ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK

For ULAANBAATAR SUSTAINABLE URBAN TRANSPORT PROJECT (USUPT-P174007)

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**List of Abbreviations**

|  |  |
| --- | --- |
| ADB | Asian Development Bank |
| ATC | Area Traffic Control |
| BRT | Bus Rapid Transit |
| CERC | Contingent Emergency Response Component |
| COC | Code of Conduct |
| EHS | Environment Health and Safety |
| EMP | Environmental Management Plan |
| E&S | Environmental and Social |
| ESF | Environmental and Social Framework |
| ESIA | Environmental and Social Impact Assessment |
| ESMF | Environmental and Social Management Framework |
| ESCP | Environmental and Social Commitment Plan |
| ESMP | Environmental and Social Management Plan |
| ESRS | Environmental and Social Review Summary |
| ESS | Environmental and Social Standard |
| FDI | Foreign Direct Investment |
| GBV | Gender-based Violence |
| GHG | Greenhouse Gas |
| GIIP | Good International Industry Practice |
| GoM | Government of Mongolia |
| GRM | Grievance Redress Mechanism |
| GRS | Grievance Redress Service |
| IA | Implementation Agency |
| IFC | International Finance Corporation |
| ITS | Intelligent Transport Systems |
| LMP | Labor Management Plan |
| MRTD | Ministry of Roads and Transport Development |
| MUB | Municipality of Ulaanbaatar |
| M&E | Monitoring and Evaluation |
| MaaS | Mobility-as-a-Service |
| MOF | Ministry of Finance |
| NAMHEM | National Agency for Meteorology, Hydrology and Environmental Monitoring |
| NMT | Non-motorized transport |
| PAD | Project Appraisal Document |
| PMO | Project Management Office |
| POM | Project Operations Manual |
| PDO | Project Development Objective |
| PPSD | Project Procurement Strategy for Development |
| PSC | Project Steering Committee |
| PTSA | Public Transport Service Agency |
| RDA | Road Development Agency |
| RPF | Resettlement Policy Framework |
| SEA | Sexual Exploitation and Abuse |
| SEP | Stakeholder Engagement Plan |
| SMEs | Small and Medium Enterprises |
| TA | Technical Assistance |
| TAMP | Transport Asset Management Plan |
| TCC | Traffic Control Center |
| TIIP | Transport Infrastructure Investment Plan |
| TPMEA | Traffic Planning, Management, and Engineering Agency |
| USUT | Ulaanbaatar Sustainable Urban Transport |
| WBG | World Bank Group |
| WHO | World Health Organization |

# Introduction

## Project Background and Rationale

1. Mongolia's capital city Ulaanbaatar is home to about 47% of the country's population. Its population has increased from 780 thousand in 2001 to 1.45 million in 2019, an 87 percent increase, while the national population grew only 32 percent during this time.
2. Ulaanbaatar's poor public transport services and extremely lacking nonmotorized transport (NMT) facilities make walking and public transport even less efficient, encouraging usage of private cars.  Due to the urban construction boom without proper land use and transport planning, Ulaanbaatar's current 1100-kilometer-long street network is sparse and disconnected. It does not have a clear functional hierarchy causing an inefficient traffic mix. The streets are vulnerable to climate hazards—resulting in frequent road closures and causing delays and traffic congestion.
3. Road traffic crashes in Ulaanbaatar make up 87% of total crashes happening in Mongolia (Transport Police Agency, 2019). Very few actions have been taken to improve the transport infrastructure. There is no institutional set-up, financial resources, or technical capacity for crash data collection and analysis, road safety impact assessments, road safety audits, or network safety management to design or implement targeted interventions.
4. More frequent and severe natural hazards disrupt Ulaanbaatar's urban mobility system. Urban flooding, storm surges, and harsh winter events are expected to have the most substantial impact on Ulaanbaatar's urban environment and transport infrastructure. Besides changing temperature and precipitation patterns due to climate change, the construction boom in the city, the rapid expansion of ger areas, and the lack of flood prevention facilities have resulted in a drastic increase in flooding risks in the city. The infrastructure, including existing flooding facilities, has been deteriorating while maintenance has been lagged and insufficient. Climate vulnerability is exacerbated by weak planning and management capacity at the local level, inadequate early warning systems, and lack of an enabling legal environment as technical capacity.
5. Addressing Ulaanbaatar city's multi-faceted urban transport problems to build a well-functioning and integrated urban transport system, Municipality of Ulaanbaatar (MUB) officials and the World Bank team have been working for six years. A series of technical assistance programs produced detailed sector diagnostics and development of sector strategies with specific recommendations for improving capital investment planning, transport infrastructure asset management, public transport financial sustainability, bus management system, passenger information system, mass transit deployment, road safety, and climate resilience.

## Project Objectives and Description

1. The Ulaanbaatar Sustainable Urban Transport (USUT) Project will help MUB to (1) develop a comprehensive framework for sustainable urban mobility in Ulaanbaatar, and (2) to reduce congestion, improve road safety, and address climate resilience on selected transport corridors.
2. Its main objectives will be planned and achieved through more resilient and sustainable transport sector governance, planning, and safe urban transport service provision. The improvement of the transport infrastructure in the political, economic, and financial capital of Mongolia will not only improve the lives of its residents, particularly the vulnerable population, and it will also enhance the competitiveness of the city and overall, the economic competitiveness of the country, on the international arena to attract more investment and global collaboration.

The Proposed Development Objective(s) are:

(1) to develop a comprehensive framework for sustainable urban mobility in Ulaanbaatar, and;

(2) to reduce congestion, improve road safety, and address climate resilience on selected transport corridors.

1. The components, costs, and pool of candidate activities for the USUT Project are listed in the table below. Activities that are ready to be implemented within the first 18 months are underlined (Phase I activities).

Table 1. USUT Project Components, costs, and candidate activities

|  |  |
| --- | --- |
| ***Component*** | ***Activities*** |
| ***Component 1. Integrated corridors:*** *improve transport corridors to promote efficient use of road spaces to benefit all types of road users (including vehicle occupants, pedestrians, bicyclists and public transport users) while reducing congestion, incorporating road safety, and addressing climate resilience.*  *(est. total cost: US$ 90 million, IBRD loan: US$ 81 million)* | * 1. Corridor-specific infrastructure investments * Type I: corridor rehabilitation & reconfiguration * Type II: corridor upgrading   1. Intelligent Transport Systems (ITS) * Upgrade of centralized systems such as the Area Traffic Control (ATC) system and equipment * Upgrade of on-street ITS equipment such as traffic signals, traffic enforcement and monitoring cameras   1. Smart Parking Management System   Development and operationalization of a smart parking management system, including the procurement of hardware and development of software, and the implementation of a zonal parking system with differentiated pricing. |
| ***Component 2. Sustainable public transport System:*** *activities to be implemented under this Project are limited in scope and scale (focusing on the public transport improvement on the corridors selected in Subcomponent 1.1) given the readiness consideration and resource constraints.*  *(est. total cost: US$ 15 million, IBRD loan: US$ 10 million)* | 2.1 Corridor-specific investments   * Installation of bus lanes on selected corridors * Improvement of bus stops along project corridors   2.2 City-wide investments   * Upgrade of bus management systems * Deployment of on-demand transit services |
| ***Component 3. Effective institutions for transport planning and management:*** *introduce strategies, tools, methodologies, and guidance for Ulaanbaatar to reform its infrastructure planning, management, and service provision in a coordinated approach.*  *(est. total cost: US$ 10 million, IBRD loan: US$ 9 million)* | 3.1 Strategic studies:  (a) vision & strategy, including a sustainable and resilient urban mobility strategy for Ulaanbaatar and a parking management plan;  (b) transport infrastructure investment planning and management, including Transport Infrastructure Investment Plan (TIIP) and tools for transport investment planning, also integrating Transport Asset Management Plan (TAMP);  (c) road safety, including a Road Traffic Crash Data Platform and a speed management plan with the identification of traffic calming measures; and  (d) public transport reform, including policy and institutional framework for private sector participation in Ulaanbaatar’s urban transport sector, and development of smart integrated public transport system towards Mobility-as-a-Service (MaaS)  3.2 Capacity building and implementation support.   * Project management and implementation support * Feasibility studies and design * workshops, training, conferences, study tours |
| ***Component 4. Contingent Emergency Response Component (CERC)***  *(total cost: US $0)* | This zero-dollar component is designed to provide a swift response in the event of an eligible crisis or emergency by enabling Ulaanbaatar to request the World Bank to reallocate project funds to support emergency response and reconstruction where needed. |

1. Under Component 1.1. Corridor-specific infrastructure investments, two types of works are planned:

* **Type I** works will be done within the existing right of way, and works will constitute a rehabilitation of roadway, reconfiguration of selected street cross-sections to allocate more space to sidewalks, bus priority lanes, and bus stops bike lanes; intersection channelization; and installation of additional traffic engineering facilities such as signs and road markings, traffic signals and safety barriers. 9 candidate corridors have been identified. The corridors to be upgraded under the first phase have not been identified and this will be undertaken early in project implementation. This process will be informed by further feasibility, options assessment, technical design and E&S assessments.
* **Type II** will mainly involve reconstruction/upgrading of existing roadways, including civil works, traffic engineering facilities, and procurement of and installation of ITS equipment. The works will include the construction of sidewalk, bus priority lanes, bike lanes, and intersection channelization. Land acquisition may be needed to widen the existing roadway.

The specific corridors for Type II works will be finalized during Phase 1 of the Project. Currently, the following corridors in Figure 1 have been proposed as potential candidate sectors however further feasibility, options assessment, technical design and E&S assessments to be undertaken during implementation will inform the identification of final corridor sections:



Figure 1. Candidate corridors for Type 1 Works

## Implementation Arrangements

1. The project will be implemented by the respective Implementation Agencies of the MUB, i.e., the Road Development Agency (RDA), Public Transport Service Agency (PTSA), and Traffic Control Center (TCC) under the supervision and coordination of the Ulaanbaatar Governor's Office in close cooperation with the relevant government bodies at national and municipal levels.

* Project steering committee: MRTD/MOF/MUB
* Project Management Office (PMO):
  + Once the project gets approved and has become effective, PMO will be established under the Governor's Office; Director to be appointed by the Governor's Decree; staff to be hired by MUB per the MOF guideline[[1]](#footnote-2); operating costs to be supported by WB loan Incremental Operating Costs (IOC)
  + Responsibilities: project management and coordination, procurement and contract management with necessary coordination with different technical teams, financial management, environmental and social risk management, grievance redress mechanism, monitoring and evaluation, progress reporting, communication with the Bank team
* Implementation entities (IEs):
  + Road Development Agency
  + Traffic Control Center
  + Public Transport Service Agency

## Purpose, scope, and methodology of ESMF

1. This ESMF sets out the principles, rules, guidelines, and procedures to examine and manage the environmental and social risks and impacts of the project activities that likely to have environmental and social impacts, for the proposed investment subprojects. The subprojects' design is to be specified during implementation based on further technical design, consultation and E&S assessments. Therefore, the Framework has developed the environmental and social impact mitigation measures and plans to reduce, mitigate and/or offset adverse risks and impacts associated with yet-to-be-defined subprojects.
2. The Framework describes applicable Mongolian laws, environmental and social management procedures, WB Environmental and Social Standards (ESS), and WB Environmental, Health and Safety (EHS) guidelines that apply to project activities and subprojects. It also identifies the institutional implementation arrangements and capacity building framework (Chapter 8) to ensure that the responsible entities follow necessary law, standards, and guidelines for sound and sustainable, socially responsible project design and implementation. Key report structures are:

* Environmental and Social Baseline
* Environmental and Social Screening and Risk Rating
* Potential Environmental, Social Impacts, and Mitigation Measures
* Environmental and Social Management Procedure for Subprojects
* Stakeholder Engagement and Grievance Redress
* Institutional Arrangement and Capacity Building

1. The Framework is supplemented with the following project-specific mitigation and planning documents in the attachments which are expected to guide all parties (PMO, IE, contractors, consultants), and all phases of the project implementation, including the TAs:

* Resettlement Policy Framework;
* Labor Management Procedures;
* Stakeholder Engagement Plan;
* Screening and Risk Rating for Subprojects;
* Generic Environmental and Social Management Plan;
* Traffic Management Plan;
* Terms of Reference for Environmental and Social Management Plan; and
* Sample of Safeguard Code of Conduct.

1. This ESMF report is prepared during COVID-19 pandemic with strict restrictions, curfews and lockdown. As a result, information collection from stakeholders were delayed, field visits and meeting with proposed project sites were limited. In addition, stakeholder consultations were only available virtually in combined with limited in-person meeting. Consequently, this ESMF is subject to upgrades/revision in a manner satisfactory to the Bank during project implementation.

# Policy and Legal Framework



## World Bank ESF

1. The MUB is committed to meeting WBG's environmental and social requirements in designing and implementing the projects that are environmentally and socially sustainable and enhancing the institutional capacity of environmental and social frameworks to assess and manage the environmental and social risks and impacts of the projects. The Environmental and Social Framework (ESF) defines 10 specific Environmental and Social Standards (ESSs), which are designed to avoid, minimize, reduce or mitigate the adverse environmental and social risks and impacts of projects (World Bank, 2016). Of the 10 Standards, nine are relevant to the USUTP activities. They are:
2. Applicable standards

* ESS1 Assessment and Management of Environmental and Social Risks and Impacts. This standard requires MUB and PMO to be responsible for the assessment of environmental and social (E&S) impacts and preparation and implementation of E&S instruction (e.g., ESMF, subproject-specific ESIA and/or ESMP and so on) to identify, assess and address the potential environmental and social impacts of investment activities under the Project. The assessment evaluates alternatives and helps to design appropriate mitigation, management, and monitoring measures.
* ESS2 Labor and Working Conditions to ensure effective labor management and the health and safety management of workers during the construction and maintenance of project roads, the contractors will be required to prepare and implement Labor Management Procedure (LMP) and Occupational Health & Safety Plan (OHSP) following the World Bank Group Environment, Health and Safety (EHS) Guidelines and the project Environmental and Social Management Framework (ESMF).
* ESS3 Resource Efficiency and Pollution Prevention and Management. Green design, including efficient resource use and effective waste management, is an integral part of the project. Targeting the improvements of climate resilience in Ulaanbaatar's transport system, the project is being designed based on an in-depth climate and disaster risk screening to identify the significant climate risks affecting the project, namely urban flooding, storm surges, and severe winter condition.
* ESS4 Community Health and Safety. Appropriate risk assessment and mitigation measures are addressed, including (i) street layout that fosters safer vehicle speeds and pedestrian movement; (ii) traffic calming measures that reduce vehicle speeds or allow safer crossings; (iii) safe pedestrian and cyclist facilities and access to public spaces; and (v) safe access to transport corridors, stations, and stops. The construction activities under the subprojects (including repair, upgrading, and reconstruction of selected corridors) may impose potential safety concerns, including emergency response and preparedness, COVID-19 mitigation measures for the inhabitants within the vicinity of works given the densely populated nature of Ulaanbaatar city and the generation of higher volumes of traffic during construction.
* ESS5 Land Acquisition, Restrictions on Land Use, and Involuntary Resettlement. To assess land tenure and livelihood related risks, a Resettlement Policy Framework (RPF) is being prepared per ESS5 prior to the appraisal, which sets out the criteria for future assessments for each type of proposed investment and which also sets key inclusions and criteria for future analytical works under relevant components with potential downstream impacts.
* ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources. Project will produce subproject-specific assessment reports and management plans identifying the road- and site-specific risks and measures to mitigate them, including, at minimum, risks related to protected areas (habitats and wildlife if any). Budget allocation will be made available through the PMO for these coordinating works, screening, assisting technically, and monitoring of the actual impacts by the Environmental Inspection Agency.
* ESS7 Indigenous Peoples/Sub – Saharan African Historically Underserved Traditional Local Communities. Ethnic Minority people do live in the Ger Areas, however they are largely mainstreamed into the urban social structures and economy. ESS 7 is considered not relevant however ethnic minority engagement measures will be included in the Stakeholder engagement plan.
* ESS8 Cultural Heritage. ESS8 is relevant due to civil works associated with project activities. A chance-find-procedure will be established as part of the project's ESMP. Relevant analyses whether there are potential impacts on intangible cultural heritage will be incorporated as part of the ESMF.
* ESS10 Stakeholder Engagement and Information Disclosure. Stakeholder Engagement Plan (SEP) is prepared and included in this ESMF. It guides necessary engagement and consultation activities in line with ESS10 relating specifically to activities to be supported by this project and includes relevant engagements for the ESMF process, and will need to evolve during implementation, be adaptable to changes and emerging risks and involve project affected parties including business owners, workers, communities, non-Government organizations (NGOs), media, the wider public and business associations, etc.

## World Bank Environmental, Health and Safety Guidelines

1. The World Bank Group’s Environmental, Health, and Safety (EHS) Guidelines are technical reference documents with general and industry-specific examples of Good International Industry Practice (GIIP)[[2]](#footnote-3) . Considering the features of project activities and ongoing impacts of COVID-19 pandemic, the ESMF also refers to the following EHS guideline and good practice notes during preparation:

* Environmental, Health, and Safety (EHS) General Guidelines of World Bank Group
* Getting your workplace ready for COVID-19, March 2020, by World Health Organization (<https://www.who.int/docs/default-source/coronaviruse/getting-workplace-ready-for-covid-19.pdf>)

## Mongolian Regulations and Policies on Environmental and Social Management

1. Mongolia has a wide range of environmental laws directly relating to environmental protection and management, pollution control and biodiversity conservation, and more than 100 other laws, regulations, orders, international treaties, and standards that are related to environmental protection. Mongolia is signatory to virtually every major environment-related international conventions and treaties however, capacity and other effective implementation challenges remain. Together with donors and NGOs, the Government of Mongolia has developed and implemented a large number of strategies and programs dealing with environmental and natural conservation issues, including National Environmental Action Plan, the State Environmental Policy, the Biodiversity Conservation Action Plan, and the National Plan of Action for Protected Areas, as well as the Mongolian Action Program for the 21st Century. The Government of Mongolia undertook major environmental law reforms in 1990 and 2012 including the law of land, protected areas, water, forest, wildlife, and native flora resources.
2. The key Mongolian laws and standards that apply to proposed subproject activities under Ulaanbaatar Sustainable Urban Transport Project are described in this chapter. Environmental monitoring, stakeholder engagement and public participation in environmental decision making is ensured by Law on Environmental Protection (amended in 2002), and Law on Environmental Impact Assessment (amended in 2012).
3. Environmental and social safeguard of the proposed development projects are regulated by Law on Environment and Law on Environmental Impact Assessment. Social baseline and impacts are assessed as part of Detailed EIA, herewith there is no stand- alone law on social impacts assessment in Mongolia.
4. Law on Environmental Protection: regulates relations between the state, citizens, economic entities, and organizations to guarantee the human rights to live in healthy and safe environment, have ecologically sustainable social and economic development. It is an umbrella Law for protection of land and soil; natural and mineral resources and minerals (on and underground); water; plants; animal and air.
5. Law on Environmental Impact Assessment: The terms of this law are applicable to all new projects and EIAs shall be conducted for each subproject. The purpose of this law is environmental protection, the prevention of ecological imbalance, the regulation of natural resource use, the assessment of environmental impacts of projects and procedures for decision-making regarding the implementation of projects. The terms of the law apply to as well as rehabilitation and expansion of existing industrial, service or construction activities and projects that use natural resources. Type and size of the planned activity define responsibility for the approval which may be either MNET or UB City Environmental Agency (Local Government). The classification of project will determine the required General EIA and Mongolian EIA Procedure.
6. There are two types of EIAs defined in the Law on Environmental Impact Assessment, general EIA (GEIA) and detailed EIA (DEIA). To initiate a GEIA, the project implementer submits a brief description of the project (BES), including the feasibility study (FSR), technical details, drawings, and other information to the Ministry of Nature, Environment and Tourism (MNET). The Ministry review will lead to one of four conclusions: (i) a DEIA is not required; (ii) the project may be completed pursuant to specific conditions; (iii) a DEIA is necessary; or (iv) cancellation of the project.

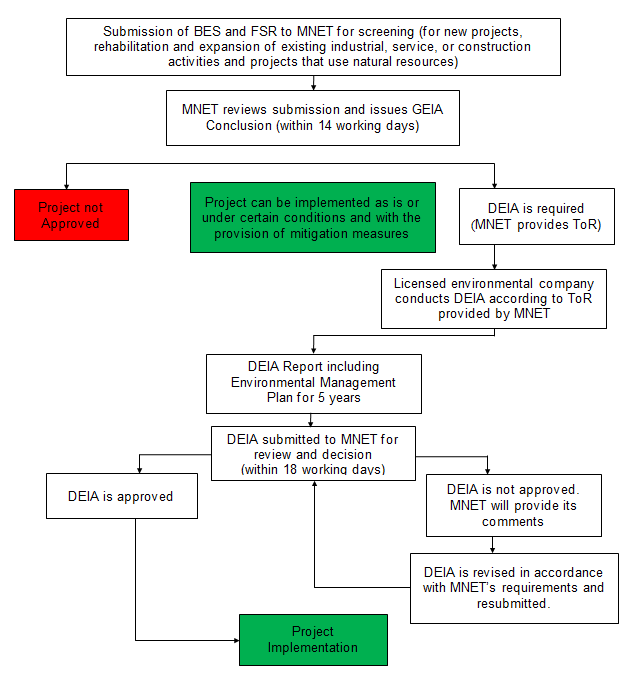


Figure 2. EIA procedure in Mongolia

1. National Requirement for Environmental Monitoring:

The establishment of a baseline for environmental monitoring is to determine trends in the quality of ambient air, water, ambient noise and soil and how that quality is affected by the release of contaminants, other anthropogenic activities, and/or by waste treatment operations (impact monitoring). Environment monitoring needs to be carried out to estimate nutrient or pollutant fluxes discharged in atmosphere or ground waters or lakes or to the land across project and nearby areas. Monitoring is done to determine the quality of the ambient environment before start of any kind of project related activities, as it provides a means of comparison with impact monitoring. It will be also used simply to check whether any unexpected change is occurring in otherwise pristine conditions.

The Environmental Laboratory under the National Agency for Meteorology, Hydrology and Environmental Monitoring (NAMHEM) is responsible for environmental monitoring of water, air, acid deposition, soil, dust-deposition to control the environmental quality. The laboratories in Ulaanbaatar make permanent measurements on air, water, soil quality meanwhile, control waste sources of pollution from such power plants and vehicles; carries necessary monitoring activities on environmental assessment; control industry wastes in cooperation with other environmental controlling organizations.

1. Land Acquisition and resettlement. There is no dedicated and comprehensive law that regulates issues of land acquisition and resettlement. Although the Constitution of Mongolia has provisions that justify exercising of eminent domain power, none of the land related legislation provides the power of eminent domain to the state or any other entity. According to the current Mongolian legislation, any land acquisition, including the ones for public needs, shall take place through negotiation and agreement. If negotiations fail, then the case must be resolved at the courts. The laws are silent on land expropriation but do provide provisions on exchange of land or taking over land with compensation for state special needs.
2. In principle, involuntary resettlement is complicated and the main process by which land is acquired is via negotiation. From a social safeguard perspective this is good however it can result in project delivery risks. However, notwithstanding this, the related procedures are incomplete, imprecise and fail to properly protect the rights of affected persons and property rights. The basic legislative framework for LAR and related issues consists of: (i) Constitution of Mongolia, (ii) Law on Land, (iii) Law on Allocation of Land to Mongolian Citizens for Ownership, and (iv) Civil Code of Mongolia. In addition to these laws, Annex 4 of the Government Decree No. 28 from 2003, "Regulation on Taking Over Land for and Releasing Land from State Special Needs", is used in the LAR activities.
3. The Law on Urban Development (2015, Article 17 and 18) states participatory planning shall be adopted in urban development planning and consultation with citizens shall be conducted in the course of implementation of urban planning. Decisions pertinent to urban development shall be disseminated and disclosed to the public in timely manner.
4. Mongolian Labor Law (1999), Law on Trade Unions (1991), Law on Promotion of Gender Equality (2011), Law on Occupational Safety and Hygiene (amended in 2015) and related regulations adopted by the Government and tripartite bodies provide the legal framework for protecting the legitimate rights and interests of workers of Mongolia. Mongolia ratified and in force all eight fundamental Conventions of International Labor Organization and they are: Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), Right to Organise and Collective Bargaining Convention, 1949 (No. 98), Forced Labour Convention, 1930 (No. 29) (and its 2014 Protocol ), Abolition of Forced Labour Convention, 1957 (No. 105), Minimum Age Convention, 1973 (No. 138), Worst Forms of Child Labour Convention, 1999 (No. 182), Equal Remuneration Convention, 1951 (No. 100), and Discrimination (Employment and Occupation) Convention, 1958 (No. 111) The Law on Occupational Safety and Hygiene (amended 2015) determines the state policy and principles on occupational safety and hygiene and provides the requirements as regards to the OHS management and monitoring system. According to the Law on the Promotion of Gender Equality (2011), its Article 5 has defined the principle of gender equality as "men and women shall have opportunities and conditions to enjoy and to equally participate in political, economic, social, cultural, family and other relations, and to equally participate in social life and equally access the benefits of development and social wealth”.

## Gap Analysis

1. A fundamental principle of the Mongolian state environmental policy is that economic development must be in harmony with the extraction and utilization of natural resources and that air, water and soil pollution will be controlled. In April 1996, Mongolia's National Council for Sustainable Development was established to manage and organize activities related to sustainable development in the country. The country's strategy is designed for environmentally friendly, economically stable and socially wealthy development, which emphasizes people as the determining factor for long-term sustainable development. However, at the implementation level, there are still gaps compared to the World Bank’s ESF as identified below.

### Comparison of Mongolian EIA regulations to the World Bank Policies

1. Mongolia has developed the principles and concepts of 'management of environmental and social impact assessment' in consideration of its socio-economic and environmental challenges with objectives to attract international investments and assistance. The necessary EA regulations and the Law on EIA have been developed first in 1998 and some amendments and changes have been made in 2012. The main principle of Mongolian EIA law is the "Polluter pays" for the pollutions and environmental rehabilitation and the Project developer/implementer is responsible for the environmental and social impact assessments, and cost of the rehabilitation/mitigation measures. This principle is consistent with the World Bank ESS requirements. However, the lack of expertise and institutional capacities to implement the laws and regulations is still a continuing drawback in Mongolia.

* **Risk-based E&S Management**

1. Both Mongolian EIA law and the World Bank’s ESF policy adopts the risk-based approach to apply the proportionality principle on E&S management. According to Mongolian Law on EIA, all development projects are subject to environmental and social impact screening for initial decision making for whether project activities fall under following Decision Type: 1) project needs full/detailed EA; 2) project may be approved an environmental permit with special conditions; 3) project does not require a detailed EIA. The general assessment or screening comprises the process of preliminary assessment. Also, it is required only that MNET or the local government environmental authorities make decision on whether the proposed development needs a full EA or not. The law directs the developer of the EIA to the National and International Standard in case the National Standards are not sufficient for the EIA work (Provision 2.2). This provision is short and generic.
2. Under the World Bank’s ESF, all projects are classified into 1) High Risk; 2) Substantial Risk; 3) Moderate Risk; 4) Low Risk (ESS1). The classification of the environmental and social risks is determined at early stage of project cycle before approval by the Bank Board, which will be used to develop appropriate mitigation measures for the projects accordingly. Project's classification and the basis for that classification is disclosed on Bank's website and in the project document.

* **Environmental Management Plan (EMP):**

1. Similar to the World Bank policy, the Mongolian Law ensures that the investors/project proponents or borrowers to develop and implement an Environmental Management Plan (EMP). There are six provisions/paragraphs in MLEA which make a statement on EMP and describe its procedure. Those can be summarized as a policy by comparing with World Bank policy as follow:

Mongolian EMP consists of:

* environmental measures to reduce, mitigate or eliminate adverse impacts
* implementation schedule and budget of environmental activities
* monitoring and reporting and its implementation timetable and steps to implement
* stakeholder engagement plan

World Bank ESMP consists of:

* set of potential environmental and social impacts
* mitigation measures against the impacts
* monitoring plan
* capacity building
* implementation arrangements and schedule and budget for implementing ESMP
* reporting requirements
* grievance mechanism
* stakeholder engagement plan
* **Information Disclosure**

1. The Mongolian Law on EIA doesn't officially require and ensure public disclosure of the EIA and other relevant documents. It defines that four copies of EIAs are required and distribute to central environmental decision-making agencies (MNET), Aimag, soum or district governor's office (if the location of the project is in Ulaanbaatar), lastly one copy is kept for the developer or project component (Provision 8.7. of Law on EIA). Therefore, disclosure of findings of the EIA report is not a formal requirement in Mongolia.
2. Because of this lack of clarity in the law there is much confusion in the implementation of it, an unavailability of EIA's for stakeholders and general public lead to misunderstandings among the actors who are involved in the Mongolian EA process. State environmental decision-making authorities are required, by law, to disseminate information about the project (rationales, objectives, outputs), but not the impacts of the projects.
3. The ESF requires to apply the World Bank Policy on Access to Information with regard to all documents provided to it by the Borrower. The Bank will disclose documentation relating to the environmental and social risks and impacts of High Risk and Substantial Risk projects prior to project appraisal. This documentation will reflect the environmental and social assessment of the project, and be provided in draft or final form (if available). These documentations will address the key risks and impacts of the project and provides sufficient details to inform relevant stakeholders and Bank's final decision making. Any subsequent updates, amendments or subsidiary plans will also be disclosed.

* **Public Engagement**

1. The Mongolian Law ensures the public engagement and stakeholder engagement at early stage of decision makings of the project. It is a responsibility of the EIA developer to organize information dissemination of EIA findings to the affected local residents. However, it doesn't emphasize the importance and prioritize vulnerable groups and women. In provision 18.4 it states that the developer is required to organize public hearing about the project and comments and opinions of the affected people (social group is not classified in the law) are recorded and included in the EIA document. Nonetheless, the MLEA law lacks clear direction on timing, scheduling of the mandatory consultations, details on stakeholder engagements and does not give a weighted significance.
2. The World Bank's ESS10 Stakeholder Engagement and information disclosure recognizes the importance of open and transparent engagement between the Borrower and project Stakeholders and it requires the Borrower to engage with stakeholders, including communities, groups, or individuals affected by proposed projects, and with other interested parties, through information disclosure, consultation, and informed participation in a manner proportionate to the risks to and impacts on affected communities.
3. Overall, the Mongolian EA policy corresponds the World Bank policy in the general principles. The biggest advantage of Mongolian EIA policy is that it is legally ensures the development of EIA before the implementation of proposed projects which likely have significant environmental impacts. MLEA requires all proposed development projects to be screened or to be prepared with at least a General EIA. Also, it ensures the polluters (investors, borrowers and project implementers) to be responsible for the cost of environmental protection activities/mitigation measures and gives opportunity to project proponent and EA licensed organizations to be involved in environmental protection policy and activities. In addition, Mongolian EA policy significantly encourages the international policies through formally declaring to follow the conditions of contracts made between Mongolian government and international organization (par. 2.2, Law on EA, 2012).
4. The improvements needed for the Mongolian EIA system include: 1) the meanings of many provisions are not fully clear and incomplete; 2) the law concerns more EA procedures and ensures the relationship of involved actors rather than stressing on risk classification and identification, mitigation measurement of the potential impacts; 3) the law is lacking the integration of EA into final decision making of implementing proposed project. This ESMF established processes through which these can be addressed effectively.

### Social Policies and Regulations

1. Land Acquisition and resettlement. Eminent domain is rarely applied in Mongolia, and when it does occur, because the constitution recognizes private real property rights and derivative rights, and Mongolian law specifically bars the government from expropriating such assets without payment of adequate, market-based compensation the safeguard risks associated with land acquisition are reduced.
2. According to WB's ESF, ESS5 recognizes that project-related land acquisition and restrictions on land use can have adverse impacts on communities and persons. Project-related land acquisition or restrictions on land use may cause physical displacement (relocation, loss of residential land, or loss of shelter), economic displacement (loss of land, assets, or access to assets leading to loss of income sources or other means of livelihood), or both. Where land acquisition or restrictions on land use are unavoidable, the Borrower will, as part of the environmental and social assessment, conduct a census to identify the persons who will be affected by the project, to establish an inventory of land and assets to be affected, to determine who will be eligible for compensation and assistance, and to discourage ineligible persons, such as opportunistic settlers, from claiming benefits. The social assessment will also address the claims of communities or groups who, for valid reasons, may not be present in the project area during the time of the census, such as seasonal resource users. In conjunction with the census, the Borrower will establish a cut-off date for eligibility. Information regarding the cut-off date will be well documented and will be disseminated throughout the project area at regular intervals in written and (as/ appropriate) non-written forms and in relevant local languages. This will include posted warnings that persons settling in the project area after the cut-off date may be subject to removal. However, current Mongolian legal framework and common practice indicates: (a) affected people without recognizable right to land or assets are not eligible for compensation and benefits; (b) income and livelihood rehabilitation is not normally considered in local land acquisition practice; (c) transaction costs are not included in compensation payments; (d) there are no project internal grievance procedures preceding dispute resolution by governors and the courts; (e) absent or limited public consultation and information disclosure; (f) an eligibility cut-off date is not declared; (g) there is no limitation on commencement of civil works until after completion of all land acquisition procedures, and (h) lack of relevant activity plan or monitoring activities.
3. ESS7 Indigenous People/Sub-Saharan African Historically Underserved Traditional Local Communities applies to a distinct social and cultural group identified in accordance with Bank's environmental and social standards. Through ESS7 World Bank ensures that the development process fosters full respect for the human rights, dignity, aspirations, identity, culture, and natural resource-based livelihoods of Indigenous Peoples/Traditional Local Communities. The rights of ethnic minorities are guaranteed by an article 14.2, the Constitution of Mongolia (1992) which states: “no person may be discriminated on the basis of ethnic origin, language, race, age, sex, social origin or status, poverty, occupation or post, religion, opinion or education”. Its article 8 ensured ethnic minorities’ right to practice their own culture and use their own language: “the right of national minorities of other tongues to use their native languages in education and communication and in the pursuit of cultural, artistic and scientific activities”. The Government of Mongolia has no specific law or regulation related to Indigenous Peoples or ethnic minority concerns and issues and Labor Law guarantees equality among ethnic groups.

# Environmental and Social Baseline



## Environmental Baseline

### Topography

1. Ulaanbaatar city is located in the north-central region of Mongolia in a valley of the Tuul River on a plateau at an elevation of 4,430 feet (1,350 meters) above sea level. Tuul, Selbe rivers run through south-central region of the city, and it is surrounded by four mountains: Bogd Khan, Bayanzurkh, Chingeltei and Songino Khairkhan. Southern part of the city joins the vicinity of Bogd Khan Mountain.
2. Ulaanbaatar lies between forest taiga region at the end of Khentii mountain ranges, in the vicinity of the Bogd Khan mountain in the south and dry steppe with low hills which is beginning of plateau of Eastern Mongolia. The soil of Ulaanbaatar is mixture of forest-dark colored soils and steppe-dark brown Kastanozem[[3]](#footnote-4) soils.

### Climate

1. The Ulaanbaatar city is the coldest capital in the world, with average air temperature in January is -24.5C. The temperature can drop below -40C during winter months. Given the climatic variability, sometimes, there can be intense frosts even spring/summertime. Summer is pleasant: highs in July and August are about 25.5C, with very cool nights, around 15C. It is relatively rainy, receives about 12 in (300 m) of rain or snow per year.

Table 2. Ulaanbaatar – Average air temperature during 12 months of the year

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Ulaanbaatar - Average temperatures | | | | | | | | | | | | |
| **Month** | **Jan** | **Feb** | **Mar** | **Apr** | **May** | **Jun** | **Jul** | **Aug** | **Sep** | **Oct** | **Nov** | **Dec** |
| Min (°C) | - 26 | -23 | -17 | -6 | 0 | 8 | 11 | 8 | 0 | -14 | -21 | - 22 |
| Max (°C) | -16 | -11 | 0 | 11 | 17 | 23 | 30 | 27 | 17 | 8 | -5 | -14 |
| Min (°F) | -27 | -22 | 1 | 21 | 32 | 46 | 52 | 46 | 32 | 19 | -6 | -20 |
| Max (°F) | 3 | 12 | 32 | 52 | 63 | 73 | 79 | 73 | 63 | 46 | 23 | 7 |

## Air Quality

1. Ulaanbaatar is one of most polluted capital cities in the world. In 2019, the city's PM2.5 level was higher than WHO safe level[[4]](#footnote-5) for seven months of the year. The single largest problem pollutant in Ulaanbaatar is particulate matter (PM). The root causes of the air pollution issue from transport include the large size and age of the vehicles in circulation, exacerbated by traffic congestion and poor road pavement condition. During winter, Ulaanbaatar's air pollution is caused by households and low-pressure heat-only boilers (HoBs) burning raw coal in Ger district (80%); motor vehicle (10%); coal-fired power plants (6%); and solid waste and soil degradation (4%).
2. In recent years, both ambient and indoor air pollution have become among the most pressing environmental health problems for Ulaanbaatar residents. The annual PM2.5 air pollution concentration (average nearly 70 μg/m3) in Ulaanbaatar is higher than the Mongolian Air Quality Standard (25 μg/m3) and the WHO Air Quality Guidelines (10 μg/m3) as shown in Figure 3. In 2016, a UNICEF-funded assessment of hygienic and sanitary conditions and indoor air quality in schools showed that that the PM2.5 concentration was 3.1–10.05 times higher in sampled schools than the national standard on air quality (Figure 3.1).



Figure 3. Ulaanbaatar annual mean concentration PM2.5/PM10 (μg/m) 2011-2015

### Water and Tuul River

1. Under Type II work, depending on the location of thecandidate corridors proposed for specific investment of Phase 2 activities may impact the Tuul River. Detailed Phase 2 activities will be identified later during project implementation.
2. Tuul River flows into the Orkhon river and it originates from Chisaalain aiguilles and Shoroot mountain pass (2289.2 m above sea level). The valley becomes wider downstream of Ulaanbaatar and it reaches a width of 8-10 km at Ulaanbaatar city. The Tuul River Basin covers the territories of 7 districts of Ulaanbaatar city, 37 soums of 5 aimags of the country and occupies a total area of 49774.3 km2. The River basin includes 65.5% of the Ulaanbaatar city area, 39.8% of Tuv aimag, 20.8% of Bulgan aimag, 6.0% of Uvurkhangai aimag, 4.4% of Arkhangai aimag, 2.2% of Selenge aimag." (FAO, 2012).
3. There is a significant deterioration in fauna in Ulaanbaatar and due to human activities and in 2nd and 3rd sub basin of the river. The fauna in the upstream, midstream and downstream parts of the basin is precisely considered as mammal, fish, amphibians and reptile classes.
4. Approximately eight kilometers in distance from the Bayankhoshuu corridor (most western proposed project site), a wastewater pond (Green Pond) was created due to Central Wastewater Treatment Plant in 1964. The area has been attracting 187 species of birds and is a habitat for migratory and breeding species. From 187 species, 42 species are breeding, 22 species are globally and regionally threatened under IUCN criteria. In the past eight years, local ornithologists[[5]](#footnote-6) recorded Swan Goose (*Anser cygnoides),* Falcated Duck (*Anas falcata),* Common Pochard *(Aythya ferina),* Ferruginous Duck (*Aythya nyroca),* Great Bittern (*Botaurus stellaris),* Lesser Kestrel (*Falco naummanni),* Saker Falcon (*Falco cherrug),* White-tailed Eagle (*Haliaeetus albicilla),* Bearded Vulture (*Gypaetus barbatus),* Cinereous vulture (*Aegypius monachus),* Steppe Eagle (*Aquila nipalensis),* Great Bustard *(Otis tarda),* White-naped Crane *(Grus vipio),* Common Crane (*Grus grus),* Northern Lapwing (V*anellus vanellus),* Black-tailed Godwit (*Limosa limosa),* Eurasian Curlew (*Numenius arquata),* Red-necked Stint (*Calidrus ruficollis),* Curlew Sandpiper (*Calidris ferruginea),* Tree Pipit (*Anthus trivialis)* and Yellow-breasted bunting *(Emberiza aureola)* (Purev-Ochir *et al.,* 2016).

### Vegetation

1. The city is seldom with parks, trees, and green vegetation coverage, especially in the outskirts. Many green zone areas, local parks, and trees are lost due to unplanned urban development, ad-hoc transition during the 1990s.
2. Drastic migration from the countryside to Ulaanbaatar, an increase of used cars, lack of traffic regulation, lack of urban planning, an increase of construction, lack of Ulaanbaatar land and park management, and much other planning and institutional capacity shortcomings caused the capital city to become a town with almost bare vegetation. The soil is polluted with toxic metals produced from unregulated small-sized privatelyowned manufacturers and car repair workshops, heavily contaminated with human and livestock feces from mainly ger district areas. The green zones and trees have drastically reduced in the last 20 years, contributing significantly to more air pollution, dust pollution, respiratory sickness, flooding of Tuul and Selbe river in the residential areas and neighborhoods in their basins and bridges. An increased number of poor people residing in ger districts had cut trees in the cities' streets and burned them during the wintertime. Semi-privatized municipal service companies implement greenery and waste management under the supervision (budget allocation, approval of annual work plan) of the district and municipality Citizen Representative's Committee (Irdediin Tuluulugchdiin Khural).
3. The existing noise environment in the vicinity of the Ulaanbaatar road network is typical of a developing country urban setting with traffic and industry's dominant noise sources. The background noise level in this context will be relatively high compared with a rural environment for example. A recognized measure of noise disturbance is the number of decibels (dB) above background.

### Waste Management

1. The Ulaanbaatar Municipality operates three landfills: Moringiin Davaa, Narangiin Enger and Tsagaan Davaa all of which are able to accept construction, road repair solid waste. The contractors will need to enter into a contract with the Municipality and pay associated fees to dispose of the construction waste. Liquid waste (sewage, trench water and pressure test water) can be disposed of into sewer subject to agreement with the system operator. The capacity of the landfills needs to be assessed further as part of environmental impact assessment or environmental and social management plan for future subprojects.

## Social Baseline

### Population and urban setting

1. Ulaanbaatar, is the national center for government, industrial, financial, and cultural activities with the total administrative area now 30 times larger than the original area it was built on. The projected urban population of 2030 is 1.87 million. The vast majority of the population of Ulaanbaatar city are ethically Khalkh Mongols.
2. Table 1 presents in 2019 the population of Ulaanbaatar living in unplanned expansions of the city called ger areas and its type of housing in each district. A total of 206,446 households were living in ger districts, much more than the 171,166 households were living in apartment areas (NSO 2019). Songino-Khairkhan district has the highest number of households living in ger and selected priority corridors are mostly located in central and middle ger areas.

Table 3. Districts of Ulaanbaatar, Ger Areas and Type of Housing 2019



1. Ulaanbaatar's low-density is a product of its urban forms. Two distinct urban form patterns can be observed throughout most of the city. The first pattern, predominant in the central areas of the city, mixes derived from the city's soviet-style city planning legacy[[6]](#footnote-7) and recent business and residential developments. Large-size blocks serve as the structural element, buildings show limited heights (4-5 stories on average, 12-20 stories for the highest buildings), and open space allocations are unevenly distributed widely in the form of frontages or inner-block courtyards (nowadays, both spaces commonly taken up by car parking). The second pattern is seen primarily in the periphery of the city, and results from Mongolia's law granting free ownership of unsettled plots of land to every citizen and rapid rural to urban migration. Low-income citizens populate many of these areas, living in gers and lack or underserved basic infrastructure provisions or services (paved streets, sidewalks, parks, streetlights, water and sanitation).

### Urban development and Ger areas

1. Ulaanbaatar city is undergoing large-scale redevelopment to provide better housing and access to services for ger areas residents and to address high pollution levels and road congestion and safety issues, guided by the Mongolia Vision 2050, Ulaanbaatar City Urban Development Master Plan 2030 and the Government Action Plan 2020-2024. The redevelopment is proceeding gradually, and the full plan will be implemented over the next decade. While some projects are proceeding smoothly, some are behind schedule due to various issues such as delays in funding and land acquisition, and the quality of the developments.
2. From a transport perspective, Ulaanbaatar's current land-use structure exhibits a highly segregated monocentric structure. The city's central business areas, located at the very core of the central area, concentrates most government agencies, businesses, trade and services organizations, cultural institutions, and universities. As such, on a regular workday, in the morning most people in the city travel to the central business areas, and in the afternoon, they head back home from it. During peak hours, that type of pressure typically leads to congestion on the roads and on the use of public transport systems, thus making people's trips longer and more burdensome in terms of travel times and other inconveniences.
3. The ger areas, by their very nature serve primarily a residential purpose, and are poorly equipped with services or activities. The Master Plan 2030 reveals that in 2010 only 2 percent of Ulaanbaatar's total area constituted mixed land-use zones, and, of more concern, its proposal for 2030 is that mixed land-uses are further reduced to 1.4 percent. Mixed land-uses (e.g., joint residential and commercial uses, joint industrial and trade areas, etc.) mitigate the demands on the city's transport infrastructure by bringing synergic origins and destinations closer together. In Ulaanbaatar, however, the current land-use structure is so that, be it to go to from home to one's place of work, to leave or pick up the kids from school, or to go buy groceries, people often have to incur in cross-district trips.

### Access to public service.

1. Access to many services depends on where residents live. Both across the city and within districts, there are substantial spatial disparities in coverage and quality of education and health care services, street lighting, and public transportation access points. Compared to income levels, rather, resident location in the city, such as peripheral ger areas or central apartment districts, is closely linked to the quality and provision of services. In recent decades, migrants from the countryside are settling in the ger areas, which have become sprawling, unplanned neighborhoods vulnerable to natural disasters such as flash floods, storms surges and severe winter events. These areas are generally poorly serviced by urban services and increased efforts are now being made to improve the wellbeing of Ger Area residents.
2. The education system of Mongolia is composed of nursery, kindergarten, primary school, secondary school and university facilities. There are 361,600 children attending in 233 schools and 649 kindergartens in six districts of Ulaanbaatar city. (MUB, 2019). In education, the biggest concerns are related to access by those in ger areas due to space constraints and the location of schools relative to where residents live. Schools and kindergartens in the ger areas are most likely be located far from residential areas, whereas in central areas the demand for space exceeds supply. On average, ger area children must walk more than twice if the apartment area children to get to school (18 minutes versus 9 minutes)[[7]](#footnote-8). In health, the spatial distribution of facilities also presents challenges as they are concentrated in the central city area, leaving large parts of residential areas unserved. Where there is limited capacity or poor location of schools and clinics, users either will go without these services, or pay a higher cost to reach them elsewhere.
3. In ger areas, residents report a lack of street lighting with higher vulnerability to petty crime, thefts, and increased likelihood of pedestrian accidents at night. Minor injuries and accidents are common not to be reported in many cases driver and pedestrians agree on cash settlements. To aid road safety and crime prevention around school areas, newly introduced "School police" program mobilize parents and caretakers' serve as volunteers' officer during school start and finish times.

### Transport service

1. Recent years' rapid increase in population and socioeconomic activities lead in turn to growing demands and pressures in the city and its transport system, which in 2014 amounted to 3.4 million trips per day. However, transport facilities and services in Ulaanbaatar are limited, and most citizens endure long commute times and other sector inefficiencies. Road quality and coverage is inconsistent across the city, a lack of secondary roads reduces inter district connectivity, public transport access decreases with distance from the central city area. In the ger areas, it is estimated that only 10 percent of the streets are paved making transport by any mode difficult, particularly in harsh weather when they can become impassible.
2. Overall, the use of road space in Ulaanbaatar is regressive. Travel times are long, given the size of the population and the city's built-up area. Many of the population travels by public transport or walking, typically facing long travel times and limited accessibility, while the small group that travels by car or bike during warmer season. Most of the population that commonly take public transport or walk typically, low and middle-income people. As such, more people are compelled to purchase a car, further deteriorating the transport conditions in the city.
3. All the city's efforts aside, the reality is that Ulaanbaatar's public transport system offers very low accessibility and quality of service to its users. Running bus routes all the way out into these peripheral areas is very costly as the longer the route, the higher the operational costs (fuel, labor, etc.)[[8]](#footnote-9). Moreover, public transport riders are scattered and difficult to capture with efficiently designed routes. Many inhabited areas in the far peripheries of the city are simply not covered by public transport services, i.e. some of the lowest income groups in the city are left to their own means to achieve access to jobs, education, and other key services.
4. Inclusive and human centered services for those passengers with different needs and disabilities such as wheelchair users, women carrying young children are highly sought after as no accessible entrance and exit are accommodated on current transport services. Despite the effective hours of operation in a day by a bus service, people experience service violations such as unexpected lateness, skipping stops, deviating from the planned route, etc. In general, citizens are not satisfied with provided bus services including its route coverage, frequency, reliability, facility conditions in addition to the high risks of crimes, assaults and even injury.
5. It is even more challenging in ger areas, where people have fewer opportunities to make efficient trips and wait long period to catch a bus due to infrequent services. Late shift workers receive no transport service and safety risk and issues limit women and youth to engage in employment and other socioeconomic activities. Many residents need to travel long distances just to get to a bus stop. Bus stops can be poorly marked and passenger waiting area tends to have poor lighting, no footpaths, no nearby toilet facilities, and no warm shelter. Also, access to the bus parking area can be steep, unsealed, rocky paths and poorly formed roads which makes particularly difficult and risky for the elderly, women with young children and those with disabilities. During winter, ice on the sealed road occurs but limited care is given to road surface outside the central area.
6. The Municipal Government subsidizes bus companies, to repay for the fully subsidized travel of students, elderly, and people with disabilities. Currently, there is no effective mechanism to know the actual number of subsidized passengers that ride on each route any given day, much less throughout the year. Instead, the total subsidy amount is calculated under the assumption that every eligible person makes two public transport trips every day, and then distributed proportionally between companies according to the different routes that they operate. The direct linkage between bus companies' revenues with the number of passengers transported functions as an incentive with numerous negative implications, the most extreme being that buses may be ignoring their routes to pick additional passengers in high demand areas.
7. For public transport, informal service providers by microbuses or regular cars, have picked up the routes that are not well covered by public transport in order to accommodate demand and they provide a vital service for those in the ger areas where access to transport is most limited, though there is no assurance of passenger safety or fare rates. The route and fare of a shared informal cab and microbuses are normally negotiated with the driver before the potential passengers get in.
8. Considering that most ger residents' commute requires at least one or more transfers between formal bus or microbus routes, or from formal to informal services, it can be assumed that each commute trip may cost between MNT 1,000 and MNT 2,000[[9]](#footnote-10), and that daily round trips may cost between MNT 2,000 and MNT 4,000[[10]](#footnote-11). For a 20-workday month, an individual's commuting cost would be between MNT 40,000 and MNT 80,000 per month. Assuming a very conservative public transport trip rate of 12 trips per week per household –i.e. monthly household transport costs between MNT 60,000 and MNT 120,000– transport costs would add up to 9% to 18% of the household income.

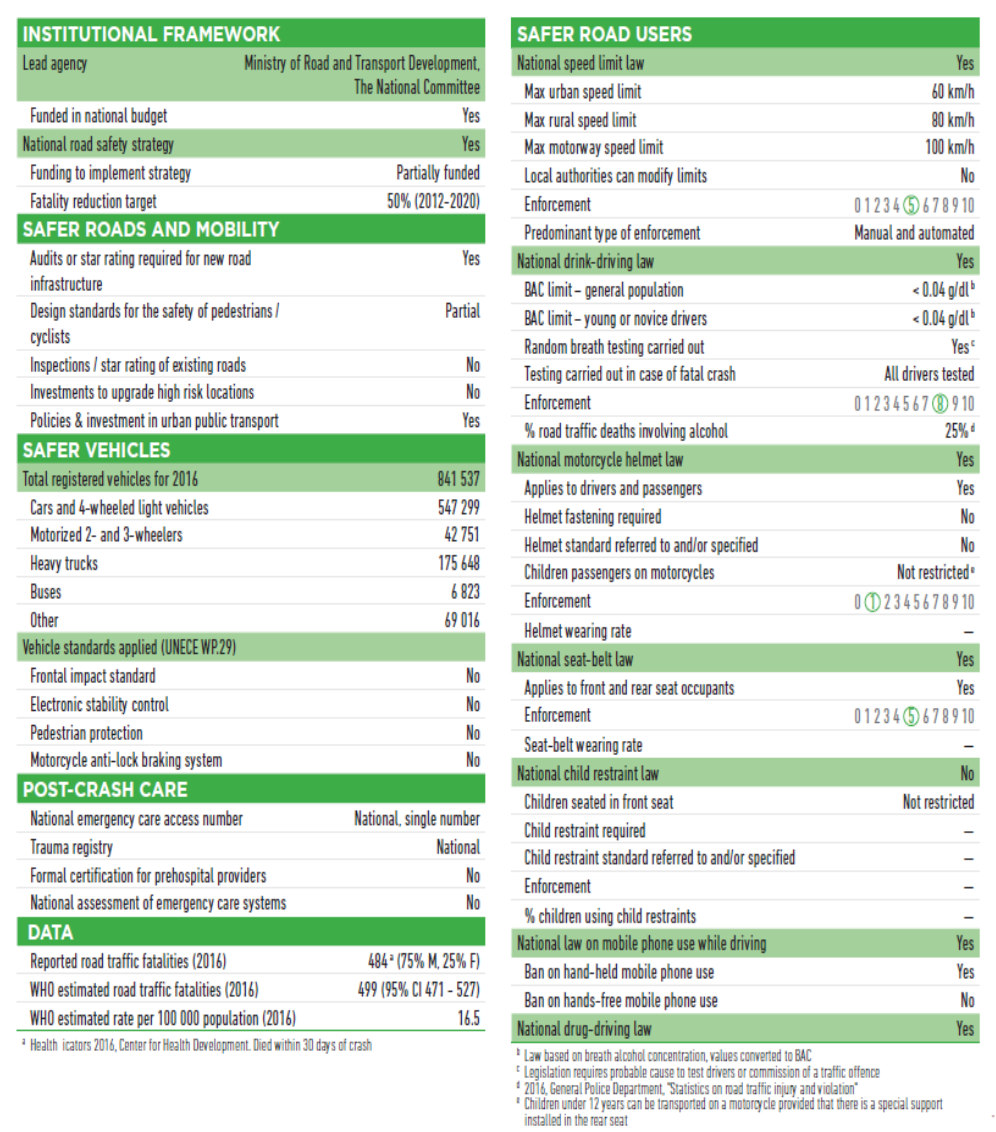
### Existing conditions of Corridors

1. Proposed road corridors are close to school zone, busy commercial and business areas. Roads are generally narrow and without adequate traffic calming measures. Some have barriers to prevent pedestrians from crossing. Pedestrian crossings tend to lack of enough lighting, refuge zones and raised surfaces to improve safety. There is no adequate space for cycling lanes and pedestrians, and it can be impassable when flooded or iced. A nighttime visibility can be poor and particularly hazardous for pedestrians. High speed arterials provide pedestrian crossings at reasonably regular intervals. Generally, there is poor driver compliance with giving way to pedestrians. There are no guardrails to deflect vehicles from striking electricity and light poles.

### Road Safety issues

1. According to WHO (2018), road traffic injuries are the 8th leading cause of death for people of all ages, sadly, it is the leading killer cause for children and young adults, aged 5-29. More than half of global road traffic deaths are among vulnerable road users: pedestrians, cyclists and motorcyclists who are still too often neglected in road traffic system design in many countries.
2. In terms of safe speed, the default urban speed limit in Ulaanbaatar is 60 km/hour and school areas have in place 20 km/hour zones. Speed cameras and hand-held speed detection devices exist but few are in operation. There is a flat fine for speed offences of 50,000MNT (about US$19) and two demerit points apply for speeds up to 50% above the limit and six months license suspension applies to speeds of more than 50% above the limit. Effective speed management is a critical component of a safe road system.
3. There are three main issues of safe road users: alcohol impaired driving; seat belt and child restraint use and broader pedestrian and public transport user safety issues. The volume of drink drive related violations was reported to be declining but alcohol was identified as a contributing factor in 2.2% of road crashes and declining. Regarding seat belts, child restraints and motorcycle helmets, the UNICEF reported[[11]](#footnote-12) high percentages of drivers being unrestrained at the time of the crash and very high numbers of motorcycle riders killed and suffering head injuries as a result of the failure to wear helmets. The fine for these offences is 20,000 MNT ($US7.50). In terms of public transport and commuter safety, bus service can be regarded as comparatively safe and reliable, but areas of improvement can be on bus hygiene and standards and driver courtesy and behaviors. People with disability and the elderly receive inadequate facility. Commuter concerns include alcohol related disorder offences and crimes such as sexual assaults, robbery and theft.
4. Despite Mongolia having a driving on the right rule, right-hand drive vehicles are extensively used, and drivers with restricted vision face unacceptable risk. The bus fleet is made up of imported buses, aged between 9 and 12 years at the entrée point and are not configured to allow easy access for people with disabilities and the elderly.

Table 4. Overall safety indicators for Mongolia[[12]](#footnote-13)



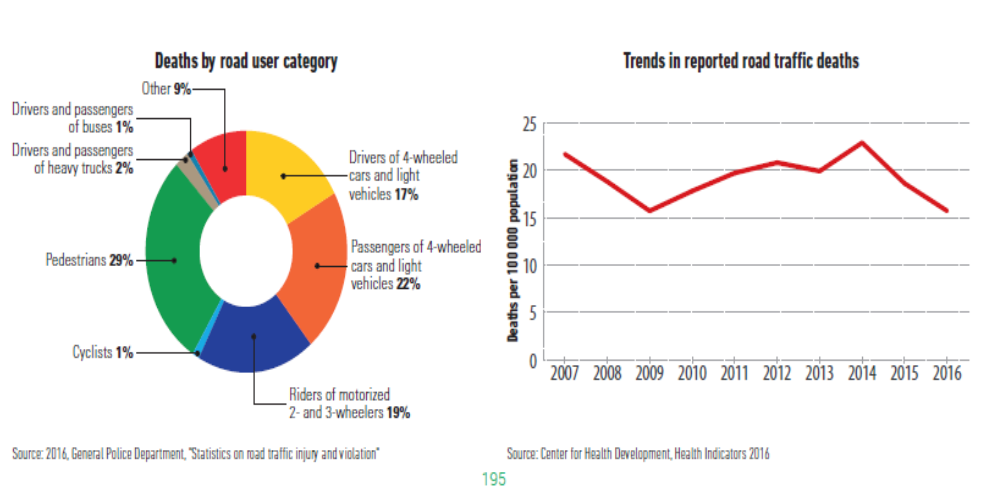


Figure 4. Road deaths in Mongolia

### Vulnerability and Gender aspects

1. Within the project area of impact, vulnerable groups may include and are not limited to the following: persons with disabilities and their caretakers; young children, youth, women, elderly, low-income and single headed households, small traders and temporary residents (rural migrants) without residency and land ownership registrations. Ethnic minorities are present and reside in the city as individual households, rather than as communities with collective attachment to the specific area.
2. Social assessment aspects of the ESMF have been prepared in accordance with guidance provided by the World Bank Directive, addressing risks and impacts on Disadvantaged and Vulnerable Individual or Groups. Within the project area of influence, vulnerable groups may include and are not limited to the following:

| **Key vulnerable groups** | **Key drivers of vulnerability** | **Potential impacts** |
| --- | --- | --- |
| Ger area residents | Safety, and mobility restrictions, social status, socioeconomic disadvantages, land ownership, high dependency on transport service | Primarily positive but can be negative during temporary construction period |
| Persons with disabilities and their care takers | Physical, mental, or other disability, age, gender, safety, and mobility restrictions, social status, GBV, socioeconomic disadvantages, high dependency on transport service, exclusiveness of various disabled groups and their individual needs in decision making and planning/design process | Primarily positive but can be negative during temporary construction period |
| Young children and youth | Age, gender, safety, and mobility restrictions, GBV, exclusiveness in decision making and planning/design process | Primarily positive but can be negative during temporary construction period |
| Women and young girls | Gender, social status, socioeconomic disadvantages, safety, GBV, dependency on transport service, mobility restrictions | Primarily positive but can be negative during temporary construction period |
| Elderly | Age, safety, social status, mobility restrictions, high dependency on transport service | Primarily positive but can be negative during temporary construction period |
| Low-income and single headed households | Age, gender, social status, socioeconomic disadvantages, high dependency on transport service, exclusiveness in decision making and planning/design process. | Primarily positive but can be negative during temporary construction period |
| Small traders or informal business owners | Loss of income and livelihood, socioeconomic disadvantages, exclusiveness in decision making and planning/design process. | Positive and/or negative |
| Temporary residents (rural migrants) without residency and land ownership registrations | Social status, socioeconomic disadvantages, exclusiveness in decision making and planning/design process | Positive and/or negative |

1. The 2016 Law on the Rights of Persons with Disabilities introduced specific articles to create a barrier-free environment and set a vision for the future. Although access to the physical environment, transport, information, and assistive devices has been legislated, implementation is not systematic, and enforcement is weak. (Rogers et al., 2019) According to the National Statistics Office of Mongolia, in 2018 total number of PWD in Ulaanbaatar city is 35,589, as 19,728 are male, and 15,861 are female. According to the Ministry of Labor and Social Protection of Mongolia, there are 34,246 people with disabilities in Ulaanbaatar. Of which 3,617 are children between the age of 0-14, 830 are 15-17 years old and 29,799 people are 18 and above. Infrastructure investments and transport services still lack inclusive design and planning processes to recognize and adopt various disability needs such as poor or loss of hearing, eye sights and mobility. Poor mobility conditions and inaccessible transport services continue to restrict their opportunities to receive basic services, education, healthcare and employment opportunities and large segment of disabled people remain dependent on state welfare and unable to lead independent living.
2. In Mongolia, men live an average of 9.6 fewer years than women (women 76.0; men 66.4) (NSO 2018). This is the 12th largest gap in the world and second largest for Southeast Asia and the Pacific (WHO 2020). Despite the recent accumulation of national wealth in Mongolia, male life expectancy increased by only 5.4 years between 1992 and 2018; female life expectancy increased by 10.9 years over the same period (ADB 2017).
3. Premature death due to road accidents is the third largest cause of death for Mongolia. A scoping study[[13]](#footnote-14) on the GGLE that the World Bank conducted in 2019 showed that death by suicide, homicide, unintentional injury, road accidents, and noncommunicable disease (NCD) was significantly higher for men than women. In 2018, male mortality was 5.8 times as high as female mortality from suicide, 4.1 times as high from homicide, 3.8 times as high from unintentional injuries, 2.8 times as high from road accidents, and 1.5 times as high from NCDs (World Bank 2019). Alcohol-related road accidents affect Mongolian men far more than women.
4. Mongolia's statistics show that women's labor force participation has been declining since 2006 to fall from 64.8% to 53.4% in 2018. This indicates that the economic crisis has had a greater impact on women's employment particularly, women's workforce participation has been affected in the urban areas, namely in the capital city (44.8%) as compared with that of rural women (60.5%) in 2018 (ADB 2018). Poor quality and inefficient transport service are considered as another factor for women's labor market participation however, there are limited or lack of gender disaggregated data or study findings at this moment.
5. According to NSO, Mongolian women earn 19.6% less salary than men in the same job positions as of 2019. Also, women are often engaged in lower paid professions and irrespective of their individual competencies, women tend to occupy lower ranks than men in the job hierarchy both in the public and private sectors. There are reported implementation gaps on legal framework on gender equality and opportunities. In addition, women are engaged in household and care duties twice more than men which result in worse economic outcome from them.

### Gender Based Violence

1. In relation to transport services, incidents of sexual harassments and abuse, and physical and verbal attacks are commonly experienced by mostly female passengers, unfortunately, such violence cases are rarely reported or adequately addressed or recorded on statistical data. Similarly, various forms of gender-based violence and incidents are happened to occur at workplaces again not reported or adequately prevented and addressed. According to a 2017 study conducted by the National Statistics Office and UNFPA, 58 per cent of women in Mongolia have experienced some form of violence: physical, sexual, emotional, economic and/or controlling behaviors by an intimate partner, most often a husband, in their lifetime. In the year prior to the survey, 35 per cent of women experienced at least one of these forms of violence.
2. As a result of COVID-19 restrictions, accessibility of health care for women and girls and the importance of the continued operation of One Stop Service Centers (OSSCs)/shelters are exacerbated during the pandemic. In the first quarter of 2020, reports of incidents of domestic violence to Mongolia's National Police Agency increased by nearly 50 per cent [[14]](#footnote-15)compared to the same period in 2019. Even more striking, the average number of clients served by one-stop service centers has increased by almost 90 per cent, compared to the same period in 2019. Services for survivors are generally still available, but many consultations and counselling sessions are now done online or over the telephone. Gender-based violence awareness and mitigation are priority now and a local one-stop service centers continue to provide essential services to survivors of violence, especially during this period of restrictions.

### Covid 19

1. Since the first reported case in March 2020, as of 19 March 2021, there are 3254 confirmed cases in Ulaanbaatar city. The swift and remedial action taken by both state and local government including the wearing of masks, hand washing, physical distancing, a strict lockdown, and contact tracing, testing and isolation, have contributed to positive outcome in provincial clusters. The number of positive cases in Ulaanbaatar (UB) city, however, has spiked.
2. Depending on the circumstances, the Cabinet of Mongolia adopts various regime of heightened state of readiness for disaster protection for certain period. which consequently affect the decision of Mayor of Ulaanbaatar city in effective of partial or all districts of Ulaanbaatar city. Project activities such as public consultative meetings or construction works can be delayed, cancelled, or contingent costs may occur in relation to COVID 19 mitigation measure.

# Environmental and Social Screening and Risk Rating

## Environmental and Social Screening and Risk Rating

1. The overall Environmental and Social (E&S) Risk for the Project is rated Substantial mainly considering the uncertainties around project activities and limited capacity of project implementation agencies. The environmental risks and impacts associated with physical investments (Component 1 and 2) will be largely site-specific and will mainly occur only during construction since civil works under the project will mainly involve rehabilitation and/or improvements of existing rights of way (ROW) and construction of other small-scale transport facilities (e.g., PT transfer stations/terminals) associated with selected corridors. Negative impacts are limited entirely within the existing footprints for Type I activities and largely within existing footprints for Type II activities (some minor land acquisition may be required for road widening).
2. During the preparation of this ESMF, potential environmental risks and impacts of the proposed construction subprojects are mainly related to i) increased erosion from earth works near rivers, ii) felling of trees along the ROW, iii) increased traffic, iv) generation and disposal of waste/spoil, v) occupational and community health and safety, vi) air pollution and vii) noise emissions from machinery. Chapter 5 of this ESMF describes the impacts and proposed mitigation measures. Sourcing of construction materials will also have risks and impacts from extraction, transport, hauling, and site restoration after extraction. These impacts can be managed through the implementation of engineering measures and good construction site management. The subproject-specific ESIA/ESMPs to be prepared during project should identify more detailed environmental risks and mitigation measures, for example, for flooding and impact drainage system capacity, risks associated with the earthquake, risks of urban heat, risks related to permafrost, and risks of freshet (ger area common problem).
3. During implementation, the PMO of MUB should conduct E&S risk screening for each project activities, including Technical Assistance (TA) activities. For Type I corridor works and associated small-scale civil works, the Generic Environmental and Social Management Plan (ESMP), Traffic Management Plan (TMP) and Safeguard Code of Conduct are applicable E&S instruments, which have been prepared and attached to the ESMF and should be incorporated into the contractors’ responsibilities for implementation. For Type II corridor works and other physical investments, additional E&S instruments should be prepared as appropriate based on the results of E&S risk screening, which may include, for example, site-specific Environmental and Social Impact Assessment (ESIA) and/or ESMP, Resettlement Action Plan (RAP), Labor Management Procedures (LMP), site-specific Traffic Management Plan (TMP) and so on.
4. Following table illustrates a summary of potential implication of TA activities and suggestion on the application of E&S instruments according to types of the TAs proposed under the project.

Table 5. Environmental and Social Risk Screening for TAs

|  |  |  |  |
| --- | --- | --- | --- |
| **Typology of TA** | **Example of Activities under the Project** | **Potential E&S Implications and Due Diligence Requirements** | **Indicative Risk Level** |
| Type 1: Supporting the preparation of future investment projects | feasibility studies and designs for project activities | The downstream E&S impacts during the implementation of supported infrastructure investments should be considered. Thus, when designing and implementing relevant TAs, each specific physical investment to be supported by the TA must be screened for potential E&S impacts of to identify/define: (a) E&S risks classification; and (b) E&S instruments (ESIA, ESMP, RAP, LMP, etc.) to be prepared during preparation of engineering designs. Where Type 1 TA supports *detailed technical design*, it may be an intended output of the TA to prepare a suite of Bank policy-compliant Environmental and/or Social (E&S) instruments for the eventual investment (whether or not funded by the Bank). If Type 1 TA supports *feasibility studies*, it may be sufficient to agree with the Borrower on TORs for the feasibility studies that ensure that relevant environmental and social issues are taken into account in conducting the studies in a manner that is consistent with the ESF. | Moderate to Substantial |
| Type 2: Supporting the formulation of policies, programs, plans, strategies or legal frameworks etc. | City-level sustainable and resilient urban mobility strategy, parking management plan, Transport Infrastructure Investment Plan (TIIP) and tools for transport investment planning, speed management plan and policy and institutional framework for private sector participation and so on. | Where Type 2 TA provides advice through the *development of policies, strategies or investment plan* with potentially significant downstream E&S impacts, TORs should be agreed to include adequate assessment of environmental and social implications and its advice is consistent with the ESF. In addition, the TA studies supporting policies, plans and programs should be screened to identify their potential of downstream cumulative impacts and necessary assessment of cumulative E&S impacts should be incorporated into the outcomes of relevant TA studies when applicable. | Substantial |
| Type 3: Strengthening borrower capacity | Workshops, training, conferences, and study tours for government departments and technical staff | These activities themselves having minimal or no social or environmental impacts, however, may provide supports to institutions in carrying out or overseeing activities that do have potentially significant social and environmental implications. These implications should be taken into account in the design and implementation of the capacity support. Relevant ToRs should be reviewed to ensure the inclusion of necessary E&S considerations. | Low |

1. As listed above, TA activities currently proposed under the Project covers three types. These TAs are anticipated to have minimal E&S impacts themselves during implementation but have the potential of leading to downstream E&S risks/impacts with the implementation of their outcomes (strategy, investment plan, etc). Hence, for example, if a TA project supports aspects of the design of a future major infrastructure investment, the risk classification of the TA should reflect the expected risks associated with the infrastructure the TA is helping to design.
2. Also, for TA projects, it is essential to promote transparency through stakeholder participation and public information disclosure. As appropriate, strategic planning initiatives could include focus groups, citizen consultations, expert panels, public hearings, etc. at all critical phases of the activities.
3. Social Risk Rating Substantial. Based on the social aspects integrated into the Environmental Risk section above, the social risks are Substantial. There are specific risks associated with land acquisition, business impacts, livelihoods and inclusion/exclusion which contribute to the social risks. The main social risks and impacts may consist: loss of lands, loss of the assets on the land, livelihoods, and other properties due to temporary and permanent land acquisition and relocation; disruption in the livelihood activities of local residents and business operations; occupational health and safety (OHS), gender-based violence (GBV) and Sexual Exploitation or Abuse (SEA) due to labor influx; and related risks of community safety and disruption including COVID-19 infection and outbreak; transport service providers' resistance to adapting in new design and implementation mechanisms; uneven access to project benefits among vulnerable groups such as people with disability, children, poor, or single/female headed or ethnic minority households. The potential impacts/risks of the proposed project are diverse, they are all manageable and could be mitigated/compensated through appropriate environmental and social assessment and mitigation plans to be developed during the project preparation and implementation.
4. During implementation, the Project Management Office (PMO) of MUB and Implementation Entities (IEs) should conduct specific E&S risk screening for all the project activities per ESF policy requirements, including TA activities. Based on the screening, the associated E&S risks/impacts will be identified together with needed E&S instruments which should be additionally prepared, implemented and monitored following domestic laws and regulations and the World Bank’s ESF policy. The detailed E&S management procedures are presented in Chapter 6.
5. Key social impacts are summarized in the following table.

| **Potential impacts** | **Impacts - Type 1 activities** | **Type 1 Impacts Mitigation measures** | **Potential impacts - Type 2 activities** | **Type 2 Impacts Mitigation measures** |
| --- | --- | --- | --- | --- |
| **Social Risk Rating** | *Low to Moderate Risks* |  | *Moderate to substantial risks* | Full assessment in analytical work to be carried out parallel with Type 1 activities in yrs 1&2  Impacts to be avoided through design  Construction methods and sequencing to be defined to minimize impacts  Subproject specific ESMP, SEP, LMP and other plans, ToRs, monitoring mechanisms will be developed, implemented and monitored  It is anticipated/hoped that Covid 19 will be under control by years 3-5 however this will be managed based on reality at that time |
| Loss of assets | Minor impacts possible where businesses exist within the exiting road corridor | * Cutoff date * Consultation * Compensation * Details in RPF | Asset loss is anticipated including houses, businesses and other assets |
| Livelihood and business impacts | Changes to access to formal businesses along the corridors | * Construction methods defined to minimize impacts * Consultation * Compensation for unavoidable impacts | Similar to Type 1 activities |
| Reduced access and mobility for pedestrians | Possible as a result of impacts on footpaths and road closures | * Construction methods defined to minimize impacts * Consultation * Signage * Specific measures where needed * Temporary traffic management | Scale of works are likely to be more substantial and land use impacts may create access impacts |
| Exclusion of vulnerable people | Individual needs and interests are not taken account into design and planning of activities and subprojects; | * Consultation and implementation of SEP and GRM * Details in RPF, RAP | Individual needs and interests are not taken account into design and planning of activities and subprojects; |
| GBV/SEAH | Increased exposure to relevant risks | * Consultation and implementation of SEP and GRM * Details in LMP, CoC, ESMP | Increased exposure to relevant risks |
| Covid 19 impacts | Increased exposure to relevant risks, Delay in activities including direct stakeholder engagement and capacity building | * Consultation and implementation of SEP and GRM * Details in LMP, CoC, ESMP * Adoption/revision on activity plan and contingency budget | Increased exposure to relevant risks, Delay in activities including direct stakeholder engagement and capacity building |
| Occupational health and safety (OHS) | Minor impacts possible to the workers and communities for temporary period | * Consultation and implementation of SEP and GRM * Details in LMP, CoC, ESMP | Minor impacts possible to the workers and communities for temporary period |
| Land acquisition | Minor impacts possible for temporary closure | * Consultation and implementation of SEP and GRM * Details in LMP, CoC, ESMP | Corridor widening will require land acquisition. |
|  |  |  |  |  |

1. Although no land acquisition will be required (or permitted) for Type 1 physical investments, land acquisition and impacts on livelihoods can be expected to be relevant to Type 2 physical investments which are larger in scale. Notwithstanding that Type 1 project activities will not need land acquisition, parts of the road corridor in UB accommodate informal businesses which operate on a permanent or seasonal basis; these and potentially other activities have the potential to be affected by the project and also to be complicated to manage. Type 2 activities are likely to have more significant risks including land acquisition and potential impacts (and benefits) on vulnerable groups. The Substantial risk rating is proposed due to the risks associated with Type 2 activities which will be assessed via the studies proposed during early implementation under Component 1.
2. The project will (mainly for Type 2) include road improvements in the Ger Areas. These areas are generally poorly serviced by urban services and increased efforts are now being made to improve the wellbeing of Ger Area residents; including urban mobility. Works in these areas will be informed by consultation outcomes as well as analytical and assessment works to be undertaken in early implementation under Component 3. The social risk associated with the project are also elevated using the Framework approach and the associated project uncertainties as well as the potentially complicated analytical work which are anticipated to identify, design, assess and justify future higher impact investments. This is exacerbated by the limited capacity of MUB. Notwithstanding this, a competent social assessment prepared during project design and supplementary to the ESMF will reduce some of these uncertainties as well as inform ToRs for future analytical work so that critical social risks and opportunities can be managed/optimized. The Resettlement Policy Framework (RPF) included in this ESMF establishes the minimum requirements for land acquisition including the preparation of Resettlement Action Plans (RAPs) during implementation.

## Environmental and Social Exclusion list

1. 101. During project implementation, the PMO will screen all proposed activities under the project components against the following exclusion list as part of its environmental and social screening process. The following types of activities should be considered ineligible and be excluded from the project financing:

* Activities with potential significant negative impacts on legally protected nature reserves, critical natural habitat, valuable scenic areas or cultural heritage.
* Activities that would cause critical degradation of local environment and ecosystem, including ecosystem and biodiversity, air quality, toxic soil, earth displaced without adequate closure and rehabilitation.
* Activities that ignore and disregard the interest of the general public, vulnerable, disadvantaged groups and women.
* Activities that involve use of forced labor or child labor, discrimination, sexual exploitation and abuse, sexual harassment, or increase of gender disparity.
* Activities involving negative impacts on ethnic minorities land or requiring relocation for which free, prior and informed consent cannot be ascertained.

1. Moreover, the World Bank will not fund the following activities or the projects identified with such associated activities[[15]](#footnote-16):

* Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans.
* Production or trade in weapons and munitions.
* Production or trade in alcoholic beverages
* Production or trade in tobacco.
* Gambling, casinos and equivalent enterprises.
* Production or trade in radioactive materials. This does not apply to the purchase of approved medical equipment, quality control (measurement) equipment.
* Illegal fishing in the nearby river (Tuul) for example, ProDrift net fishing or blast fishing.

# Potential Environmental, Social Impacts, and Mitigation Measures



## Environmental Benefits

1. The USUT project is expected to have a range of positive environmental impacts, and although the Type I and II investment project has potential for substantial but manageable adverse impacts. Improved roads and new roads in selected corridors will have direct and cumulative positive effects on local land (soil, plant life), water quality, and the city air quality. Due to improved and new roads, the cars will not emit greenhouse gases as often like on dirt road, which will lead to the utilization of lesser amounts of fuel and reduced carbon emissions. However, the increase of cars will have encountering effect to the positive effects of the improved roads.
2. The improved and new road will construct a better drainage system along the road. Better drainage will reduce runoff surface water pollution from urban living and business activities. The polluted urban runoff water will be collected efficiently due to the improved roads and will have a cumulative effect on water quality and health of the soil and plant life.
3. Well-designed roads and reconfigurations, including sidewalks, the provision of cycling will attract more “non-car owners” will encourage the city residents walk or cycle. It will also help establish good land use planning practices, will promote technological improvements, and, if possible it will also set (monetary) incentives by applying appropriate economic instruments.

## Social Benefits

1. 106. The benefits of proposed projects are short and medium terms, and, if successful, should not be limited to the numbers of repaired road, corridors, reduced congestion and improved public transport services, but contribute to the sustainable urban transport development and overall livelihood and wellbeing of the community, specifically:

* New construction and upgrading of road corridors will improve inter connectivity of selected road network, and facilities, and bus route options supporting safer, accessible and efficient travels for all road users.
* Increased access to safe, reliable and sustainable transport services will improve a mobility of residents, particularly vulnerable people such as those with disability and young children and reduce the cost of transportation.
* In line with the government policy, nearby areas of selected locations will become more attractive to businesses and investment which may contribute to socio economic growth, redevelopment of ger areas and integrated public service delivery.
* Local authorities and its implementing institutions will strengthen their technical capacity and competence and adopt inclusive road infrastructure management and implementation practice.

## Identification of Potential Environmental and Social Negative Impacts and Mitigation measures

1. Subproject-specific assessments and management plans will be prepared during project implementation to identify the site-specific risks and measures to mitigate them. Budget allocation will be made available through the PMO in the specific ESMPs for implementing and monitoring necessary E&S mitigation measures during subproject implementation.
2. During ESMF development, it was identified that potential environmental and social impacts anticipated from proposed project activities are mainly related to the construction of physical investments, particularly road repair and upgrading investments (Type 1 and Type 2 investments under Component 1), and the major impacts are identified below together with proposed mitigation measures. In Annex 5 and Annex 6 to the ESMF, a Generic ESMP (Annex 5) and the Terms of References for ESMP (Annex 6) was developed to provide guidance on preparing specific ESMPs for future subprojects when needed. For the TA activities to be supported by the project, the Environmental and Social Commitment Plan (ESCP) will include borrower’s commitment to prepare studies or TOR’s for studies that are acceptable to the Bank and consistent with the relevant provisions of the ESF. The terms of reference, work plans or other documents defining the scope and outputs of technical assistance activities will be drafted so that the advice and other support provided is consistent with ESSs 1-10. Activities implemented by the Borrower following the completion of the project that are not financed by the Bank, or activities that are not directly related to the technical assistance, are not subject to the World Bank Environmental and Social Policy for Investment Project Financing.

**Environmental impacts and mitigation measures**

1. Type 1 investment activities (corridor repair and maintenance) may result in short-term minor land disturbance, and low level of soil erosion from earthworks near rivers, felling of trees along the ROW. Minor soil contamination from earth moving machinery, spilling oil, grease, and painting, wastewater spill other chemicals used for the reconfiguration.
2. Type 2 investment activities (corridor upgrading) may result in loss of productive soil, soil degradation, and displacement increased erosion. Some soil contamination from earth moving machinery, spilling oil, grease, gas, and painting, wastewater spill other chemicals used for the construction. Permanent loss of trees, vegetation loss. Flood–prone area soil displacement. Borrow pits cause drainage and visual problems. Considerable changes in the landscape could result from quarry operations. The stone, soil, sand or gravel shall be obtained from licensed sources. However, no substantial soil contamination is foreseen if it is managed adequately.

**Soil**

1. Construction activities such as land leveling, excavation, and filling may lead to localized surface erosion and runoff and spoil generation. Soil erosion can be more serious on slopes or near water bodies and can also occur after the completion of construction if site restoration is inadequate. If the subproject site is generally flat and not adjacent to water bodies, critical habitat, or sensitive receptors such as residences, schools, or hospitals, then the impacts will be minor in scale, short-term in duration, and localized.

Mitigation measures

1. The Project Implementer (contractor) follows Mongolian and International guidelines for topsoil removal, storage, and restoration and rehabilitation of damaged land and earth's crust. Reuse topsoil as a superficial layer for rehabilitation. Impacts are managed through the implementation of engineering measures and good construction site management. Identify the amount and area of soil disturbance and removal. Include in EIA Mongolian (or applicable international standards) road repair and construction standards and directives: handling contaminated soil standard (National and International practice and guidelines on Hydraulic oils and similar and recycling of treated soil). Spill Management Plan that includes on site fuel storage good practice is prepared and submitted by the contractor, and approved by the PMO. Soil Erosion Management Plan, to be implemented as part of project design, should be prepared by the contractor as part of the environmental management plan.

**Air pollution and Dust**

1. Anticipated sources of air pollution from new road construction activities include (i) dust generated from earth excavation, filling, loading, hauling, and unloading; (ii) dust generated from disturbed and uncovered construction areas, especially on windy days; (iii) dust generated from construction material storage areas, especially on windy days; (iv) dust generated by the movement of vehicles and heavy machinery on unpaved access and haul roads; (v) dust generