields with pesticides and herbicides.

Ferghana Valley Enterprise Development Project (FVEDP)

8	Citizen engagement component	Constantly during the program implementation	Safeguard Specialists of PIU, PIU Regional Offices, PFI	Consultant	2,000 US dollars each. Total 6,000 US dollars for three areas
	Total				74,000 US dollars

13. GRIEVANCE REDRESS MECHANISM

The proposed Grievance redress mechanism helps complaint handling system to be functional, transparent and responsive, and where appropriate, strengthen government systems. In this mechanism beneficiaries and citizens can turn to register any grievances on all issues that tackle within any infrastructure.

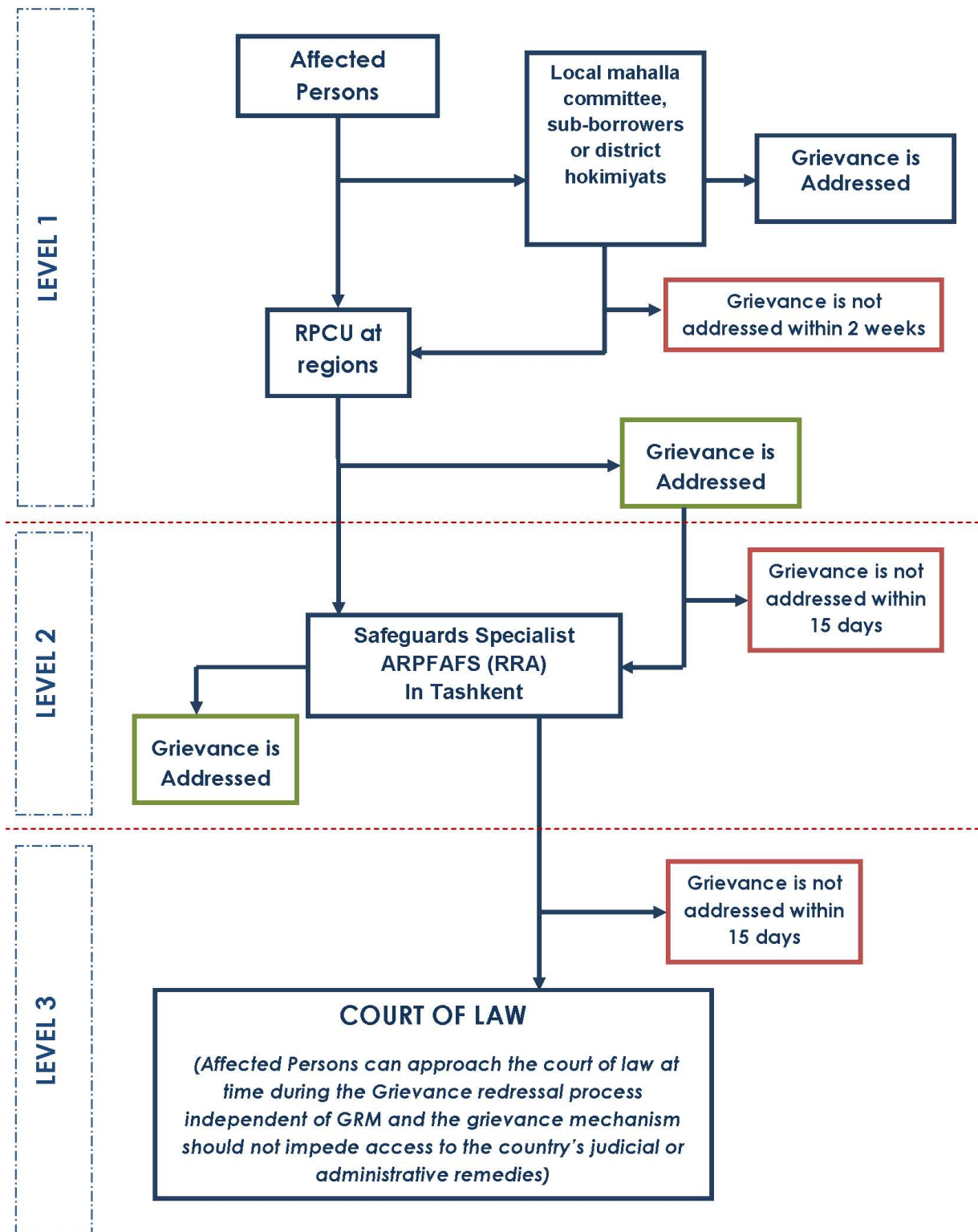


Figure 9: GRMProcess

The Project Affected Persons (PAPs) may submit their grievances first to the local mahalla office, contractors, PFIs or directly to the sub-borrower. The grievance could be submitted both ways: (i) officially with indication of applicant's contact information, and (ii) anonymously by dropping complaints into special boxes. It is recommended that each entity, which will be involved into the project implementation have to maintain logs for registration of grievances and Box for receiving complaints including anonymous.

If the grievance has not been considered or the PAP has not received a satisfactory response, he/she may file a grievance to the regional offices of the RO. RO's safeguard specialist will keep a record of the grievances received. This will be done by applying multiple absorption channels such as mail, email, phone, project website, personal delivery. Currently, citizens are actively using mobile networks, so the project will open special groups in Telegram and Facebook applications.

After collection of grievances, need to be categorized, assigned priority, and routed to the appropriate entity. The reason is that various types of grievances typically require different follow-up actions—for example, some grievances can be resolved by means of a simple explanation or apology, while others may require more extensive investigations. Grievances that cannot be resolved at one level of the system should be referred to a higher level and/or an outside entity for verification and further investigation according to a clearly defined timetable then it shall be transferred to the PIU in Tashkent, where it shall be considered and decided how the grievance can be satisfied. If a grievance is not resolved at this level, or the applicant is not satisfied with the decision, the grievance shall be transferred to the Economic Court of the Republic of Uzbekistan.

When a grievance is made, the ROSS shall acknowledge its receipt in a communication that outlines the grievance process; provides contact details and, if possible, the name of the contact person who is responsible for handling the grievance; and notes how long it is likely to take to resolve the grievance. Complainants should then receive periodic updates on the status of their grievances.

Every grievance shall be tracked and assessed if any progress is being made to resolve them. It is expected that project will receive many grievances and should ideally have an electronic system for entering, tracking, and monitoring grievances. The project monitoring and evaluation information system should also include indicators to measure grievance monitoring and resolution.

At the final stage each GRM users shall be informed about the results of investigations and the actions taken to increase users' trust in the system. In addition, the generalized report will be developed considering type of complaints and actions taken. This reports and feedback will be sent to complainant directly (if his or her identity is known) and/or posting the results of cases in project website, telegram groups or local newspapers. The project should also inform GRM users about their right to an appeal if they are dissatisfied with the decision, specifying both internal and external (e.g., judicial review, ministries) review options.

14. ESMF DISCLOSURE AND PUBLIC CONSULTATIONS

Public Consultation were undertaken from the beginning of the ESMF development. Number of consultations were conducted with representatives of the State Committee on Ecology and Environment Protection, khokimiyats and representatives of PFIs. On January 9, 2019 the draft version of ESMF in Russian language was published on Agency's website (http://uzaifsa.uz/sites/default/files/proekt_dlya_sayta.pdf) for access to all interested parties to the document. Advertisements about planned public consultations were published in the local newspaper "Pravda Vostoka" on January 10, 2018 in both languages – Russian and Uzbek (see Annex 10.1). Moreover, information about the organized consultations was distributed through local administration as well – khokimiyats and makhallas authorities.

The ESMF public consultations were held on January 17-18 in three cities of the project area – Ferghana, Andijan and Namangan. Representatives from khokimiyats, makhallas, women committee, youth union, banks, state committee on environmental and nature protection, sanitarian epidemiological station and others are attended meetings (see list of participants in the Annex 10.2). In total, more than 100 participants attended the meeting.

During the public consultations, information about the project, anticipated environmental and social impacts, proposing mitigation measures, environmental and social assessment procedure were presented to the meetings' participants. Proposing GRM was discussed as well. Brief information about the project, components, implementation agencies, ESMF and GRM was also presented in leaflets which were distributed among PC participants in the beginning of the meetings.

During the meetings it was explained, that final version of ESMF, which will incorporate comments, received during PC will be re-published on Agency's website and on WB external website. Moreover, hard copies of ESMF will be available in RO's offices. At the end RO's specialists shared their contact information for further comments, suggestions and clarifications on ESMF. The Summary of the raised issues and provided answers are presented in the Annex 10.3. Overall the document was largely accepted by all participants and no major comments to revise the document have been received.

15. ANNEXES

Annex 1. Extracts from the Regulation on the State Environmental Expertise (No.949 of 22.11.2018)

The State Environmental Expertise (SEE), represents the main body and the process of reviewing and approval (or rejection) of projects on environmental grounds and it is regulated by the Law on Ecological Expertise (2000) and by Decree of the Cabinet of Ministers No 949, 22.11.2018: “On approval of the Regulation of the State Environmental Expertise”. According to the article 3 of the abovementioned law Ecological expertise is carried out in order to determine: (a) compliance of projected economic and other activities with environmental requirements in the stages preceding decision making on its implementation; (b) level of ecological danger planned or carried out business and other activities, which may have or had a negative impact on the condition of the environment and public health; and (c) adequacy and reasonableness of the measures provided for the protection of the environment and rational use of natural resources. The main responsible organization for state environmental review is the Main Directorate for State Ecological Expertise (Glavgoosecoexpertiza) of Goskomekologiya. The Regulation stipulates 4 categories for development:

Category I – Corresponds to World Bank Category A;

Category II in same cases – Corresponds to World Bank Category A;

Category II (mostly) - Corresponds to World Bank Category B

Categories III and IV – Corresponds to World Bank Category B;

Activities are not included in Attachment # 2 to CMR # 949 (2018) – Corresponds to World Bank Category C.

Revision of the categorization list included in DCM #949 dated from 2018 (Attachment 2) showed that, the following activities defined as category II (Uzbek) should be classified as Category A (WB) due to their significant adverse impacts that are sensitive, diverse, or unprecedented, or that affect an area broader than the sites or facilities subject to physical works.

Table 1: List of activities belonged to Category II (Uzbek) by should be classified as Category A (WB)

# in accordance Attachment 2 to DCM # 949 (2018)	Description of activity	Notes
1	Airports	
3	Municipal wastes disposal polygon (landfills) designed for settlement with population from 100 up to 200 thousand people	
5	Search, exploration, extraction and processing of common minerals with capacity 30 thousand m ³ /year	
6	Waste water treatment plants with capacity from 50 up to 280 m ³ /day	
12	Interprovincial scale oil and gas pipeline	
13	Dams	
16	Enterprises on chemical impregnation of fabrics and papers with varnishes, including production of ruberoid, production of toxic chemical materials and compositions	

17	Waste treatment/disposal plants (for wastes 3 rd category)	Category of wastes is defined in accordance with Sanitarian Norms and Rules 0128-02. Third category includes hazardous wastes as well.
28	Storages for toxic chemicals including fertilizers.	
29	Seismic exploration of oil and gas fields	
30	Thermopower plants with capacity from 100 up to 300 MW	

All other projects not specified in the list of various categories, are considered as the projects with no impact on the environment, and there is no need to pass them through the State Environmental Examination and to receive any ecological licenses.

According to the Regulation, evaluation stages of the environmental impact should include the following basic issues (depending on the type and nature of work):

a) Stage 1: Draft statement on environmental impacts (DSEI) is implemented at the stage of planning of the envisaged project prior to allocation of funds on development. Draft Statement on Environmental Impacts should provide the following details:

- environmental conditions prior to the implementation of the planned activities, population of the territory, land development, analysis of the environment's features;
- situational plan showing existing recreational areas, settlements, irrigation, reclamation facilities, farmland, power lines, transport communications, water, gas pipelines and other information about the area;
- envisaged major and minor objects, used technique, technology, natural resources, materials, raw materials, fuel, analysis of their impacts on the environment, environmental hazards of their products;
- expected emissions, discharges, wastes, their negative impact on the environment and ways of neutralization;
- warehousing, storage and disposal of wastes;
- analysis of the alternatives of the proposed or existing activity and technological
- solutions from the perspective of environmental protection, considering the achievements of science, technology and best practices;
- organizational, technical, technological solutions and activities, excluding the negative environmental impacts and mitigating the impact of the reviewing object on the environment;
- analysis of emergency situations (with an estimate of probability and scenario of the prevention of their negative impacts);
- forecast environmental changes and environmental impacts because of the implementation of the expertizing object;

b) Stage 2: It is necessary to draw the Statement on environmental impact (SEI), where Glavgosekoexpertiza should specify at the Stage 1 that additional researches or analyses are required. The Statement should be submitted to the Glavgosekoexpertiza prior to approval of the Feasibility Study for the Project, and, consequently, prior to construction. The Statement should contain the following:

- assessment of environmental problems of the chosen site on the results of engineering geological investigations, modeling and other necessary researches;
- environmental analysis of technology applied to the issues identified on the site;
- the results of the public hearings (if necessary);
- reasoned investigations of the nature-conservative measures to prevent the negative consequences of the reviewing object;

c) Stage 3: Statement on Environmental Consequences (SEC) provides final stage in the process of SEE and should be carried out prior to the project commencement. The report details:

- correction of the design decisions and other taken measures on the consideration of the DSEI by the bodies of Goskompriroda, as well as on the proposals made at the public hearings;
- environmental regulations governing the activities of the reviewing object;
- requirements for the organization of work and the implementation of measures for environmental guiding of the operation of the object;
- main conclusions about the possibility of business activities.

