

LOCAL AND REGIONAL COMPETITIVENESS PROJECT IN THE REPUBLIC OF
MACEDONIA

ENVIRONMENTAL MANAGEMENT FRAMEWORK

Local and Regional Competitiveness Project In
Tourism In the Republic of Macedonia

2015

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ENVIRONMENTAL MANAGEMENT FRAMEWORK

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Abbreviations

- CDPMEA – Cabinet of the Deputy Prime Minister for Economic Affairs
- DMOs - Destination management organizations
- EA – Environmental Assessment--
- EMF – Environmental Management Framework
- EMP – Environmental Management Plan
- GOM – Government of Macedonia
- LRCP – Local and Regional Competitiveness Project
- M&E – Monitoring and Evaluation
- MoC – Ministry of Culture
- MoE – Ministry of Economy
- MoF - Ministry of Finance
- MoLSG – Ministry of Local Self-Government
- O.G. -- Official gazette of the Republic of Macedonia
- PIA – Project Implementing Agency
- PMU – Project Management Unit
- SME – Small and Medium Enterprise
- TA – Technical Assistance
- MoEPP - Ministry of Environment and Physical Planning

INTRODUCTION

Tourism in Macedonia is becoming one of the most important economic branches. According to statistics, tourism has important place in the creation of gross domestic product. The purpose of this project is to support, establish and promote tourism as one of the leading branches. The beginnings of tourism in Macedonia date in the early 20th century and are connected with places that today are leading tourist centers. In recent years the Republic of Macedonia has made a lot of effort and significantly invested into the development of tourism in all aspects. Future development plans are promising even more rapid and intense growth of this sector.

According to the Government of Macedonia official sources, government will continue to work towards improvement of tourist offer through development of cultural, lake, river, mountain, spa, sport, hunting, wine, winter, archeological, religious, rural, eco-tourism and congress tourism. The government will take a series of actions for the development of national parks and placing in service of tourism development and promotion of the natural beauties of Macedonia. In the future period, government will work to overcome some challenges in the area of tourism. The basic challenges are access to qualified labor force, improvement of quality of services and improvement of local tourist infrastructure.

Plan of the Government of the Republic of Macedonia is very serious, precise and predicts lot of concrete measures and projects. Local and regional competitiveness project (LRCP) will be supporting the efforts of the government to improve tourism sector and give significant assistance to the government and municipalities to realize predicted projects and goals.

LRCP is supported by European Union grant and implemented jointly by Cabinet of the Deputy Prime Minister for Economic Affairs, as the implementing agency of funds, and the World Bank. LRCP has been classified as Category B project, meaning some level of adverse impact can be expected as a result of its implementation, but none of them significant, large-scale or long-term. As a result of this classification OP 4.01 Environmental Assessment is triggered. Subsequently, the Recipient prepared Environmental and Social Management Framework. This framework looks into environmental impacts that could come from project activities and outlines the guiding principles of environmental screening, assessment, review, management, and monitoring procedures for all project activities, but focusing on activities/sub-projects that are likely to take place under the Component 3.

Macedonian environmental laws and World Bank policies do not differ much. The purpose of this document is to present the environment protection regulation, prescribed by Macedonian authorities, and policies and procedures that must be respected in the implementation of projects financed or implemented by the World Bank, identify potential environmental implications, gaps and set the framework and procedures for management and abatement of these implications and possible interventions.

Basic aim of the project will be promoting the tourism and building capacities that will contribute to further tourism development. Amongst other activities for improving the tourism capacities that will be implemented through the project, various types of construction work can take place and thus produce possible environment disruption. This may cause serious problems unless appropriate measures are carried out. To address the impact and prevent potential problems, the recipient prepares environment management framework (EMF).

This document presents the Environmental Management Framework (EMF) for the Republic of Macedonia Local and Regional Competitiveness Project (LRCP) that serves as a tool to screen the sub-projects from the environmental protection and nature preservation perspective and guideline for addressing identified environmental considerations.

Republic of Macedonia basic facts

Republic of Macedonia is a country located in the central Balkan Peninsula in Southeast Europe with a total area of 25,713 km² and 2,022,547 inhabitants, according to the 2002 Census. It has 748km of borders, shared with Serbia, Kosovo, Bulgaria, Greece and Albania. The country's capital is Skopje. The geographical position of the country is very favorable and it is significant cross roads linking several countries in the Balkans and this part of Europe. Important traffic corridor is corridor 8 and 10, as well as the international highway E - 75 road M5 and international railway.

The country is 80% mountainous, rising to its highest point at Mountain Korab (peak 2,764 meters) with the lowest elevation (44m) on the Vardar River at the border with Greece. Three climatic types overlap in the country: Mediterranean, moderately continental and mountainous, producing hot, dry summers and cold, snowy winters.

The Republic of Macedonia is a landlocked country that is geographically defined by a central valley formed by the Vardar River and framed along its borders by mountain ranges. The Republic's terrain is mostly rugged, located between the Shara and Rhodope mountains, with the valley of Vardar between them. Three large lakes — Lake Ohrid, Lake Prespa and Dojran Lake — lie on the southern borders of the Republic, bisected by the frontiers with Albania and Greece. Lake Ohrid is considered to be one of the oldest lakes and biotopes in the world.

The natural conditions in the Republic of Macedonia (geology, relief, climate, hydrograph, soil, flora and fauna) make it one of the rare countries in Europe with wealth of natural values. Designated area network comprises 81 areas, with total area of 231,385.6 ha or around 9% of the territory of Macedonia. Most of it falls into the category national parks with around 4.5% (3 National Parks: Mavrovo, Galichica and Pelister), natural monuments with 2.74% and the multipurpose area Jasen with 1.05% of the national territory.

The agricultural land, which includes the cultivable land and the pastures, takes about 56.2% of the total area. The forests spread on around 43.8% of the total area of the country. Republic of Macedonia is considered rich in water resources and it has recorded and mapped 4,414 springs in

total, with overall annual capacity reaching 6.63 billion m³ of water. From hydrological point of view, the country belongs to three water basins, namely: Adriatic Sea (15% of the territory) with the main entry watercourse being the river Crn Drim; Aegean Sea (85% of the territory) with the rivers Vardar and Strumica as the major watercourses; Black Sea, the basin of which has insignificant territory.

In 2006 the process of decentralization started with delegation and transferred of plenty of rights and responsibilities to the Local self-Governments and currently there are 80 municipalities and the City of Skopje, which is a district unit of local self-government that consists of 10 municipalities. There are 43 urban municipalities and 37 rural municipalities. In total there are 1767 settlements and 34 cities in the Republic of Macedonia.

Capital city Skopje and UNESCO-protected Ohrid remain the key tourist destinations in the country, complemented by traditional Balkan village scenes and diverse communities, and ski resorts such as Mavrovo and Sapka in the winter. Opportunities for the development of tourism sub-segments that appeal to niche markets and customers have emerged in recent years. These include rural tourism, wine tourism, adventure and spa tourism.

1 PROJECT OBJECTIVES AND COMPONENTS

1.1 PROJECT OBJECTIVE

The Project Development Objective (PDO) is to enhance the contribution of tourism to local economic development and improve the capacity of the government and public agencies to foster the tourism growth and facilitate destination management.

1.2 PROJECT COMPONENTS

Component 1: *Technical assistance for tourism development (Bank executed)*. This component will improve the capacity of institutions and business environment in support of tourism development at the national level, through advisory services, analytical assistance, and policy advice. Areas of focus are derived directly from diagnostic work that highlights key challenges. This component includes the following activities:

- (i) *Improve institutional coordination:* A functional review of institutions responsible for tourism development will be conducted through the CIIP trust fund, and recommendations on roles, responsibilities, and coordination mechanisms will be developed. LRCP will finance the engagement of specialists to support the government as it implements the recommendations.
- (ii) *Support the development of the National Tourism Strategy:* LRCP will fund engagement of specialists to support the government's development of the National Tourism Strategy for the period 2016 onward and its action plan, and an accompanying Strategic Environmental and Social Assessment.

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- (iii) *Improve the availability and use of data to inform policy-making.* The CIIP trust fund will assess the current state of data collection in the sector and its use in policy-making, and provide recommendations (including, for instance, on the feasibility and country's readiness for establishment of a "Tourism Satellite Account"). LRCP will fund the engagement of specialists to support the Government as it implements the recommendations.
- (iv) *Improve the business environment:* LRCP will fund analysis, policy notes and advice on measures necessary to improve the sector-specific business environment. It will address barriers identified through the CIIP trust fund, particularly in the areas of industry standards, licensing, accreditation and regulatory burden on micro and small enterprises.
- (v) *Support and just-in time technical advice to the implementation of the activities under the Recipient Executed Components.* LRCP will finance the necessary implementation support for the activities that will be managed by the Project Implementation Unit. This will include technical advice, site visits, coordination, monitoring and evaluation, and coordination meetings with the implementing agencies and beneficiaries.

Component 2: Strengthening destination management and enabling environment (Recipient executed). This component will support implementation of activities to enhance tourism development at the central government level and at the destination level. It will include the following:

- (i) *Component 2.1: Central level capacity, coordination, and policy:* LRCP will support Recipient-executed activities to implement recommendations from Component 1, including but not limited to: (i) training in public-private dialogue and tourism development; (ii) systems and equipment to implement improvements in data- and information-gathering, its linkages with policy-making; and (iii) technical assistance to implement business environment reforms.
- (ii) *Component 2.2: Destination Management:* LRCP will build destination management capacity in the destinations selected for participation in the project, in order to more effectively manage tourism development and provide greater impacts for local people. This component will provide support through technical assistance and limited equipment or service provision. Destination management will be improved through an approach centered on public-private dialogue (PPD) with key stakeholders in the destination. Stakeholders will include private tourism businesses and entrepreneurs, buyers from outside the destination, relevant municipalities, centers for development of planning regions, local NGOs, local service or skills development institutions, national parks authorities, security and safety services, transport and environment representatives from the government, and others.

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The component will fund activities including: stakeholder mapping; design of a structured PPD platform and process; training in destination management and PPD; light equipment and/or software to support destination management; development of toolkits and manuals; and study tours, international linkages or knowledge exchanges for destinations. Outputs of destination management will include stakeholder maps, needs assessment for the destination, PPD platform, trained destination stakeholders, and destination management toolkits and manuals. The aim will be to develop sustainable destination management capacity. Thus, LRCP may provide further support such as technical assistance in organizational frameworks and targeted contribution for necessary equipment and technical assistance for Destination Management Organizations.

Component 3: *Investment in tourism-related infrastructure and linkages at destinations (Recipient executed)*. The objective of this component is to support key investments that will make an impact on increasing the attractiveness of the selected destinations through upgraded product offerings and linkages with local economies to capture a greater share of economic benefits. The component will provide funds for investment in infrastructure and non-infrastructure activities (training, publications, upgrading of supplier capabilities, etc.) in the destinations selected for participation in LRCP. To be eligible for grant funding, project proposals must demonstrate how the proposed activity: (i) meets the needs of the destination; (ii) has positive economic and financial returns (iii) will attract further private sector investment and business development; and (iv) will be sustainable over time. Integrated with the destination management activities from Component 2, the package of interventions will facilitate the realization of impacts such as job creation, attraction of new tourists, increased spending per tourists, number of nights stayed by visitors, increase in revenue and tax generated from tourism related activities, and greater participation by rural, poor, or marginalized communities. The component will include two sub-components.

Sub-component 3.1: Infrastructure investments: This sub-component will finance tourism product or related infrastructure sub-projects that are critical for upgrading the quality of attractions, sites, and general visitor experience. The investments will be informed directly by the destination needs assessments developed in Component 2. Eligible activities for infrastructure sub-projects will include interventions to improve physical condition of attractions, access to cultural and natural heritage sites, promotion and branding of destinations and sites, etc.

The selection of infrastructure sub-projects will be conducted through a competitive and transparent process. There will be an open call for applications in the selected destinations, and applications may be submitted by municipalities, regional planning centers, or other public entity, with a percent of co-financing in cash and in-kind. The sub-projects could be implemented in partnership with non-profit entities (civil society organizations, business and professional organizations). While some potential sub-projects may already have feasibility studies and designs, others may be at an earlier stage. To ensure quality of the design documentation and to help those municipalities which do not have designs prepared yet, technical assistance will be provided from Component 4 as part of the PIU's management role. Through these grants, private sector will benefit from improved conditions for tourism development.

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Sub-component 3.2: Grants for enhanced tourism service-delivery and local economic impact. This sub-component aims to improve the ability of destinations to increase productivity, service quality, linkages and innovation, employability, and local economic growth. The sub-component will provide grants for activities that serve these objectives, helping to directly address key needs highlighted in the destination needs assessments. Activities could include technical assistance and capacity-building (e.g. design and implementation of local supplier linkages programs, modules for competency-based skills training); technical and financial support (e.g. for tourism innovation competitions at schools or associations); soft infrastructure (e.g. equipment, ICT, training materials) or promotional activities (recruitment drives, marketing of local products, business-to-business (B2B) integration, branding and marketing activities). Eligible applicants include public entities, Destination Management Organizations (where these are established), non-profit entities (e.g. business associations), training and educational service providers and NGOs. The grants will support the capacity of the private sector to generate increased economic benefits from tourism activities at the destinations.

This sub-component will also finance innovation undertaken by micro and small private enterprises to develop new or improved products and services in the tourism value chain; conduct marketing or business development; pursue training; purchase minor equipment; conduct minor rehabilitation of existing facilities; and other activities, excluding new construction. Grants to private enterprises will require a matching contribution of 50-60 percent in cash/investment.

Component 4: Strengthening project management (Recipient executed). This component will support the capacity of the Project Implementation Unit (PIU) to ensure that all Recipient Executed activities under LRCP are effectively implemented. It will finance technical expertise (consultants), training, equipment, operating costs, and equipment associated with implementation, monitoring and evaluation of the Recipient Executed activities under LRCP. This will include the engagement of qualified tourism and DMO experts, procurement, financial management, and monitoring and evaluation specialists, as well as engineer(s), architect(s) and environmental/social specialist to ensure the quality of designs under the large-scale infrastructure sub-projects, facilitate preparation of technical parts of bidding documents for the civil works contracts, and ensure supervision of these contracts and quality of works. Staff and consultants of the PIU will be trained, as necessary, in tourism development and destination management, and in the concepts, policies and activities supported under LRCP.

2 LINES OF FINANCIAL SUPPORT

2.1 FINANCIAL SUPPORT LINE FOR INVESTMENT IN TOURISM-RELATED INFRASTRUCTURE AND LINKAGES AT DESTINATIONS

LRCP is a four-year investment operation that will be financed with a grant from the European Union, using funds from IPA II earmarked to competitiveness and innovation. LRCP will be managed as a Hybrid Trust Fund and will consist of four components, one executed by the Bank and three by the Government of Macedonia. The activities in the Bank-executed component will fund technical

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and advisory assistance to sector-level policies and measures that would improve the enabling environment for the activities under the recipient-executed components. It will also help to scale up and expand the technical assistance activities in tourism at the central government level that are being supported by the Macedonia Competitive Industries and Innovation Support Program, which is funded by a grant from a multi-donor trust fund (CIIP).

Line of financial support exists under two sub-components: 3.1: Infrastructure investments and 3.2: Grants for enhanced tourism service delivery that will be executed by the Government of Macedonia.

Objective of these subcomponents is to provide financial support for tourism stakeholders that are otherwise not encompassed by the project, but make indispensable contribution to tourism development either as (i) tourism facilitators such destination management organizations, tourism promotion and information sharing units, municipalities tourism development departments, educational institutions in the field of tourism, or (ii) providers of basic infrastructure serving as prerequisite for further development of tourism in a selected area or as (iii) direct, but non-profit, producer of tourism product such as national parks and other PAs administrations, museums, business associations and other non-profit organizations (NGOs). The line of support is created in a new and innovative way increasing efficiency and effectiveness of the investments and programs by concentrating on a pre-selected cluster, destination or a theme.

The aforementioned is the main distinctive characteristic of this line of support. While until now the practice was to utilize national lines of financial support from the government or other sources or very specific small municipal funding (provided by the more developed municipalities such as Skopje) which often dispersed the efforts and failed to create synergy, this approach is expected to result in encouraged cooperation amongst municipalities, Centers for Development of the Planning Regions, national level institutions in cultural protection/promotion area, National Parks and other protected areas, private sector entities (established by private persons and/or with private capital) and civil sector organizations (associations, NGOs, etc.), as well as other tourism stakeholders such as educational institutions in hospitality and, in addition, to intensify focus on selected destination or a theme enabling development of a brand/attraction.

This line of financial support is in line with objectives of other components, particularly the Component 2 instigating development of Destination Management Organizations (DMOs) as a new form of directing and fostering tourism development.

Selection of a tourism clusters or themes of strategic importance and target destinations eligible for support under LRCP will be carried out through a rigorous selection process. First, (i) a high potential tourism cluster or theme will be identified by the inter-government Working Group led by CDPMEA, in consultation with the World Bank and other stakeholders. Then, (ii) a number (approx. four to six) destinations within the selected clusters will be prioritized based on a set of agreed criteria, discussed with the Working Group, and signed off by the CDPMEA. Eligible institutions applying for funding under the component 3.1 will be public entities with an option of partnership

with the non-profit sector and under sub-component 3.2 the eligibility will additionally extend to DMOs and education service providers.

The process of prioritization of circuits and clusters has started and initial ranking of the 12 clusters was carried out. Identification of clusters was carried out based on those pre-identified in national and regional strategies including Technical Assistance in Revision and Implementation of the National Strategy for Tourism Development of the Republic of Macedonia 2009-2013, Spatial Plan 2020, National Strategy for Health Tourism, National Strategy for Sports Tourism, National Strategy for Rural Development and others (15 in total). The evaluation was done in the presence of representatives of the CDPMEA, WB and EUD. As specified in the below-mentioned methodology, 5 criteria were taken into consideration, namely: market demand, strategic importance, regional integration, readiness and impact. In order to validate the results the private sector was consulted. Once destinations are selected, a public call for infrastructure and non-infrastructure projects will be made in each destination.

2.2 LINE OF FINANCIAL SUPPORT FOR CAPACITY BUILDING

Financial support for capacity building activities will be provided on several levels. Under the **sub-component 2.1** Central level capacities, coordination and policy, means will be directed for a provision of education in public-private dialogue and policy making. Basic aim of this line is to locate the key stakeholders in the area of tourism in the Republic of Macedonia including relevant faculties and high schools. After locating key stakeholders, analysis of their capacity identification of needs would follow. Plan for organizing various events for capacity building will be made and implemented within this component. This plan will contain system of trainings for various types of institutions and key stakeholders, from the agency, centers for development of plan regions, municipalities, DMO, faculties and high school in Macedonia. The PIU will be responsible for funding much of the relevant capacity-building and DMO operational training.

Sub-projects providing technical assistance and capacity building for non-profit entities (e.g. DMOs, educational facilities, municipalities, clusters, etc.) serving increased productivity, quality of service improvements, linkages and innovations and employability are eligible projects under the **sub-component 3.2 Grants for enhanced tourism-service-delivery and local economic impact**.

The line of financial support for sub-projects under the Component 3 will have environmental restrictions and conditions to eligibility founded in this Framework, reflecting national legislation and applicable WB policies.

Capacity building financing as part of the project **Component 4** ensures the success of the project by enhancing capability of institutions and administration units authorized by the Recipient to undertake environmental assessment as a part of the grants approval procedures. These institutions will be responsible for following the procedures towards the valid sub-project approval which would lead to the financial support thus are important element in the timely and successful distribution of the financial support. Furthermore, they will be responsible for overseeing

implementation of measures created to prevent and abate potential negative effects of projects to humans and nature. In addition to enhancement of capacity of PIU and project stakeholders by provision of training satisfying identified needs, Component 4 envisages engagement of environmental and other specialists (e.g. architect, engineers) to ensure quality design for large scale infrastructural investments (sub-Component 3.1).

3 WB POLICIES THAT APPLY TO THE PROJECT

WB safeguard policies present set of obligatory guidelines and instructions with the main objective to foster efficient and effective identification and mitigation of potentially adverse environmental and social impacts that may occur in the development process. The adequately applied policies tend to reduce risk of harm to people and environment. WB policies are applied in parallel to the national and supranational policies where, as a rule, the stricter one prevails.

As a result of environmental and social project screening several safeguard policies were triggered, namely:

3.1 LIST OF THE WB POLICIES THAT ARE TRIGGERED THUS APPLY TO THE PROJECT

- [Y] OP/BP 4.01 Environmental Assessment
- [Y] OP/BP 4.04 Natural Habitats
- [Y] OP/BP 4.11 Physical Cultural Resources
- [Y] OP/BP 4.12 Involuntary Resettlement

OP/BP 4.01 Environmental Assessment

The Bank requires environmental assessment (EA) of projects proposed for Bank financing to help ensure that they are environmentally sound and sustainable, and thus to improve decision making. EA is a process whose breadth, depth, and type of analysis depend on the nature, scale, and potential environmental impact of the proposed project. EA evaluates a project's potential environmental risks and impacts in its area of influence. Types of project especially in the component 3 may be part of EA and categorization. There are 4 categories of projects according to the WB categorization A, B, C, FI. The recipient is responsible for carrying out the EA. This policy OP/BP 4.01 Environmental Assessment supposes to be considering being part of the LRCP project.

The project was classified as category B project meaning no negative significant, lasting, hazardous or unpredictable impacts are expected during, or as a result of its implementation. However, a degree of impact is expected and the policy requires environmental assessment (EA) of projects to be carried out to help ensure that environmentally sound and sustainable, and thus to improve decision making. For this purpose, EMF was prepared by the Recipient providing guidelines and procedures for environmental due diligence for the whole project. EMF is particularly focused on development of instructions and procedures for assessment and selection of sub-projects under the Component 3. Only sub-projects of category B and C will be supported, while category A projects

will be excluded. Depending on the size and scope of applied sub-projects of category B, further environmental assessment will be carried out resulting in ESAI or EMP or EMP Checklist for smaller works. For the sub-project to be eligible, all the permits required by the national legislation must be obtained and presented to authorized institution conducting the assessment.

OP/BP 4.04 Natural Habitats

Much of the project proposals of particular projects sub-component 3.1 can relate to the construction of tourist facilities in certain areas where there are natural habitats. This is very important issue regarding the EMF. The Bank has a special treatment of natural habitats that should be respected and supported, and expects recipients to apply, a precautionary approach to natural resource management to ensure opportunities for environmentally sustainable development.

Natural Habitats was triggered since the sub-projects under the Component 3, infrastructure and non-infrastructure investments are likely to take place in protected and sensitive areas. The nature and scope of the projects are not yet known, however, the themes identified as the most prominent amongst the prospective final users include lake tourism and nature tourism including hiking, biking, paragliding, etc. There is a strong correlation between the development of tourism and capacity development and Macedonia will be no exemption in this sense. Since Macedonian tourism strongly relies on capacity development at destinations close to natural or sports attractions, many located in areas of some level of protection, there is possibility of impact to sensitive areas and animal and plant species. If this kind of sub-project occurs it will be allowed only if it exercises impacts that can be mitigated and do not present significant conversion or degradation of critical natural habitats. Competent authorities of all levels need to be notified in such cases and involved in the EA processes and approvals. All permits and approvals must be obtained prior to sub-project approvals. Relevant environmental due diligence procedures will be followed and documentations prepared in line with national legislation and WB policies. For such cases, EMP or EIA will be prepared containing measures for avoidance or abatement of effects such as biodiversity depletion, land occupation, occurrence of barriers of animals, reduction of available habitats, disturbance and other.

OP/BP 4.11 Physical Cultural Resources

Physical Cultural Resources policy is triggered since the sub-projects under the sub-Component 3, infrastructure are potentially including projects with the direct or indirect impact to immobile cultural resources. The nature and scope of the projects are not yet known, however, the themes identified as the most prominent amongst the prospective final users of funds encompass cultural tourism including heritage resources, historical sites, religious and archeological sites. Republic of Macedonia (scope of the project) is rich with immovable cultural heritage of exceptional, historical and artistic importance which includes 11,200 immovable officially registered cultural monuments including archeological sites (4,260). Destination attractiveness of Macedonia is, amongst other things, based on the rich cultural heritage. Preliminary research showed vast interest for funding

rehabilitation works on cultural heritage buildings (including religious) and monuments. For sub-projects triggering this policy Management Plan for Cultural Heritage Works has to be prepared as a part of due diligence procedures. The Plan can be a part of ESIA or EMP.

This policy addresses physical cultural resources, which are defined as movable or immovable objects, sites, structures, groups of structures, and natural features and landscapes that have archaeological, paleontological, historical, architectural, religious, aesthetic, or other cultural significance. Physical cultural resources may be located in urban or rural settings, and may be above or below ground, or under water. Their cultural interest may be at the local, provincial or national level, or within the international community. Physical cultural resources are important as sources of valuable scientific and historical information, as assets for economic and social development, and as integral parts of a people's cultural identity and practices.

Most of these resources are tourist attractions and it is likely that part of them is sites where potential projects under component 3 can be realized. That's why this regulation OP/BP 4.11 must be taken into account in further EMF analyzes.

OP/BP 4.12 Involuntary Resettlement

Involuntary Resettlement is particularly sensitive issue in general. World Bank as an institution that carries out projects worldwide pays special attention to this issue. Basic principle of WB is that involuntary resettlement should be avoided wherever and whenever it is possible, or minimized, exploring all viable alternatives in project design. If there is no other solution but resettlement, resettlement should be done so the person displaced by the project shall be provided by sufficient investment resources so that he/she can share the benefits of project. Furthermore, displaced persons should be meaningfully consulted and should be involved in planning and implementing resettlement program. Also they should be assisted in their efforts to improve their livelihoods and standards of living, or at least restore them, in real terms, to pre-displacement levels prevailing prior to the beginning of Project implementation, whichever is higher. Beside the importance of this policy for LRCP this policy has no direct connection with EMF. This policy should be considered as relevant during preparation of RPF.

Disclosure policy OP 17.05 is triggered related to the obligations regarding due diligence documents production defined in OP 4.01. This includes EMF as well as EA documents such as EIA, EMPs, and Management Plan for Cultural Heritage Works and EMP Checklists expected as a result of sub-projects approval and implementation under the Component 3.

3.2 LISTING THE POLICIES THAT ARE NOT TRIGGERED FOR EMF.

- [N] OP 4.09 Pest Management
- [N] OP/BP 4.10 Indigenous People
- [N] OP/BP 4.37 Safety of Dams

- [N] OP/BP 4.36 Forests
- [N] OP/BP 7.50 Projects on International Waterways
- [N] OP/BP 7.60 Projects in Disputed Areas

OP 4.09 - Pest Management

Pest Management refers to the potential problems that the project would have had in dealing with pest management products. Pest Management is a pretty important component when it comes to projects that are directly related to agriculture. Although firstly taken into account for the possibility of supporting agro-tourism sub-project under the Component 3, OP 4.09 - Pest Management was not triggered after all. The main reason for this change was that under the IPA rules private companies / parties were not eligible for financial support from IPA funds. According to the 2007 agriculture census family farms use (own or lease) 80% of the arable land and the remainder is state property which is, again, rented to 136 private enterprises. Therefore, if the private sector will not be allowed to apply for project funding, sub-projects in agriculture are highly unlikely for that reason it was decided that project would not support (i) any procurement of pesticides or pesticide application equipment (agricultural use, vector control, weed control, etc.), either directly by the project, or indirectly through on-lending, co-financing, or government counterpart funding; (ii) projects that are expected to introduce new pest management practices, or expand or alter existing pest management practices; (iii) any other project or program that may lead to substantially increased pesticide use and subsequent environmental and health risks.

OP 4.36 – Forests

With OP 4.36 - Forests regulate activities that could affect forests, and according to the World Bank can be supported. Rural tourism, especially mountain tourism is closely related to building capacity in the forests, (marking of cycling, hiking and motorcycle cross paths, construction of ski slopes, lifts and other facilities in the forests). The construction of such facilities may tip the balance in forests and adversely affect the environment. Although some of the investment projects may take place in the forest areas, these activities will be limited to rehabilitation of existing infrastructure or small footprint new, and no activities in/near/upstream of forest areas (esp. natural forest) which are likely to result in forest loss/encroachment; enterprises involving wood or non-timber forest products would be found eligible for funding therefore OP/BP 4.36 is not triggered. For any individual tree removal for the purposes of the project implementation, these should be announced in the project application and obtain approval from the relevant national bodies following the relevant national procedures.

OP/BP 4.10 Indigenous People

For purposes of this policy, the term “Indigenous Peoples” is used in a generic sense to refer to a distinct, vulnerable, social and cultural group possessing the following characteristics in varying degrees. Dimensions and nature of the project, as well as demographic characteristics of

Macedonia do not allow to come to a greater negative impact on the so-called indigenous groups or to realize a project that in any way would be jeopardized existence or the way of life of a particular community.

OP/BP 4.37 Safety of Dams

The construction dams can have great importance for local economic development and tourism in certain areas. However the nature and capacity of the project does not allows the implementation of such a project. That is the reason why this policy OP/BP 4.37 Safety of Dams should not be taken into account in further analysis within the EMF or applied within the LRCP project.

OP/BP 7.50 Projects on International Waterways

This policy applies to the following types of projects:

- (a) Hydroelectric, irrigation, flood control, navigation, drainage, water and sewerage, industrial, and similar projects that involve the use or potential pollution of international waterways.
- (b) Detailed design and engineering studies of projects, including those to be carried out by the Bank as executing agency or in any other capacity.

The project does not envisage interventions on water infrastructure, sanitation systems, or other impacting water body. Therefore the policy OP/BP 7.50 Projects on International Waterways will not be applied within the LRCP project.

OP/BP 7.60 Projects in Disputed Areas

Projects in disputed areas may raise a number of delicate problems affecting relations not only between the Bank and its member countries, but also between the country in which the project is carried out and one or more neighboring countries. In order not to prejudice the position of either the Bank or the countries concerned, any dispute over an area in which a proposed project is located is dealt with at the earliest possible stage. Republic of Macedonia does not have disputed areas on its territory so this policy will not be applied to this project.

3.3 ACCESS TO INFORMATION

Access to Information

Underlying the policy is the principle that the World Bank (namely the International Bank for Reconstruction and Development and the International Development Association) will disclose any information in its possession that is not on its list of exceptions. The policy also outlines a clear process for making information publicly available and provides a right to appeal if information-seekers believe they were improperly or unreasonably denied access to information or there is a public interest case to override an exception that restricts access to certain information.

The World Bank's Policy on Access to Information, which became effective on July 1, 2010, was a pivotal shift in the World Bank's approach to making information available to the public. This policy positions the World Bank as a leader in transparency and accountability among international institutions

4 OVERVIEW OF MACEDONIAN NATIONAL POLICIES AND LEGISLATION

- *Law on Environment (Official Gazette of RM, 53/05, 81/05, 24/07, 159/08, 83/09, 48/10, 124/10, 51/11, 123/12, 93/2013, 44/15);*
- *Law on Protection of Cultural Heritage (Official Gazette of RM: 20/2004, 115/07, 18/11, 23/13, 137/13, 164/13, 38/14, 44/14, 199/14, 104/15, 154/15);*
- *Law on Nature Protection ("Official Gazette" no. 67/2004, 14/2006, 84/2007, 35/2010, 47/2011, 148/2011, 59/2012, 13/2013, 163/2013, 41/2014 and 146/2015);*
- *Law of water (O.G. 87/2008, 06/09, 161/09, 83/10, 51/11, 44/12, 23/13, 163/13);*
- *Law of Noise Protection (Official Gazette No. 79/07, 124/10, 47/11, 163/13).*
- *The Law on Expropriation (Official Gazette Nos. 95/12, 131/12, 24/13, 27/14, 104/15);*

4.1 ENVIRONMENTAL POLICIES AND LEGISLATION

According to article 8 of the Constitution of the Republic of Macedonia Editing and humanization of space and protection and promotion of environment and nature is set as a value and a right which must be protected and promoted, promoting that regulation and protection and improvement of the environment and nature is fundamental to the Republic of Macedonia.

Beside of constitutional provisions for environmental, key laws that are dealing with the issue and the promotion and protection of environment in the Republic of Macedonia are:

- *Law on Environment (Official Gazette of RM, 53/05, 81/05, 159/08, 83/09, 48/10, 124/10, 51/11, 123/12, 93/13 ,44/15)*
-

This law regulates the rights and duties of the Republic of Macedonia, the municipalities, the City of Skopje and the municipalities in Skopje, and the rights and responsibilities of legal entities and individuals in the provision of conditions for the protection and improvement of the environment for the right to a healthy environment.

The Law on Environment is one of the main laws that regulate environmental and sustainable development matters. The Law on Environment represents a framework from which all other laws that regulate the environment protection sphere are generated. In this Law are given the basic principles on the procedures for environment management and are common for all other laws that

ENVIRONMENTAL MANAGEMENT FRAMEWORK

regulate diverse areas in the sphere of environment. Amongst other provisions stipulated by this Law, the following should be emphasized:

Before beginning with any construction or reconstruction activities, the constructor should provide permit issued by the body authorized for implementation of the Law on Environment.

Each legal entity carrying out a project or activity that should undertake measures and activities for protection and improvement of the environment and restoration of the environment into previous condition, in a manner determined by the decision granting an approval of the project or activity implementation. The issue on environmental impact assessment is regulated in Chapter 11, and is fully in line with the EU Directive on impact assessment of public and private projects on the environment (85/337/EEC) and the Supplements and amendments on the Directive on impact assessment of public and private project on the environment (97/11/EC). The assessment is carried out by determination, description and assessment of the impacts made or that may be made by the given project during its execution, operation and termination of operation on: human beings and biological diversity, soil, water, air and other natural resources, the climate, historical and cultural heritage, as well as on the inter-action between all stated. The method for environmental impact assessment is regulated by the Bylaw on the procedure and process for carrying out environmental impact assessment (Official Gazette of RM nr.33/06), while projects which need environmental impact assessment are covered by the Ordinance for determination of projects and necessity evaluation criteria for environmental impact assessment (Official Gazette of RM nr.74/05).

Introduction of integrated environmental permits and a system for gradual approximation to the required standards for integrated pollution prevention and control (IPPC); After a given construction, installation or plant has undergone the procedure for obtaining construction permit, that is, an assessment for its impact on the environment, when beginning with its operation, it needs to provide opinion from the responsible state body (according to the Law on Environment either by the Ministry of Environment and Physical Planning or by the local government) for integrated environmental work permit.

Responsible authority that will Issue the Report for the EIA is Ministry of Environment and Spatial Planning. Evaluation of environmental impact is conducted on various projects, which due to their nature, size or location of which are performed can have a significant impact on the environment. Projects that should be evaluated under environmental impact assessment are listed in O.G.74 from 05.09.2005. The basic aim of these activities to prevent potential negative influence in the environment whenever it is possible if it is not possible the aim is to decrease negative influence on the minimal level. According to the law procedure for evaluation of environmental impact is fully transparent and everyone that is interested can participate in the process. Any kind of building activities are forbidden until legal authorities does not give legal permit.

Strategic Environmental Assessment (SEA) Procedure

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The main principles of the national SEA procedure are prescribed in the Law on Environment (Chapter X/Articles 65-75). The strategic Environmental Assessment is conducted for the strategic documents (Strategies, Plans and Program) adopted by the State Institutions and Local-self Government Units which may have an impact on the environment and on human life and health. The criteria for necessity of preparation of SEA Report for certain strategic documents are regulated in the secondary legislation.

The SEA Report should be prepared by minimum one expert from the List of experts for SEA. The draft version of the strategic document including the SEA Report is open for the public comments, as well as for other state and private institutions. It is also submitted for obtaining opinions by the Ministry of environment and physical planning. The Institution which prepares the strategic document, prepares the Report from the obtained opinions and comments from the public and institutions, and it upgrades the Report on Strategic Environmental Assessment with these comments and opinions.

The relevant legislative for the process of SEA is given in the bylaws in the Official gazette nr. 14/07, 153/07, 153/07, 147/08.

Procedure for assessment of environmental impact:

Phase1:

If the project is relevant for the further evaluation (according to the Law O.G.74 from 05.09.2005) than procedure for evaluation begins. If the project supposes to be realized in sensitive environment area evaluation can also be prepared for projects whose size is below the norms.

Phase2: Determining the scope of the assessment of environmental impact.

Ministry had prepared a check list of questions that need to be answered during the screening phase of evaluation of the impact on the environment procedure. This list identifies most important questions that need to be elaborated in the study.

After preparation study should be published on the web page of the ministry and in at least one national daily newspaper.

Phase3: assessment of the adequacy of the study

Review the adequacy of the study to assess the impact on the environment. Once prepared, the EIA study is submitted to the MoEPP. MoEPP published on the web page of the ministry and in at least one national daily newspaper. In the announcement specified place and time in which the public can review the study and fully informed about the things that interest and are important for the formation of opinion. Their opinions and public comments submitted to the MoEPP in writing, and can express the public hearing organized by the MoEPP on the study.

MoEPP sends the study to all relevant sectors within the institution for assessing the information stated and if required returns to the developer of the study for additional data. Upon receipt of the full study, MoEPP verify the adequacy of the study and prepares. Report on the adequacy of the study. Based on a study report on the adequacy and opinions and comments received from the public, MoEPP take a Decision to approve or reject the application for the project.

Developer and the public have a right to appeal the Decision to the Commission of the Government, if the investor does not apply the decision to implement the project issued from the Ministry, based on a study responsible body will not issue permit.

ENVIRONMENT PROTECTION ELABORATE

During the EIA Procedure within the screening phase, if the decision has been that there is no need for EIA procedure the investor should start with procedure for development of Elaborate. This procedure is obliged for small scale projects (e.g., reconstruction or construction of local streets, roads, construction of local drinking water supply systems, sewage systems and small scale projects), causing short-term, minor negative impacts to the environment.

There are two Rulebooks refer to the projects for which the EIA Report-Elaborate should be prepared:

A) Rulebook on the list of projects for which the EIA Report – Elaborate should be prepared and it should be adopted by the Ministry of Environment and Physical Planning (Official Gazette of RM" No. 80/09, 36/12);

B) Rulebook on the list of projects for which the EIA Report – Elaborate should be prepared and it should be adopted by the Mayor of the municipality (Official Gazette of RM" No. 80/09, 41/12);

The content EIA Report – Elaborate should be prepared in line with the Rulebook on EIA Report form and content and procedure for EIA Report adoption (Official Gazette of RM No. 123/12). The EIA Report – Elaborate contains the main characteristics of the project activities, the main positive and negative environmental impacts identified taking into account the site-specific baseline environmental data.

The Law on Environment also stipulates environmental impact assessment of other planning and strategic documents that are not directly connected with environmental issues, but are planned and carried out on the territory of the Republic of Macedonia. For these planning documents a strategic environmental impact assessment has to be carried out. The procedure is given in Chapter 10 of the Law — Environmental impact assessment on given strategies, plans and programs. This obligation derives from the EU Directive on environmental impact assessment of given plans and programs (2001/42/EC) with which the Macedonian Law on Environment is fully in line.

If an implementation of planning document in the Republic of Macedonia is likely to have trans boundary impact on the environment and human life and health, at the proposal of the state administration body, responsible for environmental affairs, the affected country should be introduced to a description of the planning document, an environmental impact assessment report on the planning document and an invitation for participation in the consultation procedures related to the planning document within two months from the submission of the invitation.

- *Law on Protection of Cultural Heritage (Official Gazette of RM 20/2004, 67/2004, 14/2006, 84/2007, 35/2010, 47/2011,, 148/2011, 59/2012, 13/2013, 163/2013, 41/2014 and 146/2015), Regulation for National Registry of Cultural Heritage (Official Gazette No. 25/05);*

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According to article 6 of the Law for Protection of cultural heritage, (O.G. number: 20/2004) the protection of cultural heritage is accomplished by compulsory inclusion in spatial and urban plans and plans and programs that protect the environment and nature, as well as its treatment as a factor of sustainable economic and social development, especially in the development of cultural tourism, housing, specific professions and education.

There are two types of cultural heritage: immovable cultural heritage and movable cultural heritage. The nature of the project is strongly connected with the immovable cultural heritage, therefore in this document there is short description of most relevant acts from the Law for protection of cultural heritage Official gazette number: 20/2004.

Monuments, monumental units and cultural landscapes represents immovable cultural heritage.

Monuments according to the law single buildings or works of architecture and civil engineering or parts and debris, including the elements and structures of archaeological nature, sculpture, paintings or works of applied art and technical culture, permanently connected to certain surrounding, cave dwellings, tombstones, memorial objects and designations related to significant events and personalities, other particular immovable goods of cultural and historical importance, along with plants, decorative elements and other movables which are permanently attached to the building itself or permanently serve to its utilization. As monuments are considered the buildings whose main and effective purpose is the preservation and exhibition of cultural heritage, and special shelters determined for settling the movable cultural property in the event of armed conflict.

Monumental units: The monumental units are urban, rural and other settlements or their parts and debris, including the equipment of settlements, agricultural, industrial and other commercial complexes and isolated or connected groups of buildings that their unity or incorporation in the landscape make topographic entirety. As monumental units are considered the centers which include significant number of monuments and cultural heritage, also object that are defined as an object of protection of the movable cultural heritage in the event of armed conflict.

Cultural landscapes: Cultural landscapes are separate parts of the landscape, which are highlighted as areas of specific interaction of man and nature, i.e. as partially built and arranged areas, cult places, locations related to combats or other significant events, city locations, cemeteries and other archaeological sites or places testify to the existence of man in space and time, its activities, lifestyles, customs, beliefs or special traditions.

According the law there are institutions responsible for the protection of cultural heritage. National conservation center is main national institution for the protection of cultural heritage. National conservation center keeps records of the protected immovable goods which are presumed as cultural heritage. National conservation center performs duties of protection of the immovable cultural heritage of exceptional importance. National conservation center manages the immovable cultural heritage in state ownership, which has been transferred the right to use.

Operational order of protection of cultural heritage is taking action to prevent activities, events and influences that are or may cause damage, destruction, dissolution, disappearance, degradation and illegal appropriation of cultural heritage.

The basic aim of the local and regional competitiveness project in the Republic of Macedonia is promotion of tourism and improving the tourist capacities of the Republic of Macedonia. One of the basic issues within this project should be cultural heritage, therefore all institutions that are involved in protection and management with this heritage should be eligible to active participation in this project.

- Law on nature protection

Law on Nature Protection ("Official Gazette" no. 67/2004, 14/2006, 84/2007, 35/2010, 47/2011, 148/2011, 59/2012, 13/2013, 163/2013, 41/2014 and 146/2015) this is the basic law in the area of protection of the nature in the Republic of Macedonia.

This is the basic law for all issues which are regulating nature protection. Most of the environmental impact assessment procedures and restrictions can be found in this law.

The law regulates the nature protection by protecting the biological and landscape diversity and protection of natural heritage in protected areas and outside of protected areas and protection of natural rarities, also the use of natural resources for economic purposes despite the provisions of this Act shall apply and the provisions of special laws.

The Ministry of Environment and Physical Planning (MEPP) of Macedonia is the main responsible state institution for nature conservation sector with a mandate to develop and implement relevant policies, conserve and manage biological and landscape diversity and natural heritage, and control and supervise the enforcement of the provisions of the Law on Nature Protection. The Administration for Environment is a structural body of the MEPP responsible for expert work in protected areas. Sector of nature/ MEPP and management body of protected area gives opinion of each activity in the area.

Protecting nature is an activity of public interest.

Scope of protection

The Protection of biodiversity is achieved by establishing and implementing a system of measures and activities for protection of wild species, including their genetic material, habitats and ecosystems, in order to ensure sustainable use of the components of biodiversity and maintenance of natural balance. The protection of landscape diversity is accomplished by establishing and implementing a system of measures and activities for the conservation and maintenance of characteristic values of the landscape resulting from its natural configuration and/or the type of human activity. Natural heritage protection is accomplished by establishing a system that lays down

measures, procedures and methods for acquiring the status of natural heritage and the implementation of its protection. Protection of natural rarities is accomplished by establishing a system that lays down measures, procedures and methods for declaring a natural rarity and implement its protection.

Objectives of the Law The objectives of the law is: identification and monitoring of the state of nature; the preservation and restoration of the existing biological and landscape diversity in a state of natural balance; Establishment of a network of protected areas for permanent protection of the properties on which it acquired the status of natural heritage; ensuring the sustainable use of natural wealth in the interest of present and future development, without significant damage to parts of the nature and possible disturbance of the natural balance; prevention of harmful activities of individuals and legal entities and disturbance in nature as a result of technological development and execution of activities, i.e. providing the best possible conditions for protection and development of nature and ensuring the right of citizens to a healthy environment.

Protected areas and sensitive ecological systems and species national policy and legislation

Rulebook on Protected area around the springs of drinking water

To protect drinking water from the biological, physical, chemical, radiological and other contamination, as well as protection from other influences that can adversely affect the quality, the generosity of the health safety of drinking water around the springs to establish and maintain buffer zones including:

1. Narrower protection zone (zone of strict sanitary supervision);
2. Wide protection zone (zone of sanitary restrictions) and
3. Wider protection zone (zone of hygienic surveillance and monitoring).

The boundaries of the protected zones are determined depending on the type of source or place of capture-drinking water (source, well, river, lake, reservoir, etc.), and the size of the area of the narrower protection zone, as follows:

- 10 meters in all directions from the source and facilities for capturing of drinking water, the water intakes of natural springs, wells and drains;
- 20 meters derivative 1 kilometer upstream and 100 to 200 meters from both banks of the river, the water intakes of surface water from the river;
- A 100 meters in all directions of the devices to capture, purification and disinfection of water, around water intakes from lakes and reservoirs.

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Wide protective zone is considered the wider area around the source in which the processing of land, construction and operation of facilities as well as performing other actions may adversely affect the quality and abundance of water in the spring.

The wide protective zone of underground water intakes water without protective layer against the surface determines 200 days underground flow of water from the site of possible microbiological contamination to the place.

The wide protective zone of surface water intakes river water is determined by the time of the water flow for at least 5 days from the place of possible microbiological contamination to the place of water intakes.

The wide protective zone of water intakes from lakes or reservoirs is determined by the place of water intakes along the coast and in the width of the lake or reservoir and inland including:

- The length of the zone should be at 3000-5000 meters in low coast from the place of water supply systems in the opposite direction of the flow of water currents or the wind direction and 1,000 meters in the direction of water currents or the direction of the winds;
- The width of the zone should be at 500 - 1000 meters from the shore to the water in the lake or reservoir and 3000-5000 meters inland along the wide protective zone.

Broader protective zone determines land not covered by the general protection zone and enters the basin of the sources that are intended to be used or are used as drinking water. In the broader protective zone it is not permissible construction of industrial, tourism, catering, recreational, agricultural, business and other buildings, and carrying out activities whose wastewater and other waste may threaten the quality, wholesomeness and abundance of water in the sources.

According to article 58 the construction of buildings, or management of natural resources near the natural springs along the natural waterways, shorelines of natural or artificial lakes, as well as the flooding plains of the waterways is prohibited, unless it is regulated by law or other regulation or determined in the planning documentation.

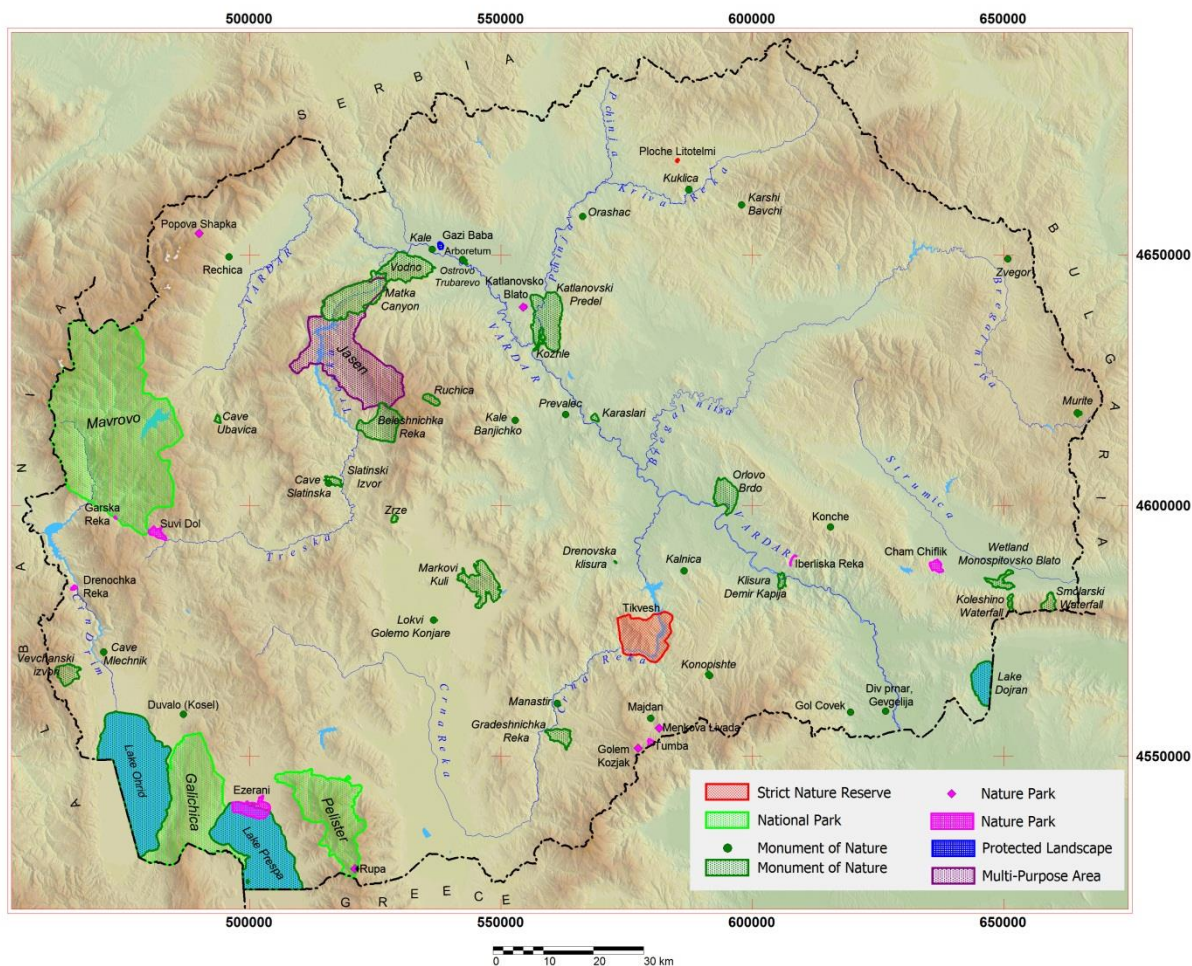
CATEGORIES OF PROTECTED AREAS

National protected area category	Number of protected areas	Land surface/km ²	% of total country surface
Ia Strict Nature Reserve	2	77.87	0.30
Ib Wilderness Area	-	-	-
II National Park	3	1,148.70	4.50

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III Monument of Nature	67	789.67	3.07
IV Nature Park	12	30.45	0.11
V Protected Landscape	1	1.08	0.01
VI Multi-Purpose Area	1	253.05	0.98
Total	86	2,300.83	8.97

Source: MEPP (2014a), MEPP (2014b)



Geographical distribution of protected areas without individual trees in Macedonia

Source: MEPP (2012)

Categorization of protected areas Article 66 According to the Law protected areas are divided in a six categories:

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Category	Category1	Category 2	Category 3	Category 4	Category 5	Category 6
Type of protected area	1.Strict nature reserve 2.Wilderness area	National park	Monument of nature	Nature park	Protected landscape	Multipurpose area

1) Category I:

- I-a - **Strict Nature Reserve** is an area which because of its significant or characteristic ecosystems, geological or physical and geographical features and / or species, acquire the status of natural heritage, primarily for the purpose of scientific research or monitoring of protection. According to article 71 It is prohibited in strict nature reserve to undertake activities, except:

1) care and control of the Strict Nature Reserve; 2) study visits for the purpose of conducting a scientific research; 3) movement of people on designated trails and forts within the area for educational purposes; 4) collection of seeds and seed material, wild plants, fungi and animals for scientific research, and for the renewal of populations in another area, in the manner and time that will not cause disruption to the ecosystem. The Minister managing the state administration responsible for the affairs of environmental protection issue license for the implementation of the activities referred to in paragraph (1) items 2, 3 and 4 of this article.

- I-b - wilderness area i t is prohibited in the region of the wild taking other actions, besides: Protection and control in the area of the wild; 2) study visits for the purpose of conducting a scientific research and the movement of people on designated trails or in specified locations in scientific purposes; 3) interaction of local people with nature within the protected area and utilizing the permissible scope of the fruits of nature; 4) collection of seeds and seed material, wild plants, fungi and animals for scientific research, and for the renewal of populations in another area, in the manner and time that will not cause degradation of the ecosystem, as well as for use in the local interaction people with nature. The Minister managing the state administration responsible for the affairs of environmental protection license for conducting the activities referred to in paragraph (1) points 2 and 4 of this article.

2) Category II - national park; National park is spacious natural area of land or water which encompasses one or more preserved or insignificantly altered ecosystems, with particular multiple natural values, which are established to protect the ecological processes and species and ecosystem complementary features of the area. The declaration and protection of the national park provides a foundation to preserve the authentic natural and cultural heritage. National Park has ecological, scientific research, cultural, educational, tourist and recreational purposes.

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It is prohibited to carry out activities that threaten the authenticity of nature in the national park, as well as burning fire on the territory of the national park, except at specially determined places defined by the management plan of the national park. National Park can perform tourism and recreational activities, as well as sustainable use of natural resources in a way that does not endanger the survival of the species and their natural balance, according to co provisions of this law.

3) Category III – monument of nature; Natural Monument is part of nature with one or more specific natural features, threatened or rare features, characteristics or forms, and has a special scientific, cultural, educational, and spiritual, aesthetic and / or tourist value and function. The monuments of nature: lakes, rivers, gorges, waterfalls, springs, caves, rocks formations, geological profiles, minerals and crystals, fossils, rare or indigenous trees and bushes characterized by great age and specific habitual characteristics and limited small areas of endemic and rare animal or plant communities significant for their scientific value. The monuments of nature in their immediate vicinity are not permitted activities that endanger the features and values for which they are declared monuments of nature.

4) Category IV - Nature Park; is an area that has one or more authentic, rare and characteristic components of nature (plant, fungi and animal species and communities, relief forms, hydrological values etc.). Nature Parks may be botanical, zoological, geological, geomorphologic and hydrological.

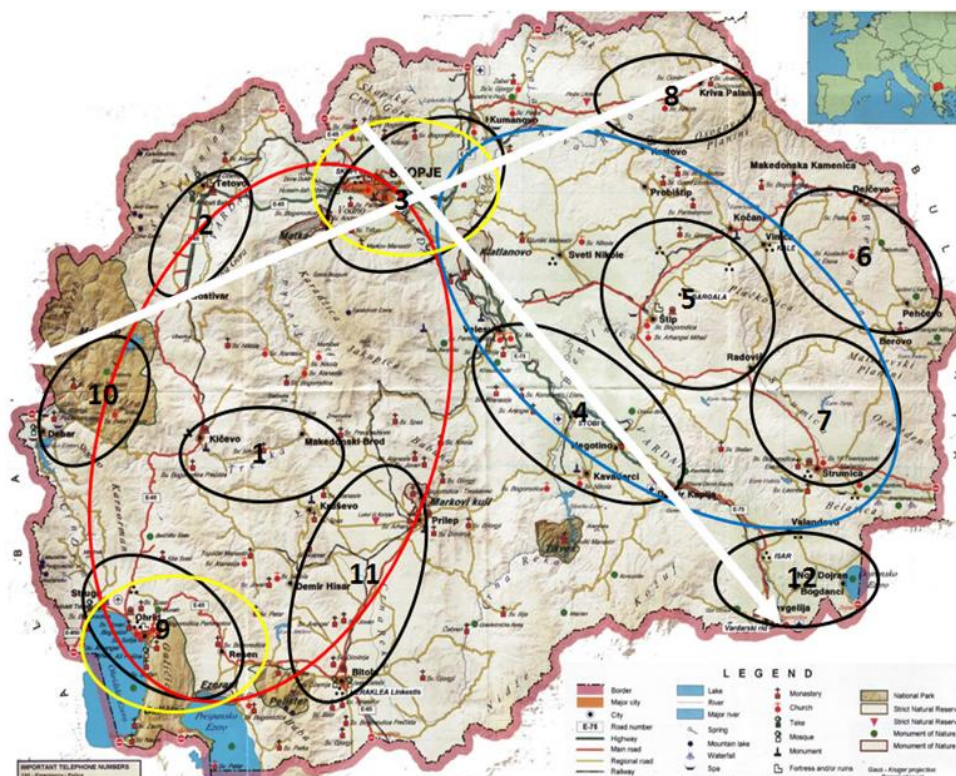
5) Category V - Protected Landscape is an area where the interaction of people with nature over time a landscape with significant ecological, biological, cultural and other values, geographical features and has recreational, historical and scientific importance. The protection of the landscape will be done by undertaking actions to conserve and maintain the significant or characteristic features of the landscape derived from its natural configuration and / or the type of human activity.

6) Category IV - Multipurpose area is an area which is usually distributed in a relatively large area of land and / or water, which is rich in water, forests or meadows and can be used for hunting, fishing or tourism, or for breeding of wild animals. Notwithstanding, multipurpose area as a protected area, an area rich in water, forests and meadows, and which is extremely important for the defense. The Multipurpose Area may be changed by anthropogenic and include settlements. The Multipurpose Area does not need to cover environmentally significant areas or other values of national interest.

Establishing a multi-purpose area, the Multipurpose Area shall be established in accordance with the needs of nature conservation and implementation of economic activities and use of natural resources, especially for ensuring the ecological integrity of the network as an ecological corridor. In order to ensure lasting and sustainable use of natural resources, within a multipurpose area may allow protection and zoning to a reasonable extent. **The implementation of the activities of**

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defense in the multipurpose area referred to in article *shall be conducted in a manner that ensures the protection of nature, and the economic activities and use of natural resources.*



Map of Macedonia Showing Possible Tourism Clusters/Corridors

- ***Law of water (Official Gazette No. 87/08, 06/09, 161/09, 83/10, 51/11, 44/12, 23/13, 163/13)***

This law regulates issues relating to surface water, including permanent streams or rivers in which water flows occasionally, lakes, reservoirs and springs, groundwater, coastal land and wetlands and their management including distribution of water protection and conservation of water and protection from the damaging effects of water; water facilities and services; organizational structure and financing of water management, and terms, conditions and procedures under which they can be used or discharged.

To regulate issues relating to access to information concerning the environment, public participation in decision-making relating to water management, impact assessment of certain strategies, plans and programs on the environment impact assessment of certain projects on the environment, the prevention and control of major accidents involving dangerous substances; liability for damage caused to the environment and integrated environmental permits for operation of facilities that affect the environment, the provisions of the Environmental Law, unless the law otherwise stated.

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This Law regulates the measures to avoid, prevent or reduce the adverse effects of ambient air pollution on human health and the environment as a whole by setting limits and target values for ambient air quality and alert thresholds and threshold the media, limit and target values for emissions, forming a single system for monitoring and control of air quality and monitoring the sources of emissions, a comprehensive system for managing air quality and the sources of emissions, information systems and other measures protection of certain activities of legal entities and individuals that have a direct or indirect impact on the quality of ambient air.

- *Law of Noise Protection (Official Gazette No. 79/07, 124/10, 47/11,163/13).*

Noise disturbance

Noise measurement and monitoring are necessary for achieving and maintaining environmental noise levels within the limits that the regulations have defined for four types of areas in accordance to their human activity uses and the degree of protection against noise deemed necessary for each of those uses. These areas are:

- Area with a first degree of noise protection includes areas of tourism and recreation, areas near health institutions for hospital treatment, and areas of national parks and natural reserves;
- Area with a second degree of noise protection, includes areas primarily intended for residential use, residential districts, areas in the vicinity of educational institutions, educational facilities and social protection services for adults and children;
- Area with a third degree of noise protection, correspond to an area where some human activities with noise disturbance are accepted. These include commercial areas, areas with mixed housing/residential, craft activities and production activities (combined areas);
- Area with fourth degree of noise protection, correspond to an area in which actions are allowed that can cause the appearance of greater environmental noise. It includes non - residential areas exclusively intended for industrial activities. The noise limit values for each of above mentioned areas are prescribed within the national legislative.

One of the essential elements for achieving a higher level of environmental protection is protection against noise disturbance due to the high noise level. A series of secondary pieces of legislation has been adopted in the period 2007-2011 transposing the EU and WHO (World Health Organization) Guideline values for community noise in specific environments. The law establishes the need to reduce harmful effects that are consequence of exposure to noise in the media and the environment and to provide a basis for developing measures to reduce noise from all its sources. The ultimate objective is the protection of the health and wellbeing of the population. Noise measurement and monitoring are necessary for achieving and maintaining environmental noise levels within the limits that the regulations have defined for four types of areas in accordance to their human activity uses and the degree of protection against noise deemed necessary for each of those uses.

- *The Law on Expropriation*

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Land Acquisition: The issue of land acquisition is relevant for the LRCP project and it is mentioned in the laws below. However this issue doesn't have direct influence on the environment, therefore these laws should be considered as relevant in other parts of the project.

The Law on Expropriation (Official Gazette Nos. 95/12, 131/12, 24/13, 27/14, 104/15); Law on Construction (Official Gazette No. 130/09, 124/10, 18/11, 36/11, 54/11, 13/12, 25/13, 79/13, 137/13, 163/13, 27/14, 28/14, 42/14, 115/14, 149/14, 187/14, 44/15, 129/15); Law on Spatial and Urban Planning (Official Gazette No. 199/14, 42/14, 44/15) Law on Nature Protection (Official Gazette Nos. 67/2004, 14/2006, 84/2007, 35/2010, 47/2011, 148/2011, 59/2012, 13/2013, 163/2013, 41/2014 and 146/2015); Law on Ownership and Other Material Rights (Official Gazette No. 18/01, 92/08, 139/09, 35/10); Law on Property Cadastre (Official Gazette Nos. 55/13, 41/14, 115/14, 116/15, 153/14) 0/08, 158/10 and 51/11); Law for the Treatment of Illegally Constructed Objects; (Official Gazette Nos. 23/11, 54/11, 155/12, 72/13, 44/14, 115/14, 199/14, 124/15, 129/15).

5 ELIGIBLE AND NON ELIGIBLE INVESTMENTS

The Working Group has collected information and documentation of 110 potential projects for infrastructure and non-infrastructure investments in all regions of the country. An initial review of the list of projects shows that the tourism sector encompasses variety of projects ranging from construction of villages to feasibility studies. Based on this review and destination needs assessment eligible themes and project types were selected;

For Investment grants:

- Mapping and upgrading of hiking and biking routes and trails,
- Rehabilitation of municipal infrastructure and utilities,
- Signposting,
- Upgrading public spaces and cultural buildings,
- Construction or rehabilitation of tourist information kiosks and offices,
- Restoration of cultural and natural heritage sites, facades of traditional and historic significance buildings (buildings of historic value and/or traditional architecture),
- Improvement of access roads to sites and attractions, landscaping and public parking;

For grants for enhanced tourism service-delivery and local economic impact:

- Support and technical assistance to skills development,
- Support to business service providers and professional organizations that provide services to micro, small and medium sized enterprises in the tourism sector,
- Support to capacity building for stakeholders (public and private) in tourism,
- Support for supply chain linkage programs,
- Support to development of studies and technical designs.

In agreement with the Recipient and according to the WB group policies the following activities **will not be supported by the project:**

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- Trade in wildlife and wildlife products prohibited under the CITES convention,
- Release of genetically altered organisms into the natural environment,
- Manufacturing, distribution and sale of banned pesticides and herbicides,
- Drift seine netting in the marine environment,
- Manufacturing, handling and disposal of radioactive products,
- Hazardous waste storage, treatment and disposal,
- Manufacturing of equipment and appliances containing CFCs and other substances regulated under the Montreal Protocol,
- Manufacturing of electrical equipment containing polychlorinated biphenyls (PCBs) in excess of 0,005 % by weight,
- Manufacturing of asbestos containing products,
- Nuclear reactors and parts thereof,
- Tobacco, unmanufactured or manufactured,
- Tobacco processing machinery, and
- Manufacturing of firearms
- Distilled alcohol for consumption.

The same will apply to EU policies.

Category A (as per OP 4.01) activities will not be financed through the project. A proposed sub-project is classified in this category, if it is likely to have highly significant, diverse, and/or long-term adverse impacts on human health and natural environment the magnitude of which is difficult to determine at the sub-project identification stage. These impacts may also affect an area broader than the sub-project sites. Measures for mitigating such environmental risks may be complex and costly.

The project would not support any activities that could trigger OP 4.09 Pest Management or OP 7.50 Project on International Waterways.

Investments in the designated protected areas; investment within designated “Special Tourism Development Zones ”; activities impacting fragile ecosystems, important habitats, and green-fields of outstanding aesthetic value; activities requiring conversion of forests, wetlands, and alpine/sub-alpine meadows; and heavily polluting industries will also be found ineligible.

In addition to become be eligible for grant funding, sub-project proposals must demonstrate how the proposed activity: (i) meets the needs of the destination; (ii) has positive economic and financial returns (iii) will attract further private sector investment and business development; and (iv) will be sustainable over time. Sub-projects applying under this scheme should demonstrate compatibility with the destination management activities from Component 2. facilitating the realization of impacts such as job creation, attraction of new tourists, increased spending per tourists, number of nights stayed by visitors, increase in revenue and tax generated from tourism related activities, and greater participation by rural, poor, or marginalized communities.

6 ENVIRONMENTAL SCREENING PROCEDURES

Environmental Screening is the first step in the environmental due diligence process of reviewing the sub-loan application and it is based on Environmental Protection Questionnaire (form provided in Annex B) prepared by the Applicant, and based the initial sub-project concept. Its purpose is to determine the environmental risk associated with the proposed user of funds/sub-project, reject applications which are unacceptable due to the nature of the proposed activities, classify acceptable applications by environmental categories and identify the type of environmental due diligence document that will be required. Results of the Environmental Screening shall be reflected in the environmental screening form (form available in Annex C).

6.1 ENVIRONMENTAL SCREENING PROCEDURES FOR LARGE INVESTMENTS

Main purpose of screening is to confirm that project implementation is respecting both Bank's environmental and social policies and national legislative.

For the purpose of capacity building of the project in the field of environmental protection **Independent Environmental Expert (EE)** will be engaged full time during the project implementation as a member to PIU. EE will conduct screening of all investment (and other) sub-projects. Prior to environmental review, applicants will provide required environmental and other information for the proposed sub-project through previously prepared forms defined in the EMF (Questionnaire in Annex B). The application will include a certain degree of self-assessment including environmental screening, environmental categorization which determines the sub-project's eligibility, scope of environmental assessment, construction and/or emissions permitting and other environment related documentation required for sub-project approval and implementation. The application will then be screened and assessed by the EE providing opinion and recommendations on category as well as needed environmental assessment in the Screening Report (form available in Annex C). Screening procedures will include categorization procedures, documents revision and possibly site visit and interview with the applicant.

In addition, PIU will create a **Supervision Screening Team (SST)** composed by experts of various qualifications and coordinated by **Environmental Focal Point**. The purpose of SST is to supervise project screening based on a criteria and laws respected by Macedonian government (not only environmental - e.g. According to Macedonian Law for Construction, every infrastructure project is a subject to supervision). Upon the Independent Environmental Expert's Screening Report the SST will review, discuss and, if necessary, supplement/revise the screening process, and provide the final recommendation on approval to CPDMEA. In the case the screening procedure identifies works on cultural heritage and/or needs for land acquisition, Cultural Heritage / Social Experts will be engaged coordinating their work with EE.

Environmental specialist of World Bank will closely work with the Independent Environmental Expert and the Environmental Focal Point during the screening and sub-project categorization, providing assistance and advice.

The final Screening Report is distributed to the Applicant and CDPMEA. CDPMEA will conduct appraisal of sub-projects, in the case the application was successful.

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The EE in coordination with SST will be responsible for environmental supervision of all sub-projects financed by LRCP, especially projects from component 3.1. The aim of this supervision team and EE will be to control the process of implementation of sub-projects and report to the PIU regarding all necessary issues. EE and SST would be financed from the Component 4 of the project.

6.2 ENVIRONMENTAL SCREENING PROCEDURES FOR GRANTS FOR ENHANCED TOURISM SERVICE-DELIVERY AND LOCAL ECONOMIC IMPACT

Component 3.2 allows only soft infrastructure and non-infrastructure activities and most likely these sub-projects will have small, non-significant environmental impact, if any, and will be classified as B- or C category projects. Type of EA document expected for sub-projects under this sub-component is EMP Checklist or none. This will be determined through screening process which will be similar to the one for investment grants, but simplified.

The review of non-investment sub-projects, as well as activities of other project components that would require environmental screening (e.g. equipment purchase), will be carried out by EE while the Environmental Focal Point (and advise SST if needed) will conduct supervision of the Screening Report produced by EE. In the case the screening procedure identifies works on cultural heritage and/or needs for land acquisition, Cultural Heritage/ Social Experts will be engaged coordinating their work with EE. Prior to environmental review, applicants will provide required environmental and other information of the proposed sub-project through previously prepared forms defined in the EMF (form available in the Annex B). The application will then be screened by the EE whose conclusions and recommendations will be reviewed and confirmed by the Environmental Focal Point and / or SST before submission to CDPMEA. Approval procedures will include categorization procedures, documents revision and possibly interview with the applicant. Environmental Focal Point can consult SST if deems necessary. In addition SST will revise a random sample of applications under the sub-component 3.2.

The final Screening Report is distributed to the Applicant and CDPMEA. CDPMEA will conduct appraisal of sub-projects, in the case the application was successful.

World Bank will provide required support, when needed. For this type of projects post-review will be conducted by the WB on a random sample.

6.3 ENVIRONMENTAL SCREENING CATEGORIES

6.3.1 CATEGORY A

Category A activities will not be financed through the sub-projects financing scheme.

A proposed sub-project is classified in this category, if it is likely to have highly significant, diverse, and/or long-term adverse impacts on human health and natural environment the magnitude of which is difficult to determine at the sub-project identification stage. These impacts may also affect

an area broader than the sub-project sites. Measures for mitigating such environmental risks may be complex and costly.

An Environmental Impact Assessment (EIA) is therefore required to identify and assess the future environmental impacts associated with the proposed sub-project, identify potential environmental improvement opportunities and recommended any measures needed to prevent, minimize and mitigate adverse impacts.

The sub-recipient is responsible for preparing a report, normally an EIA. The sub-recipient would, in parallel, provide the techno economic feasibility study of the sub-project. The costs of the mitigation measures would be included in the EIA and incorporated in the feasibility study.

6.3.2 CATEGORY B

A proposed sub-project is classified as Category B if its potential adverse environmental impacts on human populations or environment are less adverse than those of Category A sub-projects. These impacts are site-specific; few if any of them are irreversible; and in most cases mitigation measures can be designed more readily than for Category A sub-projects. The scope of EA for a Category B sub-project may vary from sub-project to sub-project. The EA, in this case, examines the sub-project's potential negative and positive environmental impacts and recommends any measures needed to prevent, minimize, mitigate, or compensate for adverse impacts and improve environmental performance.

6.3.3 CATEGORY B+

For category B+ sub-projects, the recipient is responsible for preparing a) a full EIA (depending on opinion given by the authorized body (national or local) with an EMP or b) a pre-EIA (simpler form EIA – screening report) with EMP that includes, as necessary, a reduced scope EIA, which may simply require brief description of impacts specifying well-defined mitigating measures and adopting accepted operating practices and monitoring. The user of funds would, in parallel, provide the techno-economic feasibility study of the sub-project. The costs of the mitigation measures would be included in the EIA or EMP and incorporated in the feasibility study and bill of quantities later.

The EA document prepared, depending on opinion given by the authorized body (Ministry of Environment and Spatial Planning), would entail EMP annex prepared as per World Bank OP 4.01.

6.3.4 CATEGORY B-

A proposed sub-project is classified as Category B- if its future environmental impacts are less adverse than those of Category A and B+ sub-projects taking into account their nature, size and location, as well as the characteristics of the potential environmental impacts.

The category would require an EA to assess any potential environmental impacts associated with the proposed sub-project, identify potential environmental improvement opportunities and recommended any measures needed to prevent, minimize and mitigate adverse impacts. The scope

and format of the EA will vary depending on the sub-project, but will typically be narrower than the scope of EIA, usually in form of EMP. The scope of EMP is defined in Annex D. For the sub-projects involving simple upgrades, reconstruction or adaptation of the buildings, EMP checklist would be used (see Annex F).

B- Category would include sub-projects that also: (a) involve working capital loans which include purchase and/or use of hazardous materials (e.g. petrol) or (b) process improvements that involve purchase of equipment/machinery presenting a significant potential health or safety risk.

According to Macedonian laws, types of sub-projects that fall under category B- do not require EIA.

6.3.5 CATEGORY C

A proposed sub-project is classified as Category C if it is likely to have minimal or no adverse environmental impacts and therefore requires neither an EIA nor an Environmental Analysis. Beyond screening, no further EA action is required for a Category C sub-project.

7 DUE DILIGENCE DOCUMENTS

Environmental screening results are reflected in the category of the project and type of environmental assessment (EA) that needs to be carried out in order to adequately recognize potential environmental impacts early in the preparation so the concerns could be reflected in the sub-project design. An EA is a process conducted by the applicant to predict, evaluate, and mitigate the environmental impacts and risks that may arise from the proposed sub-project. The type and scope of EA will depend of the environmental category attached in the screening process. Any type of EA report should identify potential impacts and define how to improve environmental performance of the proposed project. It should also contain identified impacts, its features (probability, reach, time of impact, significance) and measures for avoidance, reduction and mitigation of these measures.

The applicants will perform preliminary EA through filling in and submission of Environmental Protection Questionnaire (Annex B) as an integral part of their sub-project concept application. Upon confirmation of initial screening and categorization, from CDPMEA as authorized institution for environmental due diligence supervision of sub-projects, the successful Applicants will be responsible for carrying out the required preliminary EA and for confirming that any clearances (including permits) necessary for the proposed sub-projects have been obtained from the relevant authorities as prescribed by the national legislation and in line with the World Bank procedures as described in this EMF. All EA Report must be disclosed in English, Macedonian and Albanian (more details provided in the section 8). Once the EA is performed and recommendations incorporated into the sub-project, the CDPMEA will appraise the proposed financing package. Depending on the attached environmental category, the package would include one of the following:

- a) A full scale Environmental Impact Assessment (EIA) and Environmental Management Plan,
- b) Environmental Management Plan (EMP),
- c) Management Plan for Cultural Heritage Works

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- d) A simplified environmental assessment, so called EMP checklist, or
- e) A justified statement that no EIA or EMP is required.

The applicants need to include the following environmental documentation in the application packages they submit to the CDPMEA:

Environmental Category	Environmental Documentation to be included in Sub- grant Application Package
Category C	<p>Environmental Questionnaire and Environmental Screening Report (Annexes B and C)</p> <p>Justified statement that no EIA or EMP is required</p> <p>(Any official approval/permits if applicable)</p>
Category B-	<p>Environmental Questionnaire and Environmental Screening Form (Annexes B and C)</p> <p>Any official approval/permits (if applicable)</p> <p>A) EMP (Annex D); or</p> <p>B) EMP checklist (Annex F) (in case of simple building upgrades, reconstruction or rehabilitation)</p> <p>Management Plan for Cultural Heritage Works (if applicable)</p> <p>Other requested by the WB</p>
Category B+	<p>Environmental Questionnaire and Environmental Screening Form (Annexes B and C)</p> <p>Any official approval/permits</p> <p>Option 1)</p> <p>The statement of “EIA is not required” (if applicable)</p> <p>Screening-EIA report (if applicable)</p> <p>EMP (Annex D)</p> <p>Management Plan for Cultural Heritage</p>

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	Works/Resettlement Plan (if applicable) Other requested by WB Option 2) The statement of "EIA is required" Full EIA report with EMP and Management Plan for Cultural Heritage Works/Resettlement Plan (if applicable) Schedule for Implementation of EIA recommendations Other requested by WB
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Table 1 Environmental Documentation

8 DISCLOSURE AND CONSULTATIONS

The EMF will be disclosed on CDPMEA and The Agency for Promotion and Support of Tourism web sites where it should remain available to public for at least 14 days. EMF will also be available in hard copy on the premises of CDPMEA, The Agency for Promotion and Support of Tourism, and Centers for Development of the Planning Regions in English, Macedonian and Albanian language. In parallel with publishing the EMF, a call for comments will be issued with electronic and postal addresses on disposal for sending comments. In the same time, public consultations will be set in date and announced. Public consultation should take place in Skopje. In addition to publishing call for public consultations on CDPMEA and The Agency for Promotion and Support of Tourism web sites and official gazettes a proactive approach should be taken including sending invitations to prominent tourism stakeholders and municipalities and tourism specialized media. All relevant comments and Public Consultation Minutes were included to the final version of EMF.

THE MINUTES OF PUBLIC CONSULTATION IN ANNEX I REFLECT THE PROCESS AND THE OUTCOME OF PUBLIC CONSULTATION AND DISCLOSURE OF EMF. IT SHOULD ALSO CONTAIN A SAMPLE OF INVITATIONS, LIST OF ATTENDANTS, AND SUMMARY OF COMMENTS RECEIVED.

Disclosure of environmental due diligence documents

All documents obliged to be disclosed (EIAs, EMPs, Management Plans for Cultural Heritage Works, EMP Checklists) should be prepared and disclosed in English, Macedonian and Albanian language.

EIAs, EMPs and Management Plans for Cultural Heritage Works should be disclosed on CDPMEA and The Agency for Promotion and Support of Tourism web sites as well as web sites of impacted municipalities where it should remain available to public for at least 14 days. All should also be available in hard copy on the premises of CDPMEA and referent municipalities. When published, call for comments on documents should be issued with electronic and postal addresses on disposal for sending comments. In parallel, public consultation meeting needs to be organized as part of

disclosure process for EIAs, EMPs and Management Plans for Cultural Heritage Works. Public consultation should take place in impacted municipality. In addition to publishing call for public consultations on CDPMEA and The Agency for promotion and support of tourism web sites and official gazettes a proactive approach should be taken including sending invitations to prominent tourism stakeholders, NGOs active in the impacted area and potentially affected municipalities. Minutes of public consultation, containing a sample of invitations, list of attendants, and summary of comments received, should be included to the final version of the disclosed document.

Disclosure procedure for EMP Checklists is simpler. EMP Checklist should be disclosed on CDPMEA and The Agency for Promotion and Support of Tourism web sites as well as web sites of impacted municipalities where it should remain available to public for at least 14 days. It should also be available in hard copy on the premises of CDPMEA and referent municipalities and/or Centers of the Planning Regions. When published, call for comments on documents should be issued with electronic and postal addresses on disposal for sending comments. Minutes of public consultation (collected comments and questions), containing basic information on the venue, list of attendants, and summary of comments received, should be included to the final version of the disclosed document.

9 MONITORING ENVIRONMENTAL COMPLIANCE

Environmental screening, assessment and approval make indispensable part of the selection and approval procedures for the eligible sub-projects. During the project implementation, that follows the approval, the successful Applicant is responsible for implementation of environmental mitigation and avoidance measures as well as timely monitoring defined during the EA process and recommended in the relevant EA reports.

Environmental supervision will be carried out by EE and SST when deemed necessary by Environmental Focal Point. In the course of project approval, compliance reporting frequency will be determined for every sub-project. EE will perform project supervision by carrying out document reviews, site visits and interviews. EE will report on sub-borrower's compliance regularly to SST and WB in line with the agreed reporting schedule, as a part of regular project status of portfolio reporting or in the case of emergency. It is recommended that SST periodically take random visits to sub-projects sites in order to ensure EE reporting on Applicant's compliance is realistically reflecting situation on the field, which should encompass all B+ category projects and sample of B- projects as well as the sub-projects with social and cultural mitigation measures at place. The review of environmental compliance reports has a purpose of ensuring that the work is carried out with appropriate quality, community participation took place when appropriate, record and document keeping is in place, measures are implemented adequately, efficiently and effectively and impacts were mitigated and avoided as planned and the environmental conditions have not been deteriorated beyond expected. Environmental performance of EE, SST and selected Applicants will be a subject of the WB supervision missions.

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Upon the review of environmental screening results, the World Bank Environmental Specialist will provide a capacity building plan for EE and SST.

The World Bank will track environmental performance of the Project by regular review of reports as well as by supervision of the overall screening process and implementation of environmental recommendations for the selected sub-projects, including random visits to the sub-project sites. Due to the size of portfolio detailed review and site visit by World Bank would only be done on a selected number projects. Such practice of supervision is aimed at ensuring that: the work was of satisfactory quality, community participation took place when appropriate, the appropriate recommendations were made, all documentation was properly filed and recorded, and that the conditions of approval by the authorized bodies were met. Therefore, SST shall properly keep all sub-project documentation on file and make it available for EE and the World Bank upon request.

10 ROLES AND RESPONSIBILITIES OF MAIN STAKEHOLDERS

The proposed Project will be implemented commonly by the Cabinet of the Deputy Prime Minister for Economic Affairs (CDPMEA) and the World Bank. The WB will execute project Component 1: Technical assistance for tourism development.

A dedicated Project Management Unit (PIU) will be established with qualified staff and consultants who will ensure the fiduciary functions of the project as well safeguards, monitoring, evaluation and reporting. PIU will include full-time, Independent Environmental Expert (EE) and Cultural Heritage Specialist (if needed), which will be engaged for the total length of the project.

CDPMEA will be responsible for the applications/sub-projects appraisal and their implementation under the component 3. CDPMEA responsibilities will include: (i) appraisal of sub-project applications, transfer of funds to successful applicants, (iii) on-going monitoring of Applicants to ensure compliance with project criteria, (iv) adherence to all fiduciary and safeguards requirements of the World bank for Recipients of funds, (v) monitoring and evaluation based on results monitoring indicators, (vi) regular reporting on performance of project portfolio.

Component 4 will support engagement of the full time Independent Environmental Expert (EE) for the entire implementation time. Responsibility of the EE is to perform environmental screening of the project-concept applications and advise SST on the suggested environmental category for the screened project and required EA through the Screening Report. EE also performs quality and content assessment of EA documents and assists SST in project implementation compliance supervision. EE together with Environmental Focal Point supports the Applicant through the whole project cycle from filling the screening forms to public consultations and implementation. EE regularly communicates with the applicant, SST and WB on all project issues and reports upon request and agreed reporting schedule which will be made for each of the approved sub-projects (reports can be grouped on quarterly basis).

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Supervision Screening Team (SST) makes the final decisions on environmental category for particular sub-projects based on EE screening reports. SST reviews EE screening reports, permits, carries random site visits and is in general responsible for final recommendation for environmental screening results and environmental part of sub-project appraisal recommendations for CDPMEA. In addition, SST supervises work of EE, including performing EA documentation quality checks and compliance report quality supervision. SST regularly reports to CDPMEA on safeguards issues and WB including project progress reports, financial reports and safeguard reports) by-annually in accordance with the agreed schedule.

Environmental Focal Point is a coordinator of all processes and stakeholders (EE, SST, CDPMEA, WB) in the environmental due diligence implementation. Environmental Focal Point is an initiator of SST meetings, responsible for keeping records and filing documentations, public disclosure, reporting and communication with Applicants and more.

11 ELIGIBLE INSTITUTIONS/DESTINATIONS/MUNICIPALITIES

Municipalities, regional planning centers, or other public entity can apply for funding under the sub-component 3.1. A percent of co-financing in cash and in-kind may be requested as a participation prerequisite. Applicants can submit/implement project proposal alone, or in partnership with non-profit entities (civil society organizations, business and professional organizations). Some potential sub-projects may already have feasibility studies and designs, while others may be at an earlier stage therefore, to ensure quality of the design documentation and to help those municipalities which do not have designs prepared yet, technical assistance will be provided from Component 4 as part of the PIU's management role.

For the 3.2 sub-component supporting enhancing tourism service-delivery and local economic impact (e.g. design and implementation of local supplier linkages programs, modules for competency-based skills training); technical and financial support (e.g. for tourism innovation competitions at schools or associations); soft infrastructure (e.g. equipment, ICT, training materials) or promotional activities (recruitment drives, marketing of local products, business-to-business (B2B) integration, branding and marketing activities) eligible applicants include public entities, Destination Management Organizations (where these are established), non-profit entities (e.g. business associations), training and educational service providers and NGOs. The grants will support the capacity of the private sector to generate increased economic benefits from tourism activities at the destinations.

11 ENVIRONMENTAL SAFEGUARDS PROCEDURES FOR TECHNICAL ASSISTANCE (1), STRENGTHENING DESTINATION MANAGEMENT (2) AND PROJECT MANAGEMENT (4) COMPONENTS

For Component 1: Technical assistance for tourism development, Component 2: Strengthening destination management and enabling environment and Component 4: Strengthening project management the environmental and social safeguard policies will apply through including adequate and appropriate safeguards requirements, obligations, standards and other considerations to ToRs for studies and capacity building activities planned under the components.

12 SOCIAL SAFEGUARDS

During the screening procedures it is possible that the sub-project would include land acquisition or situations where the project is implemented in areas owned by the applicant, but used by the third party. In that case principles and provisions of OP 4.12 Involuntary Resettlements will apply. For these cases the framework for Involuntary Resettlement Plan has been prepared and attached as an Annex J.

13 ENVIRONMENTAL REVIEW PROCESS

All Applicants/sub-projects will follow the environmental review process presented below:

STEP 1: The applicant prepares an initial sub-project concept and fills in Environmental Protection Questionnaire (available in the Annex B). The Applicant can informally require assistance from Environmental Focal Point (and EE) in terms of understanding the process and required information and filling in the questionnaire. It is the responsibility of the Applicant to initiate information request and for CDPMEA to make EE contact information widely available or to organize consultations with the Applicants. It is also responsibility of the Applicant to provide timely and accurate information and acquire all necessary permits, concessions, licenses, agreements, etc. for the project implementation. It should be noted that Applicant will receive no funding and cannot start the works/activities before (i) all required permits, licenses and agreements have not been obtained and (ii) EA reports have received approval from SST and WB.

STEP 2: The applicants submits the Environmental Protection Questionnaire to EE which reviews it and makes recommendations on the category and required EA to SST through the Screening Report (available in the Annex C). SST (or Focal Point) approves or amends Screening Report and makes recommendations to CDPMEA who integrates the opinion in the project appraisal and informs the Applicant on (i) category , (ii) required EA process and reports (through final Screening Report). SST also makes recommendations on the social due diligence (involuntary resettlement) and Cultural Heritage Management Plan.

STEP 3: The Applicant, or its consultants, if the project is B category, submits the EA report (and possibly Cultural Heritage Plan, Involuntary Resettlement Plan) to EE. At this stage the Applicant has carried out public consultation procedures in line with national and WB policies and has obtained approved EIA, in accordance with national legislation, if applicable. An EE review received EA Reports (EIA, EMP or EMP Checklists) and submits to SST and WB with recommendations which might include additional public consultation. Feedback is provided.

STEP 4: The Applicants incorporates suggestions and recommendations to the project documentation and EA Reports and produces the final EA Report (including Involuntary Resettlement and/or Cultural Heritage Management Plan if applicable) version which is submitted to EE and further to SST for final supervision. The final version of EA Reports must contain environmental mitigation and monitoring plan and reporting schedule. Upon SST's recommendations CDPMEA issues the final project approval and releases funds for implementation.

STEP 5: The Applicant implements environmental mitigation plan and monitoring plan in due course of work. It reports to Focal Point (EE and SST) regularly and in accordance with the reporting schedule.

STEP 6: EE and SST monitor the EMP implementation in accordance with their predetermined authority (see Section 6 of EMF) and inform WB in regular reports.

ANNEXES

ANNEX A - RESPONSIBILITIES OF KEY PARTICIPANTS

Participant	Activity	Supporting Documentation
Beneficiary Recipient (Applicant)	<ul style="list-style-type: none"> • Submission of the project concept to CDMPEA • Prepares Environmental Protection Questionnaire • Obtains and submits all required documents • Carries out EA and prepares EA Report • Communicates regularly with Env. Focal Point and EE • Is responsible for implementation of EMP/EMP Checklist measures and monitoring (implementation can be performed by the contracted constructors or similar) • Conducts public consultations • Makes available project sites and all documentation for supervision 	<ul style="list-style-type: none"> • Copies of permits and licenses • Periodic reports and sub-project completion report • Decision on the need for EIA • EIA, EMP or other due diligence docs
EE	<ul style="list-style-type: none"> • Carries out environmental screening • Assists in environmental assessment providing quality and content assessment in line with the EE ToR • Supervises environmental mitigation and monitoring plan implementation • Reports regularly to EFP and SST • Advises the Applicants 	<ul style="list-style-type: none"> • Environmental Screening Report recommendations • EIA, EMP, EMP Checklists • EMP reports
SST	<ul style="list-style-type: none"> • Supervises and supplements the work of EE • Acts upon the recommendations of EE • Advises CDMPEA • Reviews Application package from the env. compliance perspective 	<ul style="list-style-type: none"> • Environmental Screening Report • Recommendation on sub-project approval form env. perspective

Focal Point	<ul style="list-style-type: none"> • Coordinates the SST activities • Coordination between stakeholders • Communication portal for Applicants • Responsible for disclosure • Organizes public consultations 	<ul style="list-style-type: none"> • Calls for comments • Calls for participation in public consultations
CDMPEA	<ul style="list-style-type: none"> • Project Appraisal • Project and safeguards supervision • Distribution of Operation Manual to SST, EE, Environmental Focal Point (EFP) • Appointing PIU, EE, SST, EFP • Organizes trainings with WB for SST and EFP 	<ul style="list-style-type: none"> • Project appraisal and other decisions • Semiannual monitoring • Progress Reports • Reports on implementation of EMF
World Bank	<ul style="list-style-type: none"> • Tailors and organizes trainings for SST and EFP • Carry out reviews of Screening Report • Provides feedbacks on EA Reports • Supervises env. due diligence implementation 	<ul style="list-style-type: none"> • Document status of project implementation in Implementation Status and Results Reports and the Mission Aide-Memoires

ANNEX B – ENVIRONMENTAL PROTECTION QUESTIONNAIRE

Applicant's name (company):

Address (street and number, postal code and city):

Phone & Fax:

E-mail:

Main activity of the company (description of activity):

First name, last name and signature of responsible person completing the questionnaire:

Questionnaire completion date:

Instructions for completing the questionnaire

The questionnaire shall be completed by a highly ranked representative of your institution, who submits the questionnaire, together with other requested documents, for assessment to the CDMPE. The questionnaire shall be signed by a person authorized to represent the company. Please, whenever possible, provide complete and elaborate answers to all questions.

The questionnaire has been divided into sections as follows:

Section 1: General

Section 2: Site location

Section 3: Permits/state of the environment

In case of any doubts, or should help be needed when completing the questionnaire, feel free to contact the Environmental Focal Point for the Project: _____, Ms/Mr. _____, Phone , email:

GENERAL

Nature of the Grant request and Type of Activity

Purpose of grant – please indicate your answer:

- ☐ Procurement of working capital
- ☐ Purchase of land
- ☐ Construction of new facilities (building/plant)
- ☐ Reconstruction of existing building
- ☐ Rehabilitation of monuments
- ☐ Extension of and/or adding stories to existing building
- ☐ Renovation and/or maintenance of existing building
- ☐ Purchase of machines and/or equipment
- ☐ Construction/reconstruction of communal infrastructure (water supply, wastewater disposal, sewerage, gas, electricity etc.)
- ☐ Purchase of transportation vehicles
- ☐ Construction, expansion, reconstruction of devices for processing exhaust gases, wastewaters and other waste materials
- ☐ Construction/reconstruction of roads, trails and similar
- ☐ Rehabilitation of roads, trails and similar
- ☐ Education provision
- ☐ Networking
- ☐ Acquiring technical support
- ☐ Capacity building
- ☐ Soft infrastructure projects
- ☐ Other, please specify _____

(If your answer is: "financing of investment in working capital", please provide answers just under General form and Planned activities at the site)

Please provide a description of your project.

Describe investment site, project cost, business expansion plans, describe current status and reasons for carrying out the project, provide planned annual production/service volume etc.

Please provide the name of your main activity and write down the respective code (NACE):

SITE LOCATION

Planned Activities at Site

Will the loan proceeds be used for financing the procurement of raw materials needed for production?

☐ yes

☐ no

Will the loan proceeds be used for financing the procurement of equipment?

☐ yes

☐ no

What kind

If the loan proceeds will be used for the procurement of raw materials needed for production, please provide, for every raw material item, the specific trade name, type and chemical designation if possible (please, do not use abbreviations).

- _____
- _____
- _____
- _____
- _____

Will the loan proceeds be used for the procurement of pesticides?	<input type="radio"/> yes	<input type="radio"/> no
Is a raw material item or its constituent part included in the List of Hazardous Substances (in accordance with the regulations of the Republic of Macedonia ¹)	<input type="radio"/> yes	<input type="radio"/> no
Is the project located in or affects a protected area/protected species? <i>(national park, nature park, nature reserve, monument of nature and horticultural monument, important landscape, protected woodland)</i>	<input type="radio"/> yes	<input type="radio"/> no
Is the project located in, or affects a cultural site, object, monument or building? <i>(potentially archaeologically significant site/in the vicinity of a historical site)</i>	<input type="radio"/> yes	<input type="radio"/> no
Are there any public complaints against your current or planned activities? If yes, please describe the respective complaints.	<input type="radio"/> yes	<input type="radio"/> no
Is project located in the forest area and as such would cause damage to the forest or cutting of forest? If yes, please describe the impact.	<input type="radio"/> yes	<input type="radio"/> no
Will the project have trans boundary impacts? If yes, please describe how.	<input type="radio"/> yes	<input type="radio"/> no
Will the project cause changes in the quantity of quality of	<input type="radio"/> yes	<input type="radio"/> no

Please submit a copy of land registry document

Is the property being used by any other person besides the owner, i.e. does any other person (besides the owner) receives income from the use of land / site / plot?

☐ yes

☐ no

(Lease, contract, concession, protected lease-holder etc.)

Are there any illegal users of the land / estate?

If yes, please provide details

☐ yes

☐ no

PERMITS AND STATE OF THE ENVIRONMENT

Permits

Have you obtained any permits for the facilities you plan to construct?

(Please indicate those you have obtained)

- ☐ Location permit - land allocation permit
- ☐ Architecture-planning assignment (plan/design/building development permit)
- ☐ Emission permit
- ☐ Integrated ecological permit

- ☐ Licenses or agreement (contract) for use of natural resources
- ☐ Permit to use natural resources
- ☐ Special purpose water use permit
- ☐ Special permit for trans boundary risk for human health and environment
- ☐ Permit of import/export of ozone depletes
- ☐ Acceptance Commission approval (operation permit)
- ☐ Technical passport
- ☐ Other: _____

Please, enclose the copies of all permits with the filled questionnaire.

Please indicate projects documents already prepared:

- ☐ Conceptual design
- ☐ Preliminary design
- ☐ Main design
- ☐ Final design
- ☐ EIA
- ☐ SEA
- ☐ Screening EIA

<p>Do you have the use permit for you existing facilities?</p> <p>Please, enclose a copy of the permit with the questionnaire if, according to the design, works are planned to be carried out on existing facilities.</p>	<input type="radio"/> yes	<input type="radio"/> no
<p>Did your existing facility require EIA?</p> <p>If yes, please provide copy</p>	<input type="radio"/> yes	<input type="radio"/> no
<p>Did your existing facility require emission permit/integrated ecological permit?</p> <p>If yes, please provide copy</p>	<input type="radio"/> yes	<input type="radio"/> no
<p>Was your existing facility visited by the inspection (state, provincial, town ecological audit, sanitary, etc.) in the last 5</p>	<input type="radio"/> yes	<input type="radio"/> no

years?		
If yes, please provide copy of the finds		
Status of the environment (according to national EIA legislation)		
Is it necessary to carry out an environmental impact assessment procedure according to national legislation with regard to your project?	<input type="radio"/> yes	<input type="radio"/> no
Have you already obtained the decision on environmental impact assessment acceptability? Please, enclose a copy of the decision with this questionnaire.	<input type="radio"/> yes	<input type="radio"/> no
Does your project require screening EIA?	<input type="radio"/> yes	<input type="radio"/> no
Is there a decision on screening EIA? Please, enclose a copy of the decision with this questionnaire.	<input type="radio"/> yes	<input type="radio"/> no

ANNEX C – FORM FOR ENVIRONMENTAL SCREENING REPORT

To be filled out by the authorized institution (e.g. Municipality) after **B1 Environmental questionnaire form** has been filled by the beneficiary.

Client / name of the final recipient:

Environmental impact risk category

- ☐ C
- ☐ B-
- ☐ B+
- ☐ Unacceptable

Necessary due diligence related to environmental protection

(Please indicate necessary due diligence depending on the environmental impact risk category)

For a project of category **C**

- ☐ no additional activities
- ☐ relevant permits: _____
- ☐ other: _____

For a project of category **B-**

- ☐ Environment Management Plan (EMP) Checklist
- ☐ Environmental Management Plan (EMP) - Annex D
- ☐ Cultural Heritage EMP

other: _____

For a project of category **B+**

- ☐ Full EIA (depending on the decision of the Ministry or recommendation of WB)
- ☐ Screening EIA report (pre-EIA)
- ☐ Decision from Ministry or authorizing body that EIA is required or not required
- ☐ Environmental Management Plan - Annex D

○ other: _____

Obligation of disclosure

(Please mark the obligation of disclosure of above indicated documents depending on the project category)

For a project of category **C**

no obligation of reporting to the public

For a project of category **B-**

disclose the document on Recipient XXX, client or XXX web page

hard copy should be available for the public

a process for stakeholders, to be able to submit comments, should be established – through mail, website and through other means

For a project of category **B+**

the public should be included in the procedure of environmental impact assessment through the public consultation meeting

document disclosed on the web pages of Ministry and / representative body or on the XXXX, Recipient or XXXX web pages

hard copy should be available for the public

a process for stakeholders to be able to submit comments should be established – through mail, website and through other means

First name, last name and signature of responsible person completing the questionnaire:

Environmental impacts identified (short description and note on significance)

1.

2.

Social impacts and cultural heritage impacts
Recommended EA processes and reports (including Resettlement Plan and Cultural Heritage Works Plan)
Date:

ANNEX D - TEMPLATE FOR ENVIRONMENTAL MANAGEMENT PLAN

A project's environmental management plan (EMP) consists of the set of mitigation, monitoring, and institutional measures to be taken during implementation and operation to eliminate adverse environmental and social impacts, offset them, or reduce them to acceptable levels. The plan also includes the actions needed to implement these measures.

1. Management plans are essential elements of EA reports for Category A projects; for many Category B projects the EA may result in a management plan only. To prepare a management plan, the recipient and its EA design team (a) identify the set of responses to potentially adverse impacts; (b) determine requirements for ensuring that those responses are made effectively and in a timely manner; and (c) describe the means for meeting those requirements.

More specifically, the EMP includes the following components:

Mitigation

2. The 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

3. Environmental monitoring during project implementation provides information about key environmental aspects of the project, particularly the environmental impacts of the project and the effectiveness of mitigation measures. Such information enables the recipient 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 EMP 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 EMP. Specifically, the monitoring section of the EMP 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.

Implementation Schedule and Cost Estimates

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

Mitigation Plan

Construction Phase					
Activity	Expected Environmental Impact	Proposed Measure for Mitigation	Responsibility for Implementing Mitigation Measure	Period of Implementing Mitigation Measure	Cost associated with implementation of mitigation measure
1.					
2.					
...					
Operation Phase					
1.					
2.					
...					

Monitoring Plan

Construction Phase					
What	Where	How	When	By Whom	How much
<i>Parameter is to be monitored?</i>	<i>Is the parameter to be monitored?</i>	<i>Is the parameter to be monitored (what should be measured and how)?</i>	<i>Is the parameter to be monitored (timing and frequency)?</i>	<i>Is the parameter to be monitored– (responsibility)?</i>	<i>is the cost associated with implementation of monitoring</i>
1.					
2.					
...					
Operation Phase					

1.					
2.					
...					

ANNEX E - EMP TEMPLATE FOR CULTURAL HERITAGE SITES

ACTIVITY	POTENTIAL IMPACTS (negative)	SIGNIFICANCE & PROBABILITY OF OCCURRENCE	MITIGATION MEASURES	RESPONSIBILITY FOR MITIGATION	MONITORING REQUIREMENTS	RESPONSIBILITY FOR MONITORING	RESIDUAL IMPACT	
Construction of cultural heritage and folk art sites (surveys and design)								
Complex scientific research, engineering surveys						Contractor,	Negligible ²	
Preparation of design documentation						Participating region Administration,	Negligible	

ACTIVITY	POTENTIAL IMPACTS (negative)	SIGNIFICANCE & PROBABILITY OF OCCURRENCE	MITIGATION MEASURES	RESPONSIBILITY FOR MITIGATION	MONITORING REQUIREMENTS	RESPONSIBILITY FOR MONITORING	RESIDUAL IMPACT	
Cultural heritage and folk art sites restoration/(re)construction								
Site designation for sub-project activity						Executive bodies of the federal subjects, municipalities.	Negligible	
Execution of general construction and reconstruction works at site							Significant	
						Participating region Administration,	Significant	
						Participating region Administration,	Negligible	

ACTIVITY	POTENTIAL IMPACTS (negative)	SIGNIFICANCE & PROBABILITY OF OCCURRENCE	MITIGATION MEASURES	RESPONSIBIL ITY FOR MITIGATION	MONITORING REQUIREMENTS	RESPONSIBILITY FOR MONITORING	RESIDUAL IMPACT	
Connection with engineering networks and communicatio ns (water, heat and electricity supply)							Negligible	
Delivery of raw and equipment							Negligible	
Common use washrooms							Negligible	

ACTIVITY	POTENTIAL IMPACTS (negative)	SIGNIFICANCE & PROBABILITY OF OCCURRENCE	MITIGATION MEASURES	RESPONSIBILITY FOR MITIGATION	MONITORING REQUIREMENTS	RESPONSIBILITY FOR MONITORING	RESIDUAL IMPACT	
Construction and sanitary solid waste handling						Contractor,	Significant	
Use of hazardous substances and materials (asbestos, ODS, PCB etc.)								
Vertical planning, landscaping and amenity planting								
Operation of cultural heritage and folk art sites								

ACTIVITY	POTENTIAL IMPACTS (negative)	SIGNIFICANCE & PROBABILITY OF OCCURRENCE	MITIGATION MEASURES	RESPONSIBILITY FOR MITIGATION	MONITORING REQUIREMENTS	RESPONSIBILITY FOR MONITORING	RESIDUAL IMPACT	
Water consumption and water disposal system						Owner/Operator of CHS. owners of communal and sewerage facilities	Negligible	
Electric and heat energy consumption						Owner/Operator of CHS, Unified energy networks.	Significant	
Use of own motor transport						Owner/Operator of CHS ,	Negligible	

ACTIVITY	POTENTIAL IMPACTS (negative)	SIGNIFICANCE & PROBABILITY OF OCCURRENCE	MITIGATION MEASURES	RESPONSIBILITY FOR MITIGATION	MONITORING REQUIREMENTS	RESPONSIBILITY FOR MONITORING	RESIDUAL IMPACT	
Hard domestic waste handling						Owner/Operator of CHS ,	Negligible	
Compliance with regimes of sanitary – protection zones (SPZ) (if boiler house is an integral part)						Owner/Operator of CHS ,	Negligible	
Tourism development at cultural heritage and folk art sites								
Capital construction							Significant	
Development							Significant	

ACTIVITY	POTENTIAL IMPACTS (negative)	SIGNIFICANCE & PROBABILITY OF OCCURRENCE	MITIGATION MEASURES	RESPONSIBIL ITY FOR MITIGATION	MONITORING REQUIREMENTS	RESPONSIBILITY FOR MONITORING	RESIDUAL IMPACT	
of infrastructure (transportation services etc.)								

ANNEX F - ENVIRONMENTAL MANAGEMENT PLAN CHECKLIST TEMPLATE

The checklist is composed from the textual part and the table format. The textual part should contain (organized as chapters):

- short introduction to the project
- overview of impacts
- elaborated purpose of EMP Checklist, disclosure requirements
- elaborated application of EMP Checklist,
- description of monitoring and reporting procedures and distribution of responsibility

The table part of the EMP Checklist contains of three sections that should be developed in the EMF:

- Part 1 constitutes a descriptive part that describes the project specifics in terms of physical location, the institutional and legislative aspects, the project description, inclusive of the need for a capacity building program and description of the public consultation process. This section could be up to two pages long. Attachments for additional information can be supplemented if needed (see Part 1 below).
- Part 2 includes the environmental and social screening in a simple Yes/No format followed by mitigation measures for any given activity. If any of given actions/problems are marked “yes”, a reference to the corresponding part of the Framework Environmental Management Plan with explicitly formulated environmental management measures and impact mitigation measures appears (see Part 2 below).
- Part 3 is a monitoring plan for activities during project construction and implementation. It retains the same format required for standard World Bank EMPs. It is the intention of this checklist that Part 2 and Part 3 be included as bidding documents for contractors which are evaluated in accordance with the proposed prices and along with this that a reasonable control be provided in process of works (see Part 3 below).

PART 1: INSTITUTIONAL & ADMINISTRATIVE	
Country	
Project title	
Scope of project and	

activity		
Institutional arrangements	Project management	
(Name and contacts)		
Implementation arrangements	Supervision	
(Name and contacts)		
SITE DESCRIPTION		
Name of site		
Describe site location		Annex 1: Site information (figures from the site) []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?

☐ N or ☐ Y if Yes, Annex 2 includes the capacity building information

PART 2: 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 <input type="checkbox"/> Possible	See Section D below
	E. Acquisition of land ³	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Section E below
	F. Hazardous or toxic materials ⁴	<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

³ Land acquisitions includes displacement of people, change of livelihood encroachment on private property this is to land that is purchased/transferred and affects people who are living and/or squatters and/or operate a business (kiosks) on land that is being acquired.

⁴ Toxic / hazardous material includes and is not limited to asbestos, toxic paints, removal of lead paint, etc.

ACTIVITY	PARAMETER	MITIGATION MEASURES CHECKLIST
A. General Conditions	Notification and Worker Safety	(a)
B. General Rehabilitation and /or Construction Activities	Air Quality	(a)
	Noise	(a)
	Water Quality	(a)
	Waste management	
C. Individual wastewater treatment system	Water Quality	(a)
D. Historic building(s)	Cultural Heritage	(a)
E. Acquisition of land	Land Acquisition Plan/Framework	(a)
F. Toxic Materials	Asbestos management	(a)
	Toxic / hazardous waste management	•
G. Affects forests and/or	Protection	(a)

ACTIVITY	PARAMETER	MITIGATION MEASURES CHECKLIST
protected areas		
H. Disposal of medical waste (not applicable)	Infrastructure for medical waste management	▪
I Traffic and Pedestrian Safety	Direct or indirect hazards to public traffic and pedestrians by construction activities	▪

PART 3 : MONITORING PLAN							
Phase	What (Parameter will be monitored?)	Where (Is the parameter to be monitored?)	How (Is the parameter to be monitored?)	When (Define the frequency / or continuity?)	Why (Is the parameter being monitored?)	Cost (If not included in project budget)	Who (Is responsible for monitoring?)
activity During preparation							
activity During implementation							
activity supervision							

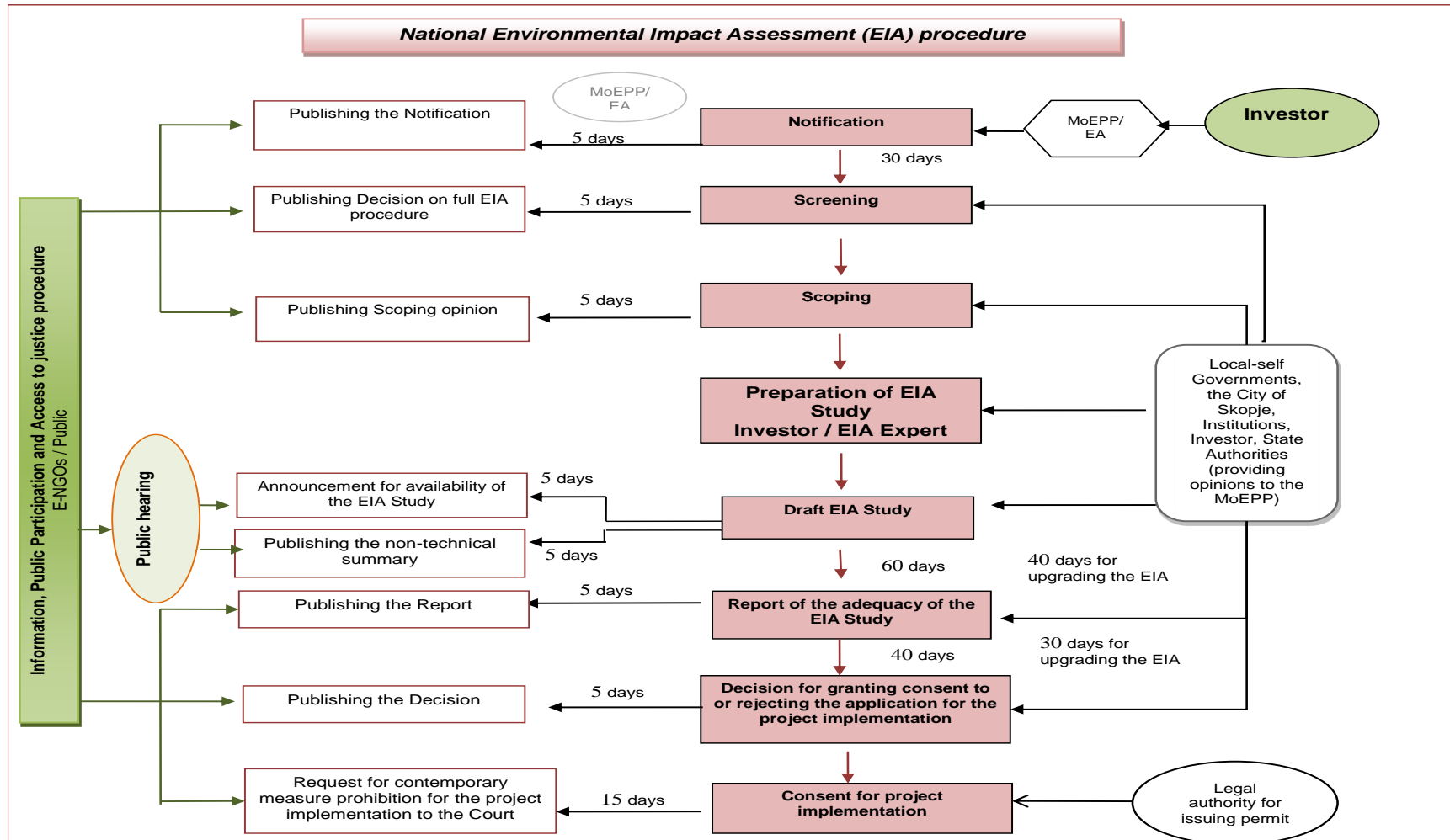
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ANNEX G - LIST OF GOVERNMENT BODIES OF GENERAL AND SPECIAL COMPETENCE RELEVANT FOR THE PROJECT

- Cabinet of the Deputy Prime Minister in charge of economic affairs
- Ministry of Finance
- Ministry of Local Self Government
- Ministry of Economy
- Ministry of Transport and communication
- Ministry of Culture
- Ministry of Environment and Spatial Planning
- Agency for promotion and support of tourism
- Centers for Development of the Planning Regions
- Municipalities

ENVIRONMENTAL MANAGEMENT FRAMEWORK

ANNEX H - ENVIRONMENTAL IMPACT ASSESSMENT PROCEDURE UNDER THE MACEDONIAN ENVIRONMENTAL REGULATION



ANNEX I - MINUTES OF PUBLIC CONSULTATION

MINUTES FROM THE PUBLIC DISCLOSURE MEETING ON THE ENVIRONMENTAL MANAGEMENT FRAMEWORK

- I. Notification about the public disclosure meeting announced on the web site of the Cabinet of the Deputy Prime Minister for Economic Affairs (CDPMEA) and Agency for Promotion and Support of Tourism on 19th October 2015, www.vicepremier-ekonomija.gov.mk and www.tourismmacedonia.gov.mk;
- II. The term for public disclosure ended on 5th November 2015;
- III. Public discussion was held on 30th October 2015 at the premises of the Agency for Promotion and Support of Tourism of the Republic of Macedonia;
- IV. Meeting Agenda:
 1. Presentation of Environmental Management Framework
 2. Public discussion
 3. Summary

Presentation of Environmental Management Framework

This Environmental Management Framework (EMF) describes procedures that the Local and Regional Competitiveness Project will have in place during its implementation in order to meet requirements of the World Bank Safeguard Policies and ensure adequate addressing of the environmental and resettlement issues as may become necessary in the course of project implementation.

The main environmental concern deals with the grant programs under Component 3 of the Project, which will support infrastructure and soft infrastructure projects in tourism.

Presentation content:

- Introduction of the Project and its components
- Presentation of the Environmental Assessment Framework and Resettlement Management Framework
- Presentation of the environmental assessment procedure
- Distinguishing between project environmental categorization in accordance with the World Bank (categories A, B and C) and categorization in accordance with Macedonian legislation
- Presentation of the annexes included in the Environmental Management Framework

ENVIRONMENTAL MANAGEMENT FRAMEWORK

Public discussion

- The public discussion included answers and questions on the EMF procedures, its restrictions and opportunities in context of the planned actions.
- The discussion was held in form of exchange of opinions, questions, answers, comments and clarifications of items under the Project.

The most outstanding issues elaborated were the following:

1. Does each applicant need to produce the EM documentation? R: The Project will determine whether is necessary to produce such documentation.
2. What the Category A, B and C Projects means in regard national legislation? How they are aligned? R: The World Bank classification differs from the national one. However, there are matching points where WB and national rules are compatible. The later will mean if the planned action is expected to have huge impact on the environment will not be eligible for financing.

Conclusion:


The representatives had no objections to the Environmental Management Framework, and did not provide any remarks on its content. All attendees welcomed the new Project and were looking forward to the start of its implementation.

In addition in the respective period there were not received any other comments or objections on both the Environmental Assessment Framework and Resettlement Management Framework.

Skopje, 6th November 2015

Notification about the public disclosure meeting

ENVIRONMENTAL MANAGEMENT FRAMEWORK



Република Македонија
ВЛАДА НА РЕПУБЛИКА МАКЕДОНИЈА
Заменик претседател на Влада задолжен
за економски прашања

Пребарување... Барај

НАСЛОВНА ЛИНКОВИ КОНТАКТ

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ПРОЕКТИ

ПРОЕКТИ ЗА УНАПРЕДУВАЊЕ
НА БИЗНИС КЛИМАТА И
КОНКУРЕНТНОСТА

ПОДОБРА БИЗНИС
РЕГУЛАТИВА ВО МАКЕДОНИЈА

BETTER BUSINESS
REGULATION IN MACEDONIA

ПРАШАЊА И ПРЕДЛОЗИ

ПРАШАЊА
ПРЕДЛОЗИ

Public disclosure of Environmental Management and Resettlement Management Framework

Public disclosure of Environmental Management and Resettlement Management Framework - Local and Regional Competitiveness Project in Tourism (LPRC) in Macedonia
19.10.2015


Cabinet of the Deputy Prime Minister for Economic Affairs (CDPMEA) announces the Project Local and Regional Competitiveness Project in Tourism (LPRC) in Macedonia. The Project will be funded by European Union grant under the IPA II Programme.

The main objective of the Project is to enhance the contribution of tourism to local economic development and improve the capacity of the government and public agencies to foster the tourism growth and facilitate destination management in Macedonia.

The document is disclosed as a part of the Project Appraisal process on CDPMEA and Agency for Promotion and Support of Tourism web sites from October 19, 2015 until November 2, 2015. Hard copies will be available for review at receptions of aforementioned institutions. Document is available in English language with versions in Macedonian and Albanian language to follow.

- Public disclosure of EMF & RS
- LRCF EMF for disclosure
- RESS for disclosure

27 ОКТОМВРИ 2015



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Влада на Република Македонија

Република Македонија
МИНИСТЕРСТВО ЗА БИЗНИС

Влада на Република Македонија
МИНИСТЕРСТВО ЗА ЕКОНОМИЈА

Република Македонија
МИНИСТЕРСТВО ЗА ИНВЕСТИЦИИ

РЕПУБЛИКА МАКЕДОНИЈА
Министерство за Јавна Администрација

едно семејство,
еден дом

Tourism Macedonia - Почетна

www.tourismmacedonia.gov.mk/DesktopDefault.aspx?tabindex=0&tabid=1

РЕГИСТРИРАЈ СЕ

- Инвестициски можности во туризмот
- Програма на агенцијата 2015
- Планирани настани
- Проекти за поддршка на туризмот
- Законска регулатива
- Субвенции
- Статистика
- Завен повик и објави
- Брошури
- Неработни денови во други земји
- Услугини компании во туристичкиот сектор

ПРИЈАВА ЗА ДОБИВАЊЕ НА ИНФОРМАЦИИ ЗА САЕМИ

Соопштениеја

Јавно објавување на Рамката за управување со животната средина и за управување со раселувањето

Кабинетот на заменикот на претседателот на Владата за економски прашања (КЗПЕП) го објавува Проектот за локална и регионална конкурентност во туризмот (ПРКРТ) во Македонија. Проектот ќе биде финансиран со дотација од Европската Унија во ранки на Програмата ИПА II. Главната цел на овој проект е да се подобри придонесот на туризмот за локалниот економски развој и да се подобри капацитетот на владата и на јавните агенции за поттикнување на растот на туризмот и подобрување на управувањето со дестинациите во Македонија. повеќе ...

Public disclosure of Environmental Management and Resettlement Management Framework - Local and Regional

Cabinet of the Deputy Prime Minister for Economic Affairs (CDPMEA) announces the Project Local and Regional Competitiveness Project in Tourism (LPRC) in Macedonia. The Project will be funded by European Union grant under the IPA II Programme. повеќе ...

Македонија претставена како следна дестинација за активен туризам на светскиот самит во Чиле.

Агенцијата за промоција и поддршка на туризмот предводена од директорот Кристијан Џанбазовски учествувае

Shpalosje publike e Kornizës për Menaxhimin me Mjedisin Jetësor dhe Menaxhimin me Rikëtimin – Projekte

Kabineti i Zëvendës Kryeministrit për Çështje Ekonomike (KZKÇE) shpall Projekthin për Konkurrueshmëri Lokale dhe Rajonale në fushën e Turizmit (PKLR) në Maqedoni. Projekti do të financohet nga një grant i Bashkimit Evropian nën Programin IPA II. Qëllimi kryesor i Projektit është të rrit kontributin e turizmit në zhvillimin ekonomik lokal dhe të ngrit kapacitetet e agjencive publike dhe qeveritare me qëllim nxitjen e rritjes së turizmit dhe lehtësimin e menaxhimit të destinacioneve në Maqedoni. повеќе ...

Arkia Fly од Израел почнува со чартери кон Македонија

Тим предводен од Генералниот Директор на Arkia International, г-дин Дузу Махмуд во соработка со г-дин Серкан Карахатај од TAV Airports holding, денес на состанок со Директорот на Агенцијата за промоција и поддршка на туризмот на Република Македонија, г-дин Кристијан Џанбазовски, ја потврди својата намера за чартер летови кон Охрид почнувајќи од 01 Јуни 2016 година. повеќе ...

Италијанските туристи заинтересирани за македонскиот туристички производ

генцијата за промоција и поддршка на туризмот има заеднички саемски настап со туристичкото стопанство од Македонија на ги истакнува главните туристички потенцијали на нашата земја на

MACEDONIA TIMELESS

Macedonia Timeless
Macedonia Travel

ФИНАНСИСКИ ИНСТРУМЕНТИ

За впуштање, изградба и адаптација на стари селувањачки објекти до 70 легла в стандард до 3 ѕвезди

Берза на Туристички Работници

Македонија во странски медиуми

Видеа

ENVIRONMENTAL MANAGEMENT FRAMEWORK

Јавна расправа Рамка за управување со животна средина и Рамка за раселување 30 октомври 2015

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ANNEX J – SOCIAL MANAGEMENT FRAMEWORK