

## APPLICANT GUIDELINES TO FILLING THE ENVIRONMENTAL AND SOCIAL CHECKLIST QUESTIONNAIRE (ESQ)

Version 1.1, May 9, 2017

These guidelines represent instructions and clarification on how to complete the ESQ document, part of the project proposal documentation. ESQ screenings are in detail described in the Environment and Social Management Framework (ESMF). Environmental and Social Management Framework specifies environmental and social procedures for implemented projects to adhere to, which are consistent with WB Safeguard policies and Serbian national legislation. Please note that the Applicant is responsible for the accuracy of the information provided.

ENVIRONMENTAL AND SOCIAL CHECKLIST QUESTIONNAIRE (ESQ)	
CRITERIA:	CRITERIA EXPLANATION:
<p>Does the proposed activity require a FULL Environmental Impact Assessment as per the Serbian Law on Environmental Impact Assessment (list of projects for which full EIA is mandatory)?</p> <p>Please note, if yes, this activity cannot be financed.</p>	<p>Please answer YES or NO.</p> <p>Please consult the Environmental Impact Assessment Law (<i>srb. Zakon o proceni uticaja na životnu sredinu</i>) in order to see if your project proposal requires mandatory environmental impact assessment.</p>
<p>Does the existing enterprise have valid operating permit, licenses, approvals etc.? If not, please explain. Permits to screen for include: construction permit, operational/use permit, urbanistic permit, water management permit...</p>	<p>Please answer YES or NO and provide additional explanation as needed.</p> <p>Shows the Applicant's awareness and understanding of the proposed project environmental and social impact.</p> <p>Does the location at which the proposed project activities will be conducted have the required permits? If the facilities have environmental permits please list them and submit the documents with the ESQ.</p> <p>Permits, licenses can include: e.g. certifications of laboratory/facility where experiments are planned,</p>

<p><i>If not, will the grant financing be used to correct this condition?</i></p>	<p>occupation<sup>1</sup> and environmental data for facility where project is planned (rented by contract from other company), permits related to waste management etc.</p> <p>In cases the Applicant does not have valid permits, please explain in detail the current situation and reasons for it.</p> <p>Shows the Applicant's awareness and understanding of the proposed project environmental and social impact and the Applicant's plans to have the documentation at the completion of the proposed project.</p>
<p>Does the existing enterprise have a valid environmental permit (or is in the procedure of obtaining an environmental permit as per the Serbian laws) and does the proposed activity fall under those for which this permit was issued?</p> <p>Does the existing enterprise have a valid water management permit that calls for special investments or measures for the enterprise's wastewater releases (or is in the procedure of obtaining this permit as per the Serbian laws)?</p> <p>Does the existing enterprise need to follow specific Serbian environmental regulations regarding air emissions, water use or wastewater discharge and solid waste management?</p> <p>Are there any significant outstanding environmental fees, fines or penalties or any other environmental liabilities (e.g. pending legal proceedings involving environmental issues etc.) <i>If so, will the grant financing be used to correct this condition and please explain?</i></p> <p>Have there been any complaints raised by local affected people or groups or NGOs regarding conditions at the facility? <i>If so, will the grant financing be used to remedy these complaints?</i></p>	<p>Please answer YES or NO and provide additional explanation as needed to each criteria in this section.</p> <p>These criteria are project specific.</p>

<sup>1</sup> Occupation safety in RS is not part of environmental legislation, but it is part of "social assessment" (the same applies for environmental health consequences, animals used in experiments, examinations on humans, etc.)

<b>Proposed Activity</b>	
<b>CRITERIA:</b>	<b>CRITERIA EXPLANATION:</b>
<p>Will the activity generate water effluents (wastewater) that may require special treatment, control or the water management permit?</p> <p>Will the activity air emissions which would require special controls in order to ensure compliance with the Serbian standards?</p>	<p>In addition to answering YES or NO to each criteria in this section, the Applicant is encouraged to give a narrative explanation in accordance with the project proposal presented in the Business Plan.</p> <p>Formulation of answers to these criteria shows the Applicant's knowledge of national environmental legislation and related standards (and in some cases in addition EU legislative – if this part of EU environmental legislation is not yet trans-positioned in national law).</p>
<p>Will the activity generate noise levels that would require control measures to ensure compliance with the Serbian standards?</p> <p>Will the noise levels impact particularly sensitive receptors (natural habitats, hospitals, schools, local population centers)?</p>	
<p>Will the activity consume, use or store, produce hazardous materials that:</p> <ul style="list-style-type: none"> <li>• require special permits or licenses</li> <li>• require licensed or trained personnel</li> <li>• are outlawed or banned in EU or Western countries</li> <li>• are difficult, expensive, or hard to manage</li> <li>• are inconsistent with PPAH recommendations</li> <li>• may cause soil and water pollution or health hazards if adequate control measures are not</li> </ul>	

in place	
<p>Will the activity generate solid waste that may be considered hazardous, difficult to manage, or may be beyond the scope of regular household waste?</p> <p><i>(This may include, but not be limited too, animal carcasses, toxic materials, pesticides, medical waste, cleaning materials, flammables etc.)</i></p>	
<p>Will the activity be located within or close to officially protected areas or areas under consideration by the Government for official protection status? And will the activity potentially impact areas of known significance to local, regional or national cultural heritage?</p>	
<p>Will the activity involve import of living organisms, e.g. saplings, insects, animals, etc. or works that can impact sensitive environmental receptors?</p>	
<p>Has the local population or any NGOs expressed concern about the proposed activity's environmental aspects or expressed opposition?</p>	
<p>Is there any other aspect of the activity that would – through normal operations or under special conditions – cause a risk or have an impact on the environment, the population or could be considered as a nuisance?</p>	

#### Applicant Signing and Confirmation

The Applicant, in signing this form proves that the grant activity will not involve land acquisition, any form of construction, or will promote any activities on the WB IFC Project Exclusion List ([http://www.ifc.org/wps/wcm/connect/corp\\_ext\\_content/ifc\\_external\\_corporate\\_site/ifc+projects+database/projects/aips+added+value/ifc\\_project\\_exclusion\\_list](http://www.ifc.org/wps/wcm/connect/corp_ext_content/ifc_external_corporate_site/ifc+projects+database/projects/aips+added+value/ifc_project_exclusion_list)). In addition, the applicant is aware of the EIA requirements as per the Serbian Law and certifies that there are no Full Environmental Impact Assessment reports required.

Before signing the ESQ, the Applicant should carefully read the above conditions and check the link included on the IFC Project Exclusion List.

For example, if project activities are planned to be implemented on field, land ownership and all related conditions should be clear. Activities which involve resettlement or land acquisition, any construction and rehabilitation activities, including very small, refurbishment or renovation activities or any scope of civil works, will lead to exclusion of project financing (will be ineligible to receive project financing).