Annex 2. Priority investments within project

Component 1: Enterprise Development

1. The objective of the first component is to facilitate the establishment and growth of micro and small enterprises through the provision of technical support and facilitation.

Sub-Component 1.1: Business Incubation and Mentorship

2. The project's business incubation and mentorship activities will focus on individual entrepreneurs and focus on providing support to new or emerging entrepreneurs. The project will support the following two main areas of business incubation:

3. **Business incubator hubs.** The project will finance a business incubator program for rural SMEs that address key bottlenecks faced by entrepreneurs - obtaining business development and non-financial services, exposure to new technology and skills, and identifying potential sources of financing. The program will utilize the current infrastructure of one stop shops and co-working spaces to expand the menu of services available to entrepreneurs and facilitate greater outreach to rural areas. These efforts will complement the government's current investment in strengthening one-stop shops, which primarily focus on providing administrative and regulatory services, as well as co-working spaces, which provide ICT connectivity and networking space.

4. The objective of business incubation hub program would be to deliver business and financial services directly to rural entrepreneurs. Activities that could be financed under BIH include: (a) training, workshops; exposures visits; business exhibitions; buyer - seller meets; equipment and technology exhibits (b) consultant and non-consultant services; (c) goods, including printing of manuals, ICT hardware and software and office refurbishment; (d) operating costs including outsourced staff, office running costs at regional and district levels. Financing would also be provided to upgrade the existing infrastructure of one stop/one window mobile service centers – which will allow outreach outside the district capital directly to rural mahallas.

5. The BIH will be managed as a program rather than a set of stand-alone locations and would be led by the Chambers of Commerce and Industry (CCI) who will work closely in partnership and collaboration with Association of Business Women (BWA) and Youth Union (YU). To ensure that the BIH can achieve outreach to micro and small rural entrepreneurs across the three regions, a decentralized BIH service provisioning model will be adopted and target activities at the district level and below.

6. **Innovation Startups.** While business incubator hubs are expected to support new businesses, the project will also target specific support facilitate innovation start-ups in order to provide more intensive support to translate innovative technologies or business models into viable enterprises.

7. New innovation startups face a number of challenges and structured business incubators can be an effective mechanism to translate entrepreneurial potential into reality. Business incubators can be defined as an integrated facility for entrepreneurs to develop their ideas into enterprises through a structured process of coaching, training, mentoring and provision of support services. Incubators are not intended as short-term training but a means for providing ecosystem support to entrepreneurs and start-ups under one umbrella. Key phases involved in setting up incubators

include challenge competitions for selection of ideas and start-ups for enrolment into incubator; supporting start-ups to move from ideas to business plans and ideas (pre-incubation); supporting development of business plans to enterprises (incubation phase), submitting plans and pitching them to experts and financiers (launch phase); launching business and developing markets, customers and technology (growth phase).

8. The project will finance challenge competitions to attract SMEs with the best business ideas and innovative products to come out and compete through an “innovation marketplace” model. Key phases would focus on challenge competitions for selection of ideas and participants; supporting start-ups to move from ideas to business plans and ideas (pre-incubation); supporting development of business plans to enterprises (incubation phase), submitting plans and pitching them to experts and financiers (launch phase); launching business and developing markets, customers and technology (growth phase).

9. The innovation start-up program in the project would be anchored in the three new regional innovation centers that have been competitively awarded under PPP arrangements by the Ministry of Innovation. Innovation centers were competitively selected by the Ministry of Innovation in late 2018 with the first center in Ferghana Valley established at the Polytechnic University in Ferghana city. Most regional innovation centers are located within universities and have developed consortium arrangements within the region to other educational campuses. The centers have a broader mandate for technology and innovation research and development as well as supporting entrepreneurship and new business development. The project would build on these efforts and would support institutional capacity building to implement the challenge program, which would expand their focus to facilitating business solutions for rural and agricultural enterprises. In order to facilitate the activities of the innovation center additional support would also be provided for technical assistance, civil works and other infrastructure investment within regional innovation centers to complement the state budget resources.

10. Design of rural apprenticeship pilot. In order to support jobs development and develop a pipeline of entrepreneurs the project will finance technical assistance to expand apprenticeships. Like many countries, Uzbekistan has a history of formal and informal apprenticeship (ustod shogird) that provides a mechanism to train younger people in specialized crafts. Globally, apprenticeship programs are recognized as an alternative approach to improve vocational training and skills development and used in crafts as well as other sectors (agri-business, industry). Apprentices can fill specific business needs and can often develop their skills more effectively on-site rather than in a classroom. As such, apprenticeship programs serve a dual purpose by providing needed employees to expanding businesses in need of labor while also facilitating entry into industries by developing skills that enable apprentices to become future employees or start up their own business activities. Formal apprenticeship programs usually involve industry association or government agencies that play a role in facilitating the identification and placement of apprentices. Good practice has typically involved extensive employer engagement, appropriate funding and incentive structures to ensure adequate participation by both apprentices and employers/firms, and adequate support at the end of the apprenticeship period. Formal contracts that identify business needs and responsibilities of various parties are also common.

Sub-Component 1.2: Cluster and Value Chain Development

11. The cluster development activities under the second sub-component will focus on groups of producers/ enterprises and finance demand driven investments to strengthen value chains and

expand or establish enterprise clusters that seek to expand productive activities or reach new markets. The objective of these activities would be to integrate value chains, improve competitiveness and develop an ecosystem of enterprises that deliver greater quality, volume and profitability. Project support would target agriculture, food processing, handicraft, and small manufacturing sectors. Given the already strong focus and significant financing available for cotton/textile clusters, which constituted the initial emphasis of cluster development in the country, the project would not finance clusters involving primary cotton production. Textile clusters that focused on other primary production (e.g. silk) or sewing, weaving and

12. Various types of cluster models could be supported under the project and are expected to include: (i) vertically integrated clusters centered around a primary processing or exporting enterprise with the potential for contract farming or supply arrangements with a pool of raw material producers (a productive alliance model); (ii) a cluster of inter-connected enterprises and firms that are geographically concentrated but who supply different parts of a value chain and may not have formal contractual relationships (such as agri-food, small-scale manufacturing or tourism clusters); or (iii) an informal cluster of producers or common interest groups who could develop better access markets with greater producer organization, aggregation and marketing capacity (such as agriculture, handicraft cooperatives). These different cluster models would have very different objectives, needs and organizational requirements but would share an overarching aim to leverage the capacity of the actors within the cluster to improve productivity and market access.

13. Project financing will be competitive and based on submission of a cluster or value chain development proposal that will present a business plan developed by enterprises or producers within the cluster. Project financing for cluster development proposals would include technical assistance grants and coordinate with productive infrastructure investment if needed through the state budget or on-going programs. Enterprises in the cluster committing to significant co-financing the business plan. This could include training for developing linkages for financing, marketing and product development. While the project will finance training and technical assistance as part of the cluster development proposal, access to commercial financing through Banks would be provided through access to the guarantee and credit line in Component 2.

14. The project will finance technical assistance to facilitate development of cluster development proposals and business plans, which could include knowledge exchange and exposure visits to identify models in place within Uzbekistan or internationally.

Sub-Component 1.3: Market promotion and Technology Testing (US\$5 million)

15. The third sub-component will also support a small set of market promotion and technology testing activities to facilitate the launching of enterprise clusters or SME activities. This could include market-led technology transfer through demonstrations of improved technologies. Support for trade promotion and assessment of export and domestic marketing policies would also be pursued.

16. Project activities would be implemented through regional innovation centers and strengthen the technology demonstrations that have been launched under the “Every Family an Entrepreneur Program”. This program has supported technology fairs for micro and home-based businesses at district level managed by district hokimiyats. Project financing would be provided to expand the number of technology demonstration sites within districts that have not been covered by the “Every Family an Entrepreneur Program” and to expand the number of

technology options presented at the demonstration fairs. Coordination with the Ministry of Innovation and Ministry of ICT would be expected.

Component 2: Access to Finance

17. The objective of the second component is to increase the capacity of the financial sector to support micro and small enterprises or clusters. The second component will utilize financial instruments that can address key constraints for SMEs including addressing the liquidity gaps for SME financing and provide technical and financial support to develop new products. This component would be closely tied to activities in the first component and aimed at putting in place the required architecture of services required to facilitate enterprise activity or economic aggregation activities.

Sub-Component 2.1: Access to Finance (US\$100 million)

18. **Establishment of credit line and guarantee fund for MSMEs.** The project will establish two financing instruments: a credit line and a partial credit guarantee fund. The credit line and partial credit guarantee will target micro, small and medium enterprises in Ferghana valley in the value chains targeted by the project. The bulk of project investment will be allocated to the credit line (US\$ 80 million) with a limited amount of funding allocated to the partial credit guarantee fund (US\$ 20 million). This allocation may change over the life of the project but is based on the assessment made at appraisal on the immediate demand for greater liquidity and the need to strengthen institutional capacity to manage the partial credit guarantee fund, which is a relatively new to Uzbekistan.

Credit line

19. A credit line would be established with participating financial institutions to provide more liquidity for micro credit and microloans in Ferghana Valley. The credit line would be implemented under credit guidelines agreed on between the World Bank and the Ministry of Finance, compliant with OP 10.0. Participating financial institutions would sign subsidiary loan agreements with Ministry of Finance based on terms agreed to during negotiations but expected to include similar re-financing rates as are currently in place for other World Bank financed credit lines. In order to reach micro and small enterprises, the credit line will make available credit in both foreign currency and soum. Should participating financial institutions choose to offer local currency soum credit line, the foreign exchange risk will be managed at the Ministry of Finance level. In order to target the beneficiaries of the project, the credit line will primarily target smaller-scale enterprises and will be limited to individual applications of 1 billion soum (USD 125,000) and in the case of a cluster development sub-project up to 8 billion soum (USD 1 million).

Partial Credit Guarantee

20. The partial credit guarantee fund will be administered by the State Fund for Support of Entrepreneurship Development which will provide guarantees to commercial banks. The State Fund, which was established in under the Cabinet of Ministers in August 2017 and became operational in early 2018 and has already launched a partial credit guarantee scheme for small businesses and new enterprises associated with the Youth Union using state budget resources.

The partial credit guarantee under the project will focus on provision of technical assistance in year 1 and 2 to strengthen operational modalities and governance mechanisms. The disbursement of partial credit guarantees would be based on the completion of an agreed set of operational guidelines that will be completed following the technical assistance program and operationalized in the end of year 2.

21. Technical and policy support to develop viable micro-credit and micro-finance systems. The project would finance technical and policy support for the emerging policy and regulatory reform on micro-credit where needed. The second component would support additional technical work where needed on policy and regulatory reform as well as the development of technical assistance and training to financial institutions in launching micro-credit products. The project will incorporate outcomes of the micro-finance review.

Sub-Component 2.2: Pilots in Financial Services

22. The project would set aside \$5.0 million to fund pilots on innovative financial solutions developed based on proposals submitted by commercial banks. Three areas where commercial banks indicated interest during pre-appraisal/appraisal include microfinance, inventory finance and digital financial services. Several innovations around alternative methods of collateral (agri-value chain finance, warehouse receipts finance, and inventory finance) and digital tools (mobile wallet, digital financial services) have emerged to address gaps in financing and rural and small enterprise development. Some models rely on alternative collateral mechanisms where inventory or contracts become collateral rather than capital assets. Other models of lower transaction costs for financial service providers by using digital or mobile platforms to reach rural customer base where traditional bank branches are not viable. Digital technologies can also help develop behavioral profiles that can be used to better assess the creditworthiness for nano, small or group enterprises by providing data on savings behavior, cash flow and other metrics.

23. Pilots would be financed on a cost-recovery basis with participating financial institutions with some element of grant financing to support the technical assistance, knowledge sharing, policy or regulatory dialogue to establish the pilot.

Component 3: Project Management and Coordination

24. The third component will finance project management and coordination activities. A project implementation unit will be established to coordinate implementation activities and will be located in the Rural Restructuring Agency (RRA). The component will be focused on strengthening RRA's capacity for project management, monitoring and evaluation through the provision of goods, consultant services, training and financing of incremental operating costs. This component will: (i) support operation of RRA, and finance overall project management, as well as contract administration, procurement, and financial management; and (ii) establish a robust performance-based Management Information System (MIS) and beneficiary satisfaction survey, and arrange for data collection and reporting on key performance output and impact indicators, through baseline surveys, participatory assessments, mid-term review and final evaluation.

Annex 3. Exclusion list⁵¹

The Exclusion List defines the types of projects that WB **does not** finance.

The WB does not finance the following projects:

- Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, PCB's, wildlife or products regulated under CITES.
- Production or trade in weapons and munitions.¹
- Production or trade in alcoholic beverages (excluding beer and wine).¹
- Production or trade in tobacco.¹
- Gambling, casinos and equivalent enterprises.¹
- Production or trade in radioactive materials. This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where IFC considers the radioactive source to be trivial and/or adequately shielded.
- Production or trade in unbonded asbestos fibers. This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%.
- Drift net fishing in the marine environment using nets in excess of 2.5 km. in length.

A reasonableness test will be applied when the activities of the project company would have a significant development impact, but circumstances of the country require adjustment to the Exclusion List

⁵¹Based on IFC Exclusion list. See;
https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/company-resources/ifcexclusionlist#2007

Annex 4. Forms**Form 1****ENVIRONMENTAL SCREENING CHECKLIST****Part 1***(to be completed by Sub-project beneficiary)***1. Project Name:**

2. Brief Description of sub-project to include: nature of the project, project cost, physical size, site area, location, property ownership, existence of on-going operations, plans for expansion or new construction.

3. Will the project have impacts on the environmental parameters listed below during the construction or operational phases? Indicate, with a check, during which phase impacts will occur and whether mitigation measures are required.

Environmental Component	Construction Phase	Operational Phase	Mitigation Measures
Terrestrial environment			
Soil Erosion: which horticulture crops are envisaged? Is the land located on the slopes and/or on the plain areas? Will the project involve ploughing/plant cultivation on the slopes?			
Soil pollution: Will the project apply pesticides? If yes which types and their amount?			
Land, habitats & ecosystems degradation: Is the area which is to be used currently a natural habitat (forest, wetland, natural grassland, etc.)?			
Land degradation: Will the project involve land excavation?			
Generation of solid wastes– what type of wastes will be generated and their approximate amount			
Generation of toxic wastes– what types of toxic waste will be generated (obsolete and unusable pesticides and mineral fertilizers; chemicals used in agro-processing activities; asbestos) and their approximate amount.			
Biodiversity and Habitats Loss: Will the project be located in vicinity of protected areas, wetlands or other sensitive areas supporting important habitats of natural fauna and flora? Will it result in modification of natural habitats			
Construction: Will there be disturbance to the land and natural environment			
Air quality			
Will the project provide pollutant emissions? Which types of pollutants (SO _x , NO _x , solid particles, dioxins, furans, etc)			
Aquatic environment			
Water Quantity: will the project involve water use? From which water source (centralized water supply system and/or from water reservoir)?			

Water Quality/Pollution: Will the project contribute to surface water pollution– what will be the approximate volumes of waste water discharge? Does the project involve discharges of waste waters in water reservoirs and/or in centralized sanitation network/septic tank?			
Loss of Biodiversity: Will the project involve introduction of alien species (in case of horticulture projects)?			
Degradation of natural aquatic ecosystems– will the project involve discharges in water courses and reservoirs of solid wastes; pesticides;			
Socio-economic environment			
Social impacts– does the project involve the following: (a) occupational safety issues; (b) health hazards; (c) land acquisition; (d) loss of the access to sources of income; and (e) disturbance of residents living near the project area.			
Does the project involved labor needs which could lead to incorporating the use of child and/ or forced labor?			
Does the project require public consultation to consider local people environmental concerns and inputs?			

For the environmental impacts that were indicated above with a check, describe the mitigation measures that will be included during the construction (C) or operational (O) phase of sub-project or both (B).

Simple Environmental Mitigation Plan

Environmental impact (What is to be mitigated)	Sub-project Phase (C, O or B)	How and where will it be mitigated	Responsibility and cost

A typical sub-project monitoring plan would be prepared to monitor the implementation of the EMP for the sub-project.

Environmental Monitoring Plan

Project phase	What is to be monitored	How and where will it be monitored	Frequency of monitoring	Responsibility	Cost
Baseline					
Construction					
Operation					
De-commissioning					

Sub-project beneficiary

ENVIRONMENTAL SCREENING CHECKLIST

Part 2

(to be completed by the RO or PFIs safeguards specialist based on the findings of the environmental screening process)

1. Sub-project Environmental Category (A, B or C) _____ (if project is categorized as A, no needs to fill next paras – sub-project could not be included into the project)

To define the category of the project in accordance with WB categorization Table 2 of ESMF (Screening categorization) should be used:

WB Category	Uzbek Category (DCM #949 (2018), Attachment #2)
A	1, 2 (specified in Annex 1, Table 1) 1
B	2-4
C	Not included in the Attachment #2 to DCM # 949 (2018)

2. Is project activities will be implemented:

- in or near sensitive and valuable ecosystems — wetlands, wild lands, and habitat of endangered species - __ (yes or no)
- in or near areas with archaeological and/or historical sites or existing cultural and social institutions - __ (yes or no)
- in densely populated areas, where resettlement may be required or potential pollution impact and other disturbances may significantly affect communities - __ (yes or no)
- in regions subject to heavy development activities or where there are conflicts in natural resource allocation; along watercourses, in aquifer recharge areas or in reservoir catchments used for potable water supply; and on lands or waters containing valuable resources (such as fisheries, minerals, medicinal plants, prime agricultural soils) - __ (yes or no)

If any “yes” - the sub-project will be excluded from the Program

3. Environmental Assessment required (yes or no) _____ (the next paras must be filled only for category B sub-projects).

5. Types of required EA documents (circle round the required). To define the required EA document use Table 4 of ESMF:

- partial ESIA, including site assessment and Environmental and Social Management Plan (ESMP) for Category B sub-projects;
- Environmental and Social Management Plan for small scale Category B sub-projects;
- ESMP checklists for small scale Category B sub-projects;
- Draft Environmental Impacts Statement (for categories 2-4 (Uzbek) sub-projects)
- Statement on Environmental Consequences (only for category 2-3 (Uzbek) sub-projects)

6. What environmental and social issues are raised by the sub-project?

10. If an environmental and social impact assessment is required, what are the specific issues to be addressed?

11. What is the time frame and estimated cost of conducting the ESIA? _____

Conclusion (could the sub-project be included in the program and if yes, under which conditions):

Environmental Screener:

Date:

ENVIRONMENTAL SCREENING CHECKLIST

Part 3

Final Environmental Assessment Checklist

(to be completed by the RO's and PFIs' safeguards specialists in consultation with PIU safeguards specialist based on review of the mitigation proposed and the environmental impact assessment (if required))

Was an Environmental and Social Impact Assessment needed? (Y or N) ____ If yes, was it done?

Was an Environmental and Social Management Plan prepared? (Y or N) _____

Are the mitigation measures to be included in project implementation adequate and appropriate? (Y or N) _____

Will the project comply with existing pollution control standards for emissions and wastes? (Y or N) ____ If No, will an exemption be sought? _____

Is an Environmental Monitoring Plan necessary? (Y or N) ____ If so, has it been prepared? (Y or N) ____ Approved by the PIU? _____

What follow-up actions are required by the proponent, the RO and PIU?

Were public consultations held concerning potential environmental impacts of the proposed sub-project? (Y or N) ____ Were minutes recorded? (Y or N) ____

Dates

Participants

Project Officer:

Date:

Environmental Screener: Date:

ENVIRONMENTAL SCREENING CHECKLIST

Part 4

Final Environmental Assessment Checklist (2)

(to be completed by the PIU based on review of the mitigation proposed and the environmental and social impact assessment (if required))

Is the project documentation complete? If not, what is missing?

Are land use and resource use permits required? If so have they been received?

Are discharge permits required for solid waste? If so have they been received?

Are discharge permits required for wastewater discharge? If so have they been received?

Is there a sanitary inspection required? Has a permit been issued?

Has the environmental assessment been received and approved?

Is there potential for soil degradation or contamination? If yes, have appropriate prevention or mitigation measures been planned and budgeted?

Is there potential for water quality degradation or contamination? If yes, have appropriate prevention or mitigation measures been planned and budgeted?

Is there potential for air quality degradation or contamination? If yes, have appropriate prevention or mitigation measures been planned and budgeted?

Is there a threat to the biological environment? If yes, have appropriate prevention or mitigation measures been planned and budgeted?

Is there potential for adverse impacts on the social environment? If yes, are there necessary prevention, mitigation or compensation measures planned and budgeted?

Was the level of public involvement in design and planning and public consultation sufficient? Were public concerns raised in the consultation process adequately addressed?

What is the desired level, frequency and scope of environmental monitoring during the construction phase?

What is the desired level, frequency and scope of environmental monitoring during the operational phase?

Form 2

Field site visit checklist

Project Name: _____ **Date/time of Visit:** _____
Rayon: _____ **Visitors:** _____

Current activity and site history

- Who is the site contact (name, position, contact information)?
- What is the area of the site to be used for project activities?
- What are current users of the site?
- What were previous uses of the site (give dates if possible)?
- Are there any encroachers or illegal users of the site whose livelihoods or assets are going to be affected by the project?

Environmental Situation

- Are there sensitive sites nearby (nature reserves, cultural sites, historical landmarks)?
- Are there water courses on the site?
- What is the terrain or slope?
- Does the site experience flooding, waterlogging or landslides? Are there signs of erosion?
- What are the neighboring buildings (e.g. schools, dwellings, industries) and land uses? Estimate distances.
- Will the proposed site affect transportation or public utilities?

Licenses, Permits and Clearances

- Does the site require licenses or permits to operate the type of activity proposed? Are these available for inspection?
- What environmental or other (e.g., health, forestry) authorities have jurisdiction over the site?

Water Quality Issues

- Does the proposed activity use water for any purposes (give details and estimate quantity)? What is the source?
- Will the proposed activity produce any effluent? (estimate quantity and identify discharge point)
- Is there a drainage system on site for surface waters or sewage? Is there a plan available of existing drainage or septic systems?
- How waste water is managed (surface water courses, dry wells, septic tanks)?

Soils

- What is the ground surface (agricultural land, pasture, etc.)?
- Will the project damage soils during construction or operations?
- Will the project affect the landscape significantly (draining wetlands, changing stream courses)?

Biological environment

- Describe vegetation cover on the site.
- Is there information about rare or threatened flora and fauna at or near the site? If yes, would the project have an impact or increase risk to the species?

- Obtain a list of vertebrate fauna and common plants of the site (if available).
- Note potential negative impacts on biota if project proceeds.

Visual Inspection Procedures

- Try to obtain a site map or make a sketch to mark details.
- Take photos, if permitted.
- Walk over as much of the site as possible, including boundaries, to note adjacent activities.
- Note any odors, smoke or visual dust emissions, standing water, etc.

Annex 5. Terms of reference for conducting an Environmental and Social Impact Assessment study

An environmental impact assessment report Categories A and B sub-projects focuses on the significant environmental issues raised by a sub-project. Its primary purpose is to identify environmental impacts and those measures that, if incorporated into the design and implementation of a project can assure that the negative environmental effects will be minimized. The scope and level of detail required in the analysis depend on the magnitude and severity of potential impacts.

The Environmental Impact Assessment Report should include the following elements:

- a. *Executive Summary*. This summarizes the significant findings and recommended actions.
- b. *Policy, legal and administrative framework*. This section summarizes the legal and regulatory framework that applies to environmental management in the jurisdiction where the study is done.
- c. *Project Description*. Describes the nature and scope of the project and the geographic, ecological, temporal and socioeconomic context in which the project will be carried out. The description should identify social groups that will be affected, include a map of the project site, and identify any off-site or support facilities that will be required for the project.
- d. *Baseline data*. Describe relevant physical, biological and social condition including any significant changes anticipated before the project begins. Data should be relevant to project design, location, operation or mitigation measures.
- e. *Environmental impacts*. Describe the likely or expected positive and negative impacts in quantitative terms to the extent possible. Identify mitigation measures and estimate residual impacts after mitigation. Describe the limits of available data and uncertainties related to the estimation of impacts and the results of proposed mitigation.
- f. *Analysis of Alternatives*. Systematically compare feasible alternatives to the proposed project location, design and operation including the "without project" alternative in terms of their relative impacts, costs and suitability to local conditions. For each of the alternatives quantify and compare the environmental impacts and costs relative to the proposed plan.
- g. *Environmental Management Plan (EMP)*. If significant impacts requiring mitigation are identified, the EMP defines the mitigation that will be done, identifies key monitoring indicators and any needs for institutional strengthening for effective mitigation and monitoring to be carried out.
- h. *Appendices*.

These section should include:

- (i) The list of EIA preparers;
- (ii) References used in study preparation;
- (iii) A chronological record of interagency meetings and consultations with NGOs and effected constituents;
- (iv) Tables reporting relevant data discussed in the main text, and;
- (v) A list of associated reports such as resettlement plans or social assessments that were prepared for the project.

Annex 6. ENVIRONMENTAL AND SOCIAL MANAGEMENT PLAN CONTENT

Part 1

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

The Management Plan format provided below. It represents a model for development of an ESMP. The model divides the project cycle into three phases: construction, operation and decommissioning. For each phase, the preparation team identifies any significant environmental impacts that are anticipated based on the analysis done in the context of preparing an environmental assessment. For each impact, mitigation measures are to be identified and listed. Estimates are made of the cost of mitigation actions broken down by estimates for installation (investment cost) and operation (recurrent cost). The ESMP format also provides for the identification of institutional responsibilities for "installation" and operation of mitigation devices and methods.

To keep track of the requirements, responsibilities and costs for monitoring the implementation of environmental mitigation identified in the analysis included in an environmental and social assessment, a monitoring plan is necessary (see below). Like the ESMP the project cycle is broken down into three phases (construction, operation and decommissioning). The format also includes a row for baseline information that is critical to achieving reliable and credible monitoring. The key elements of the matrix are:

- What is being monitored?
- Where is monitoring done?
- How is the parameter to be monitored to ensure meaningful comparisons?
- When or how frequently is monitoring necessary or most effective?
- Why is the parameter being monitored (what does it tell us about environmental impact)?

In addition to these questions, it is useful to identify the costs associated with monitoring (both investment and recurrent) and the institutional responsibilities.

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

Part 2

Description of the of the Environmental and Social Management Plan

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

and (d) provides linkage with any other mitigation plans (e.g., for involuntary resettlement, indigenous peoples, or cultural property) required for the project.

Monitoring

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

Capacity Development and Training

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

Implementation Schedule and Cost Estimates

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

Integration of EMP with Project

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

Resource: OP 4.01, Annex C - Environmental Management Plan.

<http://web.worldbank.org/WBSITE/EXTERNAL/PROJECTS/EXTPOLICIES/EXTOPMANUAL>

Part 3. Table of Contents of Environmental Management Plan

Phase	Environmental Impact	Mitigating Measure(s)	Cost		Institutional Responsibility		Remarks
			Install	Operate	Install	Operate	
Construction	• • • •	• • • •					
Operation	• • • •	• • • •					
Decommissioning	• • •	• • •					

Part 4. Table of Contents of Environmental Monitoring Plan

Phase	What parameter is to be monitored?	Where will the parameter be monitored?	How will the parameter be monitored?	When will the parameter be monitored?	Why is the parameter being monitored?	Cost		Institutional Responsibility	
						<i>Install</i>	<i>Operate</i>	<i>Install</i>	<i>Operate</i>
Baseline									
Construction									
Operation									
De-commissioning									

Annex 7. Environmental Management Plan Checklist (for small scale construction/rehabilitation sub-projects)

General Guidelines for use of ESMP checklist:

For low-risk construction projects, such as minor roads rehabilitation works or the construction of bicycle paths, the ECA (Europe and Central Asia) safeguards team developed an alternative ESMP (environmental and social management plan) format to provide an opportunity for a more streamlined approach to mainstreaming the World Bank's environmental safeguards requirements into projects which (a) are small in scale or by the nature of the planned activities have a low potential environmental impact, (b) are located in countries with well-functioning country systems for environmental assessment and management. The checklist-type format has been developed to ensure that basic good practice measures are recognized and implemented, while designed to be both user friendly and compatible with the World Bank's safeguards requirements.

The ESMP checklist-type format attempts to cover typical key mitigation measures to civil works contracts with small, localized impacts or of a simple, low risk nature. This format provides the key elements of an ESMP to meet the minimum World Bank Environmental Assessment requirements for Category B projects under OP 4.01. The intention of this checklist is that it offers practical, concrete and implementable guidance to Contractors and supervising Engineers for simple civil works contracts. It should be completed during the final design phase and, either freestanding or in combination with any environmental documentation produced under national law (e.g. ESIA reports), constitute an integral part of the bidding documents and eventually the works contracts.

The checklist ESMP has the following sections:

Part 1 includes a descriptive part that characterizes the project, specifies institutional and regulatory aspects, describes technical project content, outlines any potential need for capacity building and briefly characterizes the public consultation process. This section should indicatively be up to two pages long. Attachments for additional information may be supplemented as needed.

Part 2 includes a screening checklist of potential environmental and social impacts, where activities and potential environmental issues can be checked in a simple Yes/No format. If any given activity/issue is triggered by checking "yes", a reference to the appropriate section in the table in the subsequent Part 3 can be followed, which contains clearly formulated environmental and social management and mitigation measures.

Part 3 represents the environmental mitigation plan to follow up proper implementation of the measures triggered under Part 2. It has the same format as required for MPs produced under standard safeguards requirements for Category B projects.

Part 4 contains a simple monitoring plan to enable both the Contractor as well as authorities and the World Bank specialists to monitoring due implementation of environmental management and protection measures and detect deviations and shortcomings in a timely manner.

Part 1. Project Information

INSTITUTIONAL & ADMINISTRATIVE ARRANGEMENTS				
Country				
Project title				
Scope of project and activity				
Institutional arrangements (names and contacts)	WB (Project Team Leader)	Project Management	Local Counterpart and/or Recipient	
Implementation arrangements (Name and contacts)	Safeguard Supervision	Local Counterpart Supervision	Local Inspectorate Supervision	Contactor
SITE DESCRIPTION				
Name of site				
Describe site location			Attachment 1: Site Map []Y / []N	
Who owns the land?				
Geographic description				
LEGISLATION				
Identify national & local legislation & permits that apply to project activity				
PUBLIC CONSULTATION				
Identify when / where the public consultation process took place				
INSTITUTIONAL CAPACITY BUILDING				
Will there be any capacity building? (Yes/No)	[], if Yes, Attachment 2 includes the capacity building program			

Beneficiary:

Signature:

Date:

ENVIRONMENTAL /SOCIAL SCREENING			
Will the site activity include/involve any of the following:	Activity	Status	Additional references
	A. Building rehabilitation	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section B below
	B. New construction	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section B below
	C. Individual wastewater treatment system	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section C below
	D. Historic building(s) and districts	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section D below
	E. Acquisition of land ⁵²	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section E below
	F. Hazardous or toxic materials ⁵³	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section F below
	G. Impacts on forests and/or protected areas	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section G below
	H. Handling / management of medical waste	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section H below
	I. Traffic and Pedestrian Safety	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section I below

ACTIVITY	PARAMETER	MITIGATION MEASURES CHECKLIST
A. General Conditions	Notification and Worker Safety	<p>(a) The local construction and environment inspectorates and communities have been notified of upcoming activities</p> <p>(b) The public has been notified of the works through appropriate notification in the media and/or at publicly accessible sites (including the site of the works)</p> <p>(c) All legally required permits have been acquired for construction and/or rehabilitation</p> <p>(d) All work will be carried out in a safe and disciplined manner designed to minimize impacts on neighboring residents and environment.</p> <p>(e) Workers will comply with international good practice (always hardhats, as needed masks and safety glasses, harnesses and safety boots)</p> <p>(f) Appropriate signposting of the sites will inform workers of key rules and regulations to follow.</p>

⁵² The project will support construction of new buildings only in the case when land acquisition is not necessary and there are no any resettlement issues; for such cases the investor should have the landownership title as well as has to prove the land at the moment of sub-projects application is not occupied or used even illegally

⁵³ Toxic / hazardous material includes and is not limited to asbestos, toxic paints, removal of lead paint, etc.

ACTIVITY	PARAMETER	MITIGATION MEASURES CHECKLIST
B. General Rehabilitation and /or Construction Activities	Air Quality	(a) During interior demolition use debris-chutes above the first floor (b) Keep demolition debris in controlled area and spray with water mist to reduce debris dust (c) Suppress dust during pneumatic drilling/wall destruction by ongoing water spraying and/or installing dust screen enclosures at site (d) Keep surrounding environment (side-walks, roads) free of debris to minimize dust (e) There will be no open burning of construction / waste material at the site (f) There will be no excessive idling of construction vehicles at sites
	Noise	(a) Construction noise will be limited to restricted times agreed to in the permit (b) During operations the engine covers of generators, air compressors and other powered mechanical equipment should be closed, and equipment placed as far away from residential areas as possible
	Water Quality	(a) The site will establish appropriate erosion and sediment control measures such as e.g. hay bales and / or silt fences to prevent sediment from moving off site and causing excessive turbidity in nearby streams and rivers.
	Waste management	(a) Waste collection and disposal pathways and sites will be identified for all major waste types expected from demolition and construction activities. (b) Mineral construction and demolition wastes will be separated from general refuse, organic, liquid and chemical wastes by on-site sorting and stored in appropriate containers. (c) Construction waste will be collected and disposed properly by licensed collectors (d) The records of waste disposal will be maintained as proof for proper management as designed. (e) Whenever feasible the contractor will reuse and recycle appropriate and viable materials (except asbestos)
C. Individual wastewater treatment system	Water Quality	(a) The approach to handling sanitary wastes and wastewater from building sites (installation or reconstruction) must be approved by the local authorities (b) Before being discharged into receiving waters, effluents from individual wastewater systems must be treated in order to meet the minimal quality criteria set out by national guidelines on effluent quality and wastewater treatment (c) Monitoring of new wastewater systems (before/after) will be carried out
D. Historic	Cultural Heritage	(a) If the building is a designated historic structure, very close to such a structure, or

ACTIVITY	PARAMETER	MITIGATION MEASURES CHECKLIST
building(s)		located in a designated historic district, notify and obtain approval/permits from local authorities and address all construction activities in line with local and national legislation (b) Ensure that provisions are put in place so that artifacts or other possible “chance finds” encountered in excavation or construction are noted, officials contacted, and works activities delayed or modified to account for such finds.
E. Acquisition of land	Land Acquisition Plan/Framework	(a) If expropriation of land was not expected and is required, or if loss of access to income or damage to assets of legal or illegal users of land was not expected but may occur, that the bank Task Team Leader is consulted. (b) The approved by the Bank Land Acquisition Plan (if required by the project) will be implemented prior to start of project works.
F. Toxic Materials	Asbestos management	(a) If asbestos is located on the project site, mark clearly as hazardous material (b) When possible the asbestos will be appropriately contained and sealed to minimize exposure (c) The asbestos prior to removal (if removal is necessary) will be treated with a wetting agent to minimize asbestos dust (d) Asbestos will be handled and disposed by skilled & experienced professionals (e) If asbestos material is be stored temporarily, the wastes should be securely enclosed inside closed containments and marked appropriately (f) The removed asbestos will not be reused
	Toxic / hazardous waste management	(a) Temporarily storage on site of all hazardous or toxic substances will be in safe containers labeled with details of composition, properties and handling information (b) The containers of hazardous substances should be placed in an leak-proof container to prevent spillage and leaching (c) The wastes are transported by specially licensed carriers and disposed in a licensed facility. (d) Paints with toxic ingredients or solvents or lead-based paints will not be used
G. Affects forests and/or protected areas	Protection	(a) All recognized natural habitats and protected areas in the immediate vicinity of the activity will not be damaged or exploited, all staff will be strictly prohibited from hunting, foraging, logging or other damaging activities. (b) For large trees in the vicinity of the activity, mark and cordon off with a fence large tress and protect root system and avoid any damage to the trees

ACTIVITY	PARAMETER	MITIGATION MEASURES CHECKLIST
		<p>(c) Adjacent wetlands and streams will be protected, from construction site run-off, with appropriate erosion and sediment control feature to include by not limited to hay bales, silt fences</p> <p>(d) There will be no unlicensed borrow pits, quarries or waste dumps in adjacent areas, especially not in protected areas.</p>

Environmental Monitoring Plan (Example)

Phase	What (Is the parameter to be monitored?)	Where (Is the parameter to be monitored?)	How (Is the parameter to be monitored?)	When (Define the frequency / or continuous?)	Why (Is the parameter being monitored?)	Cost (if not included in project budget)	Who (Is responsible for monitoring?)
During activity preparation	site access	at the site	check if design	before launch of construction	safety of general public,	marginal, within budget	Contractor, Engineer
	traffic management		and project				
	availability of waste disposal facilities	at the site	planning foresee diligent procedures		timely detection of waste disposal bottlenecks		
	hazardous waste inventory (asbestos)	in site vicinity on site	visual / analytical if in doubt	before start of rehabilitation works	public and workplace health and safety	marginal, within budget; (prepare special account for analyses at PIU)	
During activity supervision	construction material quality control (eg. paints / solvents)	Contractor's store / building yard	visual / research in toxic materials databases	before approval to use materials			Contractor, Engineer
	dust generation	on site and in immediate neighborhood, close to	visual consultation of locals	daily	avoidance of public nuisance	marginal, within budget	
	noise emissions			daily			

	<p>waste and wastewater types, quality and volumes</p> <p>surface drainage soundness</p>	<p>potential impacted residents</p> <p>at discharge points or in storage facilities</p>	<p>visual, analytical if suspicious</p> <p>count of waste transports off site, check flow rates and runoff routes for wastewater</p>	<p>daily / continuous</p> <p>daily / continuous</p>	<p>avoidance of negative impacts on ground/ surface waters ensuring proper waste management and disposal</p>		
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Annex 8. Social Screening Format

Instructions

- (i) PIU/ Subproject implementer unit assigned54 with help of experts if needed: completes the form.
- (ii) The classification of a project is a continuing process. If there is a change in the project components, project design or/and site PIU/Subproject Implementer assigned completes and submits a new form. The old form is attached for reference.
- (iii) Screening is filled in for all type of subprojects financed under the Project.

1. Project name:				
2. Subproject name:				
3. Location (Province, city, village)				
4. Infrastructure to be constructed (all types including assess roads, infrastructure etc.):				
5. Screening is done First Time _____ Time (mention the reason) _____				
6. Project/subproject start date				
7. Project/subproject completion date				
8. Screening date				
9. Field visit conducted: No, Yes (add dates and locations in the field)				
10. Description of the Subproject <i>Give a brief introduction to the sub-project and its components, their objectives and benefits. Details about existing conditions of the facilities and proposed civil works with scope Available design maps earmarking site and proposed activities in order to explain work. Superimpose the map on the Google earth if available. Whether this is purely rehabilitation of existing facilities or will involve any new works. Is this sub-project closely linked to any other activity not funded under the Project? Will this sub-project involve any ancillary impact/ activity away from the work site?</i>				
Questions	Yes	No	Not Known	Observations, remarks
Impacts Due to Land Acquisition/ Donation				
1. Is the ownership status and current usage of land to be used for the construction known? (provide details in the remarks). Please, add is the site chosen for this work free from encumbrances and is in possession of the subproject implementer?				
2. Is land for material mobilization or transport for the civil work available within the existing plot (Right of Way)? If not, provide the details on that land location, availability etc.				
3. Would the Project potentially involve temporary or permanent and full or partial physical displacement? (Specify in the remarks what type of displacement is anticipated)				If yes, subproject will not be funded.
4. Would the Project potentially involve temporary or permanent and full or partial economical displacement (e.g. loss of assets or access to resources due to land acquisition/ donation or access restrictions – even in the absence of physical relocation)? (Specify in the remarks what type of displacement is anticipated)				If yes, subproject will not be funded.
5. Is there any impact on illegal land use practices? Are there any non-titled people who are living/doing business on the proposed site/project locations that will be used for civil work? If yes, provide in the Note Section details on any temporary or permanent impact on them?				
6. If the site is privately owned, can this land be purchased through negotiated settlement?				
7. Will the land owners donate the land plot for the project?				If yes, subproject will not be funded.
8. Will there be loss of shelter and/or residential land due to land acquisition/ donation?				

Ferghana Valley Enterprise Development Project (FVEDP)

9. Will there be loss of any productive assets due to land acquisition/donation?				
10. Will there be losses of crops, trees, and fixed assets due to land acquisition/donation?				
11. Will there be loss of businesses or enterprises due to land acquisition/donation?				
11. Will there be loss of income sources and means of livelihoods due to the subproject land acquisition/donation?				
12. Will any social or economic activities be affected by land use related changes?				
13. Will people lose access to natural resources, communal facilities, services or other assets as a result of land acquisition/donation or project implementation? Provide details in the remarks.				
14. Will project result in land use restrictions and/or easement rights? Provide details in the remarks.				
15. Will access to land and resources owned communally or by the state be restricted?				
16. Are there any previous land acquisitions happened and the identified land has been already acquired? Provide details in the Note section.				
17. Are there any land acquisition happening in frame of this project but without financing of the World Bank? Provide details in the Note section.				
Data on Impact and Vulnerable Groups				
18. Is land area needed for the project known? (Provide estimates in the Remarks, including status of ownership, area, type of land use etc.)				
19. Is there any estimate of the likely number of persons that will be displaced by the Project?				If yes, subproject will not be funded.
20. Are any of them poor, female-heads of households, or vulnerable to poverty risks? Provide some estimate				
Gender				
21. Is there a likelihood of impacts on gender equality and/or the situation of women and girls?				
22. Would the Project potentially reproduce discriminations against women based on gender, especially regarding access to assets, opportunities and benefits?				
23. Would the Project potentially limit women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services?				
Decision on categorization After reviewing the answers above, it is determined that the sub project is: <input type="checkbox"/> Severe ⁵⁵ , the project is not eligible for financing <input type="checkbox"/> High, the project is not eligible for financing <input type="checkbox"/> Low, the project is eligible for financing				
Prepared by _____	Date _____			
Approved by _____	Date _____			

Note: Attach additional information on the project, as necessary. For example, maps, photos, expert conclusions, minutes of meeting etc.

⁵⁵ In category A projects land acquisition in a project affects more than 200 people, takes more than 10 percent of any holding, and/or involves physical relocation of population. In category B projects land acquisition in a project affects less than 200 people, takes more than 10 percent of any holding, and/or involves physical relocation of population. In Category C project, there is no any impact.

Annex9. Pest Management

Introduction. This section of the ESMF deals with pest management and mineral fertilizer use under the project. Pest management issues which can be potentially raised by the project may relate to possible direct purchasing or indirect effect of stimulating greater use of agro-chemicals associated with more intensive cultivation and/ or higher crop value. The objective of pest management framework in this regard is to encourage adoption of IPM approach and increase beneficiaries' awareness of pesticide-related hazards and good practices for safe pesticides use, handling and storage, as well as options for use of alternative non-chemical pest management approaches.

*Review of existing usage of pesticide and pest management practices in the country*⁵⁶. Traditionally in Uzbekistan, during last two decades and until recently, only small amounts of pesticides have been used on most crops including orchards, vineyards and vegetable field crops, due to a lack of financial resources and absence of a well-developed in-country pesticide system. Pesticide use was relatively high only for cotton and wheat. However, the last few years has seen increased pesticide use also for other crops. A few shops in the Fergana, Samarkand and Tashkent area now offer pesticides products along with Tashkent-based trading companies licensed to import pesticides.

There are between 20-30 different pesticide products generally available in stock in shops, including several highly toxic pesticides. Package size is usually 1 to 10 L or 1 to 10 kg. Smaller amounts (100 ml or 0.5 kg or less) are packed in unlabeled, or inappropriately labeled, flasks and plastic bags, respectively. For dosage and crop use, farmers rely on pesticide seller recommendations and very rarely the label information. The most recent pesticide registration brochure was from 2009 but was not readily available to salesmen and farmers. However, crop wise listings of pesticides, toxicity classification for bees, beneficial insects, and groundwater, as well as an active ingredient index, pesticide law and regulations, safety provisions, mixture calculations and first aid procedures are missing in the pesticide registration brochures.

For most field and greenhouse vegetable crops, spraying is done by plastic hand-pump backpack sprayers. Applicators use minimal or no safety equipment, although safety equipment may be available. For orchards, the use of motorized backpack sprayers to propel the spray covering the entire tree is rare. Old tractor-pulled spray booms are used, but the exact calibration of pesticide dosage is not possible due to the lack of good nozzles and good quality replacement parts. Many plastic hand-pump backpack sprayers, even after two or three years, begin to leak at several points at and on the tank, boom and pump handle. Motorized backpack sprayers and tractor driven spray booms have similar leak problems. Despite using more pesticides than required, the leak poses a higher risk for the applicator as clothes are contaminated. Moreover, if clothes exposed to pesticides are not washed after spraying they constitute a permanent source of contamination. Therefore, appropriate personal protection equipment, as well as regular maintenance and proactive repair, are of utmost importance.

In terms of pest problems, farmers have difficulty understanding many pest problems, do not efficiently utilize common crop production techniques, and demonstrate deficiencies in recognizing and dealing with pests. They often choose the wrong application times and methods and are unfamiliar with threshold concepts. In all areas visited, spraying is timed by calendar and

⁵⁶The information in this section draws mainly from the USAID (2009) Pesticide Evaluation Report and Safer Use Action Plan (PERSUAP)

not by threshold determinations, favorable infection conditions and pest population development stages.

Overall knowledge about IPM is very limited throughout Uzbekistan with the exception of a few, high ranking staff in the crop protection institute, crop protection services and on some farms. Understanding of IPM rational is generally absent, not applied or lost at training, educational, management and farm levels. However, during the Soviet era there was wide use of beneficial insects produced by bio-laboratories for pest control which Uzbekistan maintained, mainly for cotton and wheat, and this bio-laboratory system could be widened. Orchard farmers occasionally try introducing beneficial insects for their crops, but most use insecticide sprays afterwards, killing any previously introduced pest predators or parasites. A history of massive use of highly toxic pesticides resulted in extensive damage to beneficial insects, again most seriously in major cotton and wheat growing areas. Numerous pest problems occurring in Uzbekistan are due to poor crop management practices. Therefore, addressing the interaction between crop and pest management is critical in making IPM relevant for farmers. A deeper understanding of farmers' management strategies is required to frame meaningful specific IPM recommendations.

Policy and Regulations on Pest Management: Current system of pest control and overall Governments policy in handling dangerous pesticides is reasonable, but its implementation is not sufficiently strong. After independence, there were still practices for using dangerous pesticides countrywide that were widely used during Soviet Union. However, Government has taken initiative to reduce application of hazardous agricultural chemicals and pesticides and develop sound environment to improve pest management in late 1990's.

In 1999 Government set up special commission for controlling use of pesticides and chemicals – named State Chemical Commission of RUz (Amendment was made to the structure of the organization in 2005) whose main role is to control through registration and banning chemicals and pesticides used in Uzbekistan. Commission comprises from various ministries and agencies, including State Committee for Nature Protection (responsible for assessing the effects of pesticides to the environmental, particularly soil, air and water), Republican Center for Epidemiology (responsible for assessing the effects of pesticides to the human and animal health), and number of research institutes under MAWR and scientific institutions (responsible for testing, screening and identifying the methods for use of pesticides and developing hand outs and manuals) and others.

On March 2004, in accordance with Presidential Decree (#148) Republican Center for plant protection and agrochemicals was established under Ministry of Agriculture and Water Resources of RUz, to enhance the quality of the services rendered for beneficiaries and improve safety use of agricultural pesticides. Currently this organization has branches in all the districts; however, their activities are not well established due to the lack of material resources and generally weakness of the capacity of the organization.

140. Generally control on type of pesticides and chemicals are regulated by the above special commission, and Republican Center for Epidemiology produces various handbooks on safe use of pesticides and chemicals. Number of handbooks under Sanitary Rules and Normative (SanRAN) tag were developed;

- Hygienic pesticides in surrounding area objects and consumption goods normative (SanRAN - 2001);
- Sanitary rules and hygienic norms during application, storage and transportation of pesticides in agriculture of Uzbekistan (SanRAN – 2001);

- Hygienic requirements for safety of agrochemicals (SanRAN - 2001);

Besides above handbooks and manuals, State Chemical Commission of RUz develop special, simple manuals for application and handling every registered pesticides that are distributed, and in most of the time it is seller (producer, importer) responsibility to produce such manuals.

The State Chemical Commission of RUz, annually produces book on pesticides registered in Uzbekistan and for which directions (types of plants and norms) should be applied is indicated. Any unregistered pesticides are forbidden to use and SCC is not responsible for misuse of registered pesticides. Besides this since the establishment of SCC there has been a list of banned for use pesticides and chemicals approved that are highly hazardous and prohibited for use by any individual or organization in the Country. Mainly SCC tries to follow international practices and requirements. Through Ministry of Health RUz, working group of SCC receives latest updates on hazardous technical grade active ingredients in pesticides (categorized into four groups) released by World Health Organization; State Committee for Nature Protection assists the SCC to get updated on relevant international environmental treaties and agreements pesticides such as by Rotterdam and Stockholm conventions. Uzbekistan is not a member of these conventions yet but it is planned to become a member in near future. Necessary documentations have been prepared and are currently under review by highest level of the Government. Currently, SCC follows the regulations of the conventions.

Hazardous products include pesticides listed in Class I(a) and I(b) of the World Health Organization (WHO) *Classification of Pesticides by Hazard and Guidelines to Classification* (Geneva: WHO, 1994-95); materials listed in the UN *Consolidated List of Products Whose Consumption and/or Sale have been Banned, Withdrawn, Severely Restricted, or not Approved by Governments* (New York: UN, 1994); and other materials that are banned or severely restricted in the borrower country because of environmental or health hazards.

*Principles of the Integrated Pest Management*⁷. The primary aim of pest management is to manage pests and diseases that may negatively affect production of crops so that they remain at a level that is under an economically damaging threshold. Pesticides should be managed to reduce human exposure and health hazards, to avoid their migration into off-site land or water environments and to avoid ecological impacts such as destruction of beneficial species and the development of pesticide resistance. One important strategy is to promote and facilitate the use of IPM through preparation and implementation of an Integrated Pest Management Plan (PMP). The IPM consists of the judicious use of both chemical and nonchemical control techniques to achieve effective and economically efficient pest management with minimal environmental contamination. It provides a coordinated use of pest and environmental information to design and implement pest control methods that are economically, environmentally and socially sound. IPM promotes prevention over remediation and advocates integration of at least two or more strategies to achieve long-term solutions.

The World Bank refers to IPM as a mix of farmer-driven, ecologically based pest control practices that seek to reduce reliance on synthetic chemical pesticides. It involves (a) managing pests (keeping them below economically damaging levels) rather than seeking to eradicate them; (b) relying, to the extent possible, on non-chemical measures to keep pest populations low; and (c) selecting and applying pesticides, when they must be used, in a way that minimizes adverse effects on beneficial organisms, humans, and the environment. In general, IPM combines the following measures: pest monitoring (e.g., pest detection, pest population build-up monitoring to apply economic thresholds for pesticide application) and prediction based models (e.g., degree-day calculations, software solutions), cultural methods (e.g., resistant varieties, crop rotation, cultivation of alternate hosts, selection of planting sites, crop specific traps, adjusting the timing

of planting or harvest, crop residue destruction or incorporation, pruning), mechanical methods (collection, hand weeding, barrier exclusion, trapping), physical methods (e.g., heat, cold, humidity, traps, sound), and biological methods (e.g., introduction of imported natural enemies and protection of indigenous natural pest enemies, dissemination and establishment of microbial control agents). IPM can also include the use of natural chemical methods (e.g., attractants, repellents, sterilants and growth inhibitors), plant extracts (e.g., neem oil extracts, pyrethrum extracts from Chrysanthemum flowers), genetic methods (e.g., release of sterile or genetically incompatible pests that disrupt natural mating), and regulatory means (e.g., plant and animal quarantines, suppression and eradication programs). These measures must allow the safe integration of pesticides as the last control resort within farmers' traditional cropping and pest management systems. Pesticide resistance management strategies include minimizing pesticide use, shunning tank mixes, avoiding persistent chemicals, and using long-term rotations of pesticides. These should involve alternating among pesticide classes with different modes of action to delay or mitigate onset of the existing resistance by pests.

Alternatives to Pesticide Application. Where feasible, an effective IPM strategy will attempt to use alternatives to pesticides. This might include a range of biological, mechanical and physical, and cultural alternatives or approaches. It might also involve a more rational use of chemicals, when it is appropriate or as a last resort. Some possible considerations of alternatives to pesticide use are provided in table below.

Conservation of Pollinators. Pollinators provide an essential ecosystem service, namely pollination. While, approximately 80 percent of all flowering plant species are pollinated by animals, including vertebrates and mammals, the main pollinators are insects. Maintaining and increasing yields in horticultural crops, seeds and pastures through better conservation and management of pollinators is critically important to obtain better farm incomes for horticulture farmers.

The main threats to losing pollinators' services stem from the following driving forces:

- Habitats required by many pollinators are being lost through **changing land-use patterns** such as increasing agricultural intensification. Pollinators require a range of resources from their environment for foraging, nesting, reproduction and shelter. The loss of anyone of these requirements can cause pollinators to become locally extinct.
- Excessive use or inappropriate application of **pesticides** and other agro-chemicals is known to have negative impacts on a range of pollinators.
- **Climate change** may potentially be one of the most severe threats to pollinator biodiversity. Substantial distribution changes are predicted for groups such as butterflies.
- **Invasive species** are globally recognized to have major negative impacts across a wide range of taxa.

In order to protect the decline in populations of pollinators, horticulture farmers will be advised to take measures for pollinator conservation that are directly linked to their farming practices. Practices that promote high diversity on-farm and can form the basis for a more sustainable path of horticulture growth. The deliberate conservation of pollinators- and its synergy with integrated pest control- offers ways to maintain yields while reducing purchased inputs. Many of the measures that promote pollinators can also promote other ecosystem services such as soil improvement by cover cropping, increasing the abundance of diverse soil functional groups; habitat management of natural enemies for pest management; breaking cycles of damaging pests through greater crop diversity, or erosion control through contour plantings and hedgerows. However, the knowledge base for promoting such pollinator-friendly practices into farming systems is very scarce, and the project will support improved knowledge networks that can promote the exchange of such information across regions and crops.

Pesticide Application. In the event the use of pesticides is warranted, as a last resort option, users are recommended to take the specific actions to ensure a more safe and sound application of pesticides, a more rational use of chemicals, as well as to reduce and control any potential negative impacts on health and safety, and damage to the environment.

Pesticide Handling and Storage. Contamination of soils, groundwater, or surface water resources, due to accidental spills during transfer, mixing, and storage of pesticides could be prevented by following the hazardous materials storage and handling recommendations.

Pesticide Disposal. Excess pesticides that are still usable and not deteriorated in quality should be disposed according to directions on the label. If it cannot be used, some manufacturing companies will accept the pesticide for reprocessing. If the above options are not available, check with the local solid waste management authority, environment or health agency whether there are options available for the disposal of the unwanted chemicals.

Pesticide containers also pose an environment problem if they are not carefully disposed or cleaned.

Health and Safety. By definition, pesticides are poisons, but the toxicity and hazards of different pesticide compounds vary greatly and might be different from organism to organism. Pesticide hazard depends not only on the toxicity, but also on the chance of exposure to toxic amounts of the pesticide. Pesticides can enter the body through oral ingestion, through skin, or through inhalation. There are a number of safety precautions that should be taken when manufacturing, transport, application, storage and handling of pesticides.

Typical hazards associated with chemical fertilizer use and remedial measures: Similarly, as in the case of the usage of pesticides, fertilizer usage may provide important benefits to horticulture development, but they also pose certain risks associated with accidental exposure of environment and of farmers during their inappropriate handling and usage. To ensure minimization of hazards associated with inappropriate handling, storage and usage of mineral fertilizers, a number of measures can be employed. The Table 10 provides information about typical hazard scenarios that may arise in conjunction with the procurement, handling and storage of fertilizers as well as the recommended measures to control the potential risks.

Table 10:Fertilizer Control Strategy

Likely HazardScenario	Recommended Control Strategy
Spillage	<ul style="list-style-type: none"> • Ensure all storage areas and/or facilities are secure and appropriate. • Ensure all fertilizer products can be contained within the storage area and/or facility selected • Provide appropriate equipment and materials to clean up a spillage
Transportation and delivery of goods	<ul style="list-style-type: none"> • Cover any loads of fertilizer products whilst in transit • Ensure that deliveries of fertilizer products are made at appropriate times • Do not accept any containers of fertilizer products that are damaged and/or leaking. • Ensure that any spillages that occur during

	delivery are cleaned up appropriately.
Drift of dust from storage areas and/or facilities	<ul style="list-style-type: none"> • Keep fertilizer products covered and/or sealed • Clean up spillages promptly • Keep “in use” stocks to the minimum required • Staff responsible for storage areas and/or facilities to ensure that the drift of dust beyond the perimeter is kept to a minimum.
Storage areas -Floors	<ul style="list-style-type: none"> • Keep floor surfaces swept clean of fertilizer to prevent tracking by people and/or vehicles beyond the perimeter. • Sweep up and dispose of spillages in a timely and appropriate manner
Cross contamination of product	<ul style="list-style-type: none"> • Keep each fertilizer product will in a separate storage container and/or position within the facility and/or area.
Confusion of Product	<ul style="list-style-type: none"> • Maintain an accurate storage manifest/register. • Keep products and blends are segregated at all times. • Ensure all storage bays and bins are clearly labeled. • Ensure all storage, loading and blending plant and equipment is cleaned from all residues when changing from one product to another. • Do not store product in bags that are not correctly stamped
Occupational Health and Safety	<ul style="list-style-type: none"> • Contact between fertilizer products, people and livestock will be minimized.
Risk Assessments	Risk Assessments are required to be conducted on the procurement, storage and handling of fertilizer products.
Contact with people and livestock	<ul style="list-style-type: none"> • Managers will develop, implement and monitor the effectiveness of hazard management procedures • All persons using fertilizer products are to adhere to the hazard management procedures and adopt safe working practice and ensure that direct contact with fertilizer and the inhalation of fertilizer dust is minimized.

Annex 10. Public Consultation

Annex 10.1 Announcement about PC in Russian in newspaper "Pravda Vostoka"

4

№ 6 (28969) 11 января 2019 года

Р

Агентство по реализации проектов в области агропромышленного комплекса и продовольственного обеспечения (агентство)

сообщает, что во исполнение поручения Президента Республики Узбекистан Ш. Мирзиёева в ходе визита в Андижанскую область 19-20 мая 2018 года агентство прорабатывает инвестиционный проект «Развитие предпринимательства в Ферганской долине» с участием Всемирного банка


Для реализации проекта планируется проведение общественных слушаний для обсуждения экологических и социальных аспектов с привлечением всех заинтересованных сторон. На слушаниях будут представлены основные результаты проведенной экологической оценки воздействия проекта «Развитие предпринимательства в Ферганской долине» на окружающую среду и вопросы переселения.


Общественные слушания будут проведены в следующих городах:

- для жителей г. Ферганы – в 10.00 17 января (контактный номер для уточнения места проведения общественных слушаний - (91) 653-35-55;
- для жителей г. Андижана – в 15.00 17 января (контактный номер для уточнения места проведения общественных слушаний - (91) 480-30-00;
- для жителей г. Намангана – в 10.00 18 января (контактный номер для уточнения места проведения общественных слушаний - (93) 676-92-93.

Контактные лица: Тулаев Турдижон, телефон (+998 97) 730-22-44;
Сергей Ким, телефон (+998 90) 352-22-29.

Представители: Госкомэкологии, СЭС областей, Минстрой, Госкомземгеодезкадастр, Союз молодежи, Торгово-промышленная палата, коммерческие банки, областные хокимияты.





QISHLOQQURILISHBANK

ПРЕДЛАГАЕТ СЛЕДУЮЩИЕ
ВИДЫ ВКЛАДОВ В НАЦИОНАЛЬНОЙ ВАЛЮТЕ:

<p style="font-weight: bold; font-size: 18px;">“Инсон манфаати”</p> <p style="font-weight: bold;">срок депозита от 13 до 25 месяцев</p>	<p style="font-weight: bold; font-size: 18px;">“Жонажон Ватан”</p> <p style="font-weight: bold;">срок депозита от 7 до 13 месяцев</p>
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Уваж
В соответ
«О мерах
от 20 дека
начинает
и кредито

✓ стр
конп
инос
обяз

Телефон
Наш адре

Announcement about PC in Uzbek in newspaper "Pravda Vostoka"

даги 9-Ихтисослаштирилган МТМда (17,3 млн. сум), Шовот туманидаги 14-МТМда (35 млн. сум) ҳам кузатишган.

Бундан ташқари, ўтказилаётган назорат тадбирларида ота-оналарнинг болалар таъминотига тулаган пуллари ва ҳомийлик пуллари қазнага кирадиган ҳолатлари аниқланмоқда. Шунингдек, МТМга болалар йўлланмаси қабул қилиниб, улар учун

Фарғона вилоятининг Данғара тумани мактабгача таълим бўлими томонидан 249 млн. сумлик озиқ-овқат маҳсулотларини харид қилиш бўйича шартномалар танлов ўтказиш харид комиссиясининг ҳулосасиз ва юрист имзасиз тузилган. Аудиторлар томонидан ушбу шартнома бўйича туш маҳсулотлари 9 млн. сумга қimmat нархларда олинганлиги ва маҳсулотлар сифатсизлиги аниқланган.

чиққан маҳсулотлар эса аксарият ҳолатларда ҳужжатларга сохта ёзувлар киритиш оқибатида ҳосил бўлади. Масалан, улар таом пиширишда "ишлатилган" деб кўрсатилади, лекин ҳақиқатда қозонга солинмайди.

Текширувлар чоғида ана шундай маҳсулотларни турли жойларга бекитишга уриниш ҳолатлари кузатишган. Масалан, озиқ-овқат маҳсулотлари Тошкент шаҳар Янгибод туманидаги

**Очиқлик
Ота
иш**

Тегшли...
гача таълим...
ажратилди...
ассасалар...
бошқа бир...



QISHLOQQURILISHBANK

«Қишлоқ қурилиш банк» АТБ

корхона ва ташкилотлар ўртасида банкнинг кўргазма стендини тайёрлаш бўйича танлов эълон қилади.

Танловга тижорат таклифлари 2019 йилнинг 18 январь куни соат 17.00 га қадар, епиқ конвертда қабул қилинади.

Танлов шартлари, кўргазма стенди бўйича техник талаблар ҳақида батафсил маълумотга эга бўлиш учун қуйидаги манзилга ёки телефон рақамларига мурожаат қилишингиз мумкин: **100011, Тошкент шаҳри, Навоий кўчаси, 18-«А» уй.**

«Қишлоқ қурилиш банк» АТБнинг коммуникациялар ва жамоатчилик билан ишлаш бошқармаси.

Телефонлар: 71-150-72-63, 71-150-45-34, www.qqb.uz

419/255

Ўзбекистондаги Ислон цивилизацияси маркази

муассаса ҳузурида ташкил этилаётган кутубхона фондиди шакллантириш учун аҳолидан Фарғоний, Хоразмий, Ибн Сино, Бухорий, Термизий, Беруний, Замахшарий, Марғиноний, Насафий, Лутфий, Жомий, Навоий каби ўзбек халқининг қомусий олимлари қаламига мансуб нодир қўлёзма ҳамда тошбосма асарлар, шунингдек, тарих, шарқшунослик, Шарқ тиллари ва адабиёти, сиёсатшунослик, жамиятшунослик, динлар тарихи, маданиятлар тарихи йўналишларидаги замонавий босма асарларни сотиб олади ҳамда ҳадя тариқасида қабул қилади.

Нархлар экспертиза ҳулосасига кўра белгиланади.

Манзил: Тошкент шаҳри, Қорасарой кўчаси, 47-уй.

Мурожаат учун телефонлар: 71-227-15-48, 93-588-19-75.

Электрон манзил: info@cisc.uz

Соат 10.00 дан 16.00 гача мурожаат қилинсин.

428/39

Агросаноат мажмуи ва озиқ-овқат таъминоти соҳасидаги лойиҳаларни амалга ошириш агентлиги

Ўзбекистон Республикаси Президенти Шавкат Мирзиёевнинг 2018 йил 19-20 май кунлари Андижон вилоятига ташрифи давомида берган топшириқларининг ижросини таъминлаш мақсадида Агентлик томонидан Жаҳон банки иштирокида, умумий қиймати 200,0 млн. АҚШ доллари бўлган «Фарғона водийсида тадбиркорликни ривожлантириш» лойиҳаси ишлаб чиқилмоқда.

Мазкур лойиҳанинг экологик ва ижтимоий ҳимоя масалаларини муҳокама қилиш мақсадида барча қизиқиш билдирган томонлар иштирокида жамоатчилик эшитувлари ўтказилиши режалаштирилган. Ушбу эшитувларда «Фарғона водийсида тадбиркорликни ривожлантириш» лойиҳасининг атроф-муҳитга таъсирини урганишнинг асосий натижалари тақдим этилади ва лойиҳа ишларини амалга ошириш учун аҳолини кўчириш масалалари муҳокама қилинади.

Жамоатчилик эшитувлари қуйидаги шаҳарларда бўлиб ўтади:

- Фарғона шаҳри, 17 январь куни соат 10.00 (манзилни аниқлаш учун қуйидаги рақамга боғланинг — 91-653-35-55).
- Андижон шаҳри, 17 январь куни соат 15.00 (манзилни аниқлаш учун қуйидаги рақамга боғланинг — 91-480-30-00).
- Наманган шаҳри, 18 январь куни соат 10.00 (манзилни аниқлаш учун қуйидаги рақамга боғланинг — 93-676-92-93).

Маълумот учун: Тулаев Турдижон, телефон: 97-730-22-44,
Сергей Ким, телефон: 90-352-22-29.

4081

Annex 10.2 Lists of participants
Ferghana city

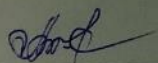
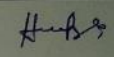
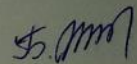
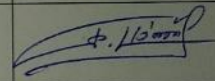
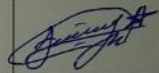
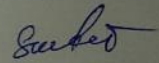
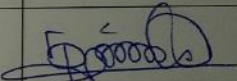

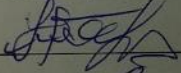
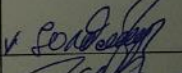
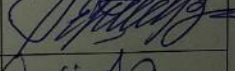
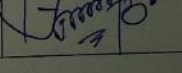
Проект развития предпринимательства в Ферганской долины
г. Фергана, Республика Узбекистан
17 января, 2019 года

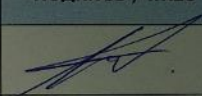
СПИСОК УЧАСТНИКОВ ПУБЛИЧНЫХ КОНСУЛЬТАЦИЙ

Место проведения: Агропром

#	Организация / Tashkilot	Ф.И.О. / F.I.Sh	Должность / Lavozimi	Номер телефона / Telefon raqami	Подпись / Imzo
1	Ширтон фирмалари Халқ банки	Абдушамов Икромжон Имомжонович	Бош бухгалтер қўриқбасари	911572151	
2	Ширтон фирмалари Халқ банки	Абдуваҳодов Аҳмаджон Абдуҳамидович	Захона қизмақдор буғимчи бошқари	902800045	
3	Ғафурона тумани ҳисоби бўлими	Мухторов Шохриқов Отв. рах. бўли	бош мутахассис	939824440	
4	Ғафурона тумани ДСҲММ	Мелимов Хуршид Абдулмоҳаммадович	овнақлашқари буғимчи вақари	916747630	
5	Ғафурона тумани ДСҲММ	Ахмедов Қасимжон	врач іррадиаци		
6	Иқтисодиёт ва саноат бош бошқар- маси	Шемиров Бобуржон	стажги мутахассис	903600212	
7	Иқтисодиёт ва саноат бош бошқар- маси	Ахмеджонов Фаррух	стажги мутахассис	916750200	
8	Қўбэ тумани Иқтисодиёт ва саноат бўлими	Қосимов Тулолмат	бош мутахассис	911173862	

#	Организация / Tashkilot	Ф.И.О. / F.I.Sh	Должность / Lavozimi	Номер телефона / Telefon raqami	Подпись / Imzo
9	114 Toshlar-Kelajakimiz 'jatgah- mak Tajdona Juman filiali	Хасироб Muhammad Said Kadamjon o'g'li	Bosh mutaxassis	912833959	
10	Бошлов "Инвестиция бўлими"	Абдуразаков Толибжан Абдуллаевич	Баш мутахассис	912222200	
11	Бошлов "Иттифоқий бошлов" бўлими	Эрашев Рахмат Абдухамид ўғли	Баш мутахассис	902779293	
12	Бўлими банк Реш ТОИ фирмани	Ғайбатулло Азизович Исраилов	Бўлими бошлани	90-406-56-76	
13	Бўлими қўрилмош бош бошкармаси Фаргона тўли қўрилмош бўли	Юсупов Абдулмуслим	Баш мутахассис	91-108-11-00	
14	Бўлими Ер ресурслар ва давлат қадостра бошкармаси	Ақбаров Ахмаджон Эркинов Азизбек	Баш мутахассис	996092808 944913844	
15	Фаргона т. Инвестиция бўлими	Маликов Нурилло	Бўлими бошлани	905363277	
16	Бўлими Инвестиция ва бош бошкармаси	Толибжанов Рустам бек	Бўлими баш мутахассиси	984026030	U. R. R. R. R.
17	Реш ТОИ Иттифоқий бўлими	Орипов Бахридон	Бўлими бошлани	903006593	
18	Реш ТОИ Инвестиция бўлими	Мухомедов ОРАДБЕК	Бўлими бошлани	916538811	
19	Реш ТОИ Тўлақон Табрикор	Самиев Шамсиддин	Табрикор	91140057	
20	Бўлими иттифоқи Бўлими қўрилмош	Содиқов Шавкат	Бўлими мудири	91.116.11.15	

#	Организация / Tashkilot	Ф.И.О. / F.I.Sh	Должность / Lavozimi	Номер телефона / Telefon raqami	Подпись / Imzo
21	Фарзона вил. Жилин, хўжалик бошқармаси	Қурбонова Мадина	Иккунга узилган муволаққатчилик бўл. бош. мутахасс.	+998 91662 0071	
22	Фарзона вил. Жилин, хўжалик бошқармаси	Сидиқов Назокам	Иккунга узилган тажриба бўл. тажриба мутахасс.	+998 93 359 17 00	
23	Фарзона вил. К/Х бошқармаси	Собирова Барножон	Агроф тарбия қорлик- чи бўлаб қўйилган бошқар.	+998 94 444 68 64	
24	Фарзона вил. Раштот, Ешлар иттифоқи	Ўзгиромов Юнус	Координатор	+998 91 670 63 53	
25	Фарзона вил. Раштот, "Ешлар иттифоқи" ташқирмаси	Абдуназаров Сарвар	Бухгалтер	+998 91 131 01 03	
26	Фарзона вил. Экология ва саноат мулкчилик хўжалик бошқармаси	Султонкулиев Мамолиддин	Етажчи мутахассис	+998 91 146 54 66	
27	Бағдод тумани Иккунга узилган бўлими	Баходиров Овзандек	Етажчи мутахассис	90-530-99-93	
28	Бағдод тумани Инвестиция бўлими	Рахмонов Ўткиршоҳ	Етажчи мутахассис	91-323-75-70	
29	Олийорекх Велоз тортиқли фирмаси	Эрматов Рахматов		916 54 9109	
30	Келачек фарзона Абдулхалил мурчи	Ҳолматов Залимжонжон	Строитель олими	90 301 2000	
31	РРСР Фергана жамоат	Момасалиев Бобир	жолок	91 576-23-32	
32	ГРП Фергана	Каримов Камолжон	Руководитель	97 413 3555	


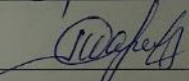
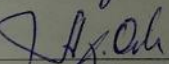
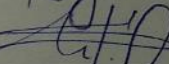
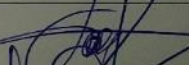
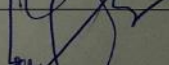


#	Организация / Tashkilot	Ф.И.О. / F.I.Sh	Должность / Lavozimi	Номер телефона / Telefon raqami	Подпись / Imzo
33	ГРП Фергана	Меликузиев Григорий	Специалист	99 608 4626	
34					
35					
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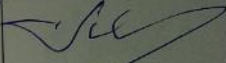

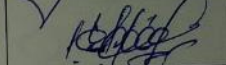


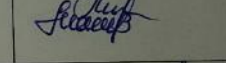
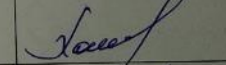
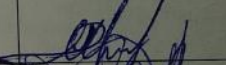
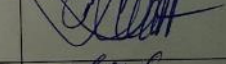
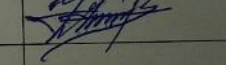
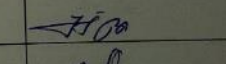
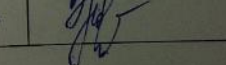
Andijan city

Проект развития предпринимательства в Ферганской долины
г. Андижан, Республика Узбекистан
17 января, 2019 года

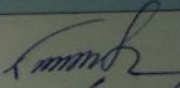
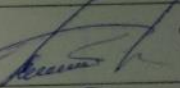
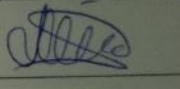
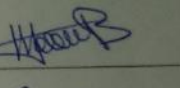
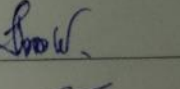
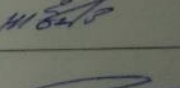
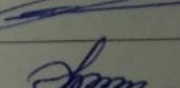
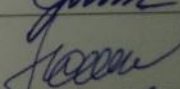
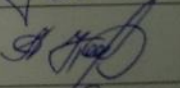
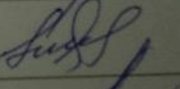
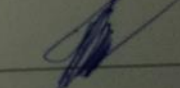

СПИСОК УЧАСТНИКОВ ПУБЛИЧНЫХ КОНСУЛЬТАЦИЙ

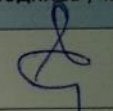
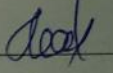
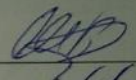
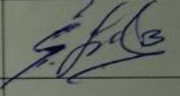
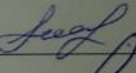
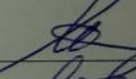
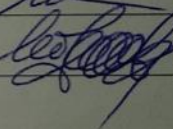
Место проведения: Областной Комитет

#	Организация / Tashkilot	Ф.И.О. / F.I.Sh	Должность / Lavozimi	Номер телефона / Telefon raqami	Подпись / Imzo
1	Халк банки	Алимов Соҳибнон	Кредит бўлими бошл.	93.446-85-77	
2	Микрокредит банк	Морасунов Санжар	Кредит бўли. бош.	97-997-11-34	
3	Банкоат қурилиш банк	Азизов Оробек	Кредит бўли. бош.	97-993-44-04	
4	Виконт ДСҲИИ	Сотбадиров Шахиди	Бош бўли. урсундор	91-123-90-07	
5	Канкорбанк	Шурунов Абдуқодир	Бошқарма бошл.	93-445-44-64	
6	Кеелок қурилиш банк	Абдурамонов Умар	Бошқаруви урсундор	98-270-19-19	
7	Агробанк	Шурсаткулов Рабиан	Бошқаруви урсундор	98-270-62-10	
8	Свобод Банк	Қолдир Абдулхалим	Бошқаруви урсундор	90-258-88-81	

#	Организация / Tashkilot	Ф.И.О. / F.I.Sh	Должность / Lavozimi	Номер телефона / Telefon raqami	Подпись / Imzo
9	Марковский Ботек	М.Ю. Кудряшов	Башлык урчибо-серги	99 907-17-71	
10	Анжигон тумани инвестиция бўлими	Р. Азизбеков	Бўлим башлиги	97 339 7774	
11	Анж. Тўра. Инвестиция бўли.	У. Насибаев	-/-	91 476-7371	
12	Марковский Ботек инвестиция бўли	Ю. Абдуколымов	Бўлим башлиги	91 - 168-25-00	
13	Алоқабанк Анжигон филиали	А. Рахматуллин	Бўлим башлиги	99-431-17-77	
14	Анж. Тўра. Инвестиция бўли	У. Насибаев	Нотариус	91 484 0500	
15	Инвестиция бўли	А. Халилов	Башлык	94 385 07 00	
16	Инвестиция бўли	Р. Насибаев	Башлык	97 332 1991	
17	Алоқабанк Анжигон	А. Абдураманов	Башлык урчибо-серги	90 153-0550	
18	Анжигон тумани инвестиция бўли	С. Абдураманов	Бўлим башлиги	94-473-22-83	
19	Олтинкул тумани инвестиция бўли	М. Насибаев	Бўлим башлиги	93258-1180	
20	Олтинкул тумани инвестиция бўли	М. Насибаев	Бўлим башлиги	93-246-44-68	

#	Организация / Tashkilot	Ф.И.О. / F.I.Sh	Должность / Lavozimi	Номер телефона / Telefon raqami	Подпись / Imzo
21	Ангелман Тушман хокиммат	Исламов Зафар Исламович	Тушман хоким фримбосари	+998 97 0797	Б.И.И.
22	Индиялик Анг. Вил. Фил. Ангелман Вил. + Экология	Падилов Ахмед	Бошқарувчи ўрмон.	+998 93-410-51-00	А.П.
23	Ангелман Вил. + Экология	Тўхсимов Зафар	евожаи муҳо- хасиси	90 258 1288	З.Т.
24	Мунисариф бунд	Орипов Азиз	бўлим бошқаруви	90 388 8230	А.О.
25	Иккинчи бунд	А. Мурзаев	бух. б.и.и.	93 716 2438	А.М.
26	Иккинчи бунд Солими	Алиев Абдуллаев	хоким фримбосари	981402424	А.А.
27	Қирғизистон- тушман хоким- мати	Турсунов Тушман Ҳасанов	Тушман хоким фримбосари	90-148-70-71	Т.Т.
28	Ўзбекистон хокимати	Абдуллаев Эвробек Ботибай	тушман хоким фримбосари	99 903 8030	А.А.
29	Илҳамид хокимати	Абратимов Насур Хайитов	тушман хоким фримбосари	90 140 0250	Н.А.
30	Олийини тушман хокимати	Абдуллаев Илҳамид	тушман хоким фримбосари	90 617-75-51	А.А.
31	Азизов тушман	Азизов Ойбек	тушман хоким фримбосари	94-172-1515	А.А.
32	Хатматов тушман	Эрашев Зиёғамид	тушман хоким фримбосари	91-601-17-84	А.А.

#	Организация / Tashkilot	Ф.И.О. / F.I.Sh	Должность / Lavozimi	Номер телефона / Telefon raqami	Подпись / Imzo
33	Қазақстан Республикасы Инвестиция	Назаров Нодар	Бүлм. Басқару	+99894370032	
34	Қазақстан Республикасы Қорғаныш қоры	Туркнабоев И.	Қорғаныш қоры	+998999057685	
35	Ақмола облысы Инвестиция бұқарасы	М. Мамиев	Бүлм. Басқару	+998934907000	
36	Бұлақтөбе ауданы Инвестиция бұқарасы	И. Қунаев	Бүлм. Басқару	90382 2160	
37	Ушаркент ауданы Инвестиция бұқарасы	А. Аққаров	Бүлм. Басқару	91-489-43-53	
38	Шаркент ауданы Инвестиция бұқарасы	М. Мердиев	Бүлм. Басқару	33-425-35-70	
39	Нахтөбе ауданы Инвестиция бұқарасы	О. Нуралиев	Қорғаныш қоры	94.673 51-18	
40	Қазақстан Республикасы Қорғаныш қоры	Б. Эрмиев	Бүлм. Басқару	94 430 62-02	
41	Қорғаныш қоры	О. Құрбанов	Қорғаныш қоры	914852900	
42	Қорғаныш қоры	А. Қосимов	Бүлм. Басқару	93 440 5445	
43	Қорғаныш қоры	З. Қоқматов	Бүлм. Басқару	97338 0088	
44	Қорғаныш қоры	Б. Қудайбергенов	Бүлм. Басқару	979927500	

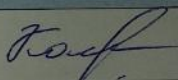
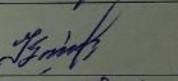
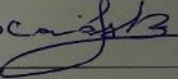
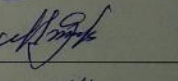
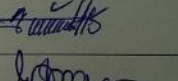
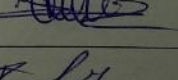


#	Организация / Tashkilot	Ф.И.О. / F.I.Sh	Должность / Lavozimi	Номер телефона / Telefon raqami	Подпись / Imzo
45	Илим/хўжалик кор-ми оржасан суз. вакил.	Ахмедов Н. Т	Вакил	31-283-4700	
46	Бўз туяни сект. бўлим билим	Мажидов М	бўлим билим	93-785-0048	
47	Булак билим туяни Материал. билим билим	Бобобоев Ш.	Бўлим билим	90 525 8081	
48	Бўз туяни инвестиция билим	Ф.Содилов	Бўлим билим	94 108 5510	
49	Айловий корхона.	Т.Мажидова	Бўлим билим	90263 0084	
50	Вил. Хоминский Вил. Хоминский	Н. Хоминский	Вил. Хоминский	94. 223 2422	
51	Тосканов ишхона Тосканов ишхона	У. Тосканов	Вакил	91 480 3000	
52					
53					
54					
55					
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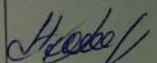
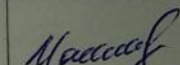
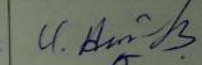
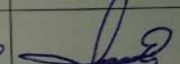
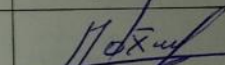
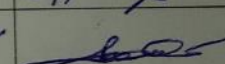
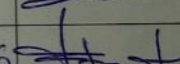
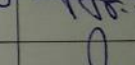
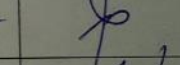
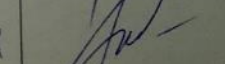
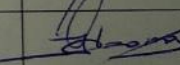

Namangan city

Проект развития предпринимательства в Ферганской долины
г. Наманган, Республика Узбекистан
18 января, 2019 года


СПИСОК УЧАСТНИКОВ ПУБЛИЧНЫХ КОНСУЛЬТАЦИЙ

Место проведения: Торгово-промышленная палата

#	Организация / Tashkilot	Ф.И.О. / F.I.Sh	Должность / Lavozimi	Номер телефона / Telefon raqami	Подпись / Imzo
1	Intia Bank	Ф. Кулматов	президент Б.И.С.Б.С.Б.	97-371-57-77	
2	Институт инвестиций и бизнеса	Н. Курдоков	бизнес мутахассис	97-426 9209	
3	Институт инвестиций и бизнеса	А. Ходжаев	бизнес мутахассис	91-359 72-00	
4	Экономика	В. Мурдаев	бизнес мутахассис	93-495 42-25	
5	Turonbank	Hamidov Ushbek Abdurahmatovich	credit bslm boshligi	93 678-10-09	
6	Джорджия инвестиций и бизнеса	А. Анваров	бизнес мутахассис	94 159-23-23	
7	Джорджия инвестиций и бизнеса	Р. Омиров	Директор	97 252 26 86	
8	Норин инвестиций и бизнеса	Ф. Миралиев	мутахассис	97 155 04 70	

#	Организация / Tashkilot	Ф.И.О. / F.I.Sh	Должность / Lavozimi	Номер телефона / Telefon raqami	Подпись / Imzo
9	Душантўртон туман Инвестиция бўлими	Ахмедов Зокирхон	Бош мутахассис	99-975-03-23	
10	Наманган вилоят қалъа банки	Махкамов Абдухон	Бўлим бошлиги	94-304-46-45	
11	Қосқон туман Инвестиция бўлими	Абдурахмонов Исабой	Бош мутахассис	94-308-55-33	
12	Ишониқ банки Наманган	Исраев Фархад Абдулов	Бўлим бошлиги	97-480-25-00	
13	Наманган Viloyat Toshlar Ittifoqi	Холмирозов Ахборбек	Устожчи мутахассис	97-593-52-22	
14	"Агробанк" қўшма таъсис шirkati Наманган вилоят филиали	Қўлибаев Шерали	Тўғрилл бошлиги	97-230-83-86	
15	Савдогар АТ банк Наманган вилоят филиали	Рахмонов Ўкюр	Бўлим бошлиги	97-370-00-86	
16	АТБ, Ўзбекистон банк "Наманган филиали"	Бойдашев Зоир	Финанс хизмати бошлиги	97-254-76-77	
17	ЎИТБ "Ўрак Илми" Наманган филиали	Маматов Акбархон	корпоратив кредит бўлими бошлиги	99 320 2224	
18	Қосқон туман Инвестиция бўлими	Баркидов Жасонир	Бош мутахассис	93-677-98-86	
19	АТ "Аска" банк Наманган вилоят филиали	Гўрбанов Раваъбек	Бўлим бошлиги	90-596-13-08	
20	Ўш тумани инвестиция бўлими бошлиги	Содиқов Шермурад	Бош мутахассис	941570020	

#	Организация / Tashkilot	Ф.И.О. / F.I.Sh	Должность / Lavozimi	Номер телефона / Telefon raqami	Подпись / Imzo
21	Ушш ташкилот инвес- тициялар бўлими Башкир бўлими	Рашидов Бахдор	Башкир мудири	90-554-48-95	
22	Вилоят Фирмарлар қан- тириниш бўлими	С. Қанаалов	Ўринбосар	94-159-00-31	
23	Министрлик ташкилот инвестиция бўлими	Қусанов Дийорбек	Бўлим башкири	94-307-28-99	
24	Вил. Ер ресурслар бўлими	А.Тожикиев	Мудири	91-641-1972	
25	Вил. Таълим қан- тириниш бўлими	А. Абдураҳимов	раис	90-555-97-03	
26	Машиновоз қан- тириниш бўлими	Э. Қўсанов	Бўлим башкири	97-251-01-05	
27	Вил. Таълим қан- тириниш бўлими	Д. Қосимов	Бўлим башкири	97-258-1960	
28	Вил. Таълим қан- тириниш бўлими	Шерзодбек Қўсанов	Сектор мудири	90596-69-14	
29	Қазаббаев Азамат Акрамжанович	АКБ "Капиталбанк" Наманганского филиала	специалист КРЕ - кредитного отдела	90-552 6508	
30	Абдуллаев Насур Алиевич	Агрономатик маъмурият Ош-област тоғ-ориқ бўлими	Мониторинг башкири	93-672-67-65	
31	Вил. Таълим қан- тириниш бўлими	Қўсанов, Рашид	Бўлим башкири	63-227-80-02	
32	Абдуллаев Насур Алиевич	Абдуллаев Насур Алиевич	Представитель	93-676-82-83	

#	Организация / Tashkilot	Ф.И.О. / F.I.Sh	Должность / Lavozimi	Номер телефона / Telefon raqami	Подпись / Imzo
33	Внебюджетный фонд развития	Болтабоев Азизбек	Бухгалтер	93-408-00-41	
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Annex 10.3 Raised issues and provided answers

Ferghana	
Question/comments	Answer
I am from Shahimardon district (enclave). We don't have many productions and our people really need to have small business. Due to location and environment, natural conditions we have very good potential for tourism development. Will it be possible for our people to participate in this project?	Sure, one of the direction of funding will be tourism. Shohimardon it well-known area with its beautiful nature. Please contact Agency and get necessary information to get sub-loan.
I built a greenhouse two years ago. However, I couldn't use it in full capacity due to lack of gas supply. Is it possible to get funds through your credit line to build pipeline? My greenhouse can provide job for 17 people.	Any proposal submitted for funding have to be economically feasible, since you will apply for loan. In any case, when this project will be launched you can discuss your proposal with Agency and FIs specialists and try to apply for the sub-loan. At the same time, you may consider another option for heating supply – such renewable energy sources.
I took a sub-loan from the Agency project (WB funded Livestock project) and bought cattle. I should say it helped me a lot, I made a lot of profit thanks to the project. I plan to apply for another sub-loans within the project that you explained	Please contact Agency and get necessary information to get sub-loan
It is very good that the project considers support of young entrepreneurs. Usually it is difficult for them to get loan. They don't have enough funds and skills. They may have idea, but they need a support and guidance to develop it. Will project provide such kind of support for young entrepreneurs?	As it was presented, the project will pay the special attention to support of young entrepreneurs and women. Especially such support will be provided under sub-component 1.1 and 1.2
When the project will start? We have a big demand in such project in Rishtan, because we have a good potential for tourism, we have famous local handicraft production	Now the project is on preparation stage. In accordance with plan the project will start in the end of spring, beginning of summer 2019.
You mentioned that the project will support women involvement. It is very important, since now women have limited access to loans, they need more skills on business development	It is planning that training program for women will be implemented within the project.
Could project simplify a process of sub-loans receiving? Could applicants put as collateral the equipment or good bought on sub-loans funds?	The procedure of sub-loans application and approval will be established by PFIs. More clarifications you can get from Agency.
Andijan	
We live in Khonobod district which has	Sure, one of the potential area for funding is

amusing nature. We would like to develop the tourism. We have Khonobod water reservoir which supply with water most part of Ferghana valley. Will it possible to apply to develop the tourism in our district?	tourism development. However, please pay attention where proposed project is located. The project will not fund project located within protected area, such as buffer zones of reservoir.
We have unique trees in our area which are included in Red Book (Red List). You talked a lot about environmental and social aspects within this project. We would like to apply for this project and get funds for their restorations. Will it be possible?	It is unlikely, since the project will support entrepreneurship development. For the sub-project that you mentioned you may apply for other environmental funds such as GEF and others.
The procedure of getting sub-loans requires collection a lot of documents. And sometimes after collection of set of documents required by PFIs, we receive requirement to provide additional documents at the stage of the revision of the documents in Tashkent. Is it possible to simplify the procedure?	We've noted your message and we will delivery this to working group for further actions
Is it possible for entrepreneurs to get funds directly from WB?	No, under this project sub-loans will be provided through PFIs and Agency
You mentioned that Category 1 project will not be funded. But for the rest of the project – will EIA required?	Sure, as we explained all sub-projects will have to go through screening procedure. After screening, Agency and PFIs specialist will define what kind of environmental assessment has to be undertaken. All national requirements will be strictly followed.
Will Agency's or PFIs' environmental specialist conduct instrumental monitoring? Will they have capacity to do this?	No, the Agency's and PFI's environmental specialist will not conduct instrumental monitoring, they will conduct visual monitoring only. However, in case of receiving complaints from people living on surrounded areas, specialists may involve third party – certified agency to conduct instrumental monitoring.
Namangan	
Where we can get detail information about this project and list of the documents, required for receiving sub-loan?	As we presented, the Implementation Agency for this project is Agency. You may conduct directly them to get detail information. Moreover, the information about the project and requested documents for sub-loan application is published on Agency's website
As PFIs, we work with WB and ADB within the projects. Both of these banks have ESMF. Do these ESMFs have any differences	Yes, even the target of adopting ESMF by PFIs is the same for all IFIs, there are some differences between WB's and ADB ESMFs. There is some difference in the project screening, and conduction of EA. However, it depends also on the project's

	types. Details we can discuss later, if you wish
I am representing Sanitarian Epidemiological Station (SES). We have a lot of complaints from population on location of livestock and poultry farm. The main impact is odor. Will this project pay attention to this factor?	Yes, this impact was also reviewed during ESMF development. As a mitigation measure it was proposed to check of potential sub-loans on meeting requirements on buffer zone. ESMF provides appropriate legislative document (SanPiN) as a reference.
It is very good that you will request to conduct ESA for the sub-loans. We had evident in the near past, when big enterprises were built without proper EA, as a result the enterprise negatively impacted on the people living in surrounded area. Finally, the enterprise had to be moved to another place.	Yes, environmental screening and ESA will be mandatory for all sub-loans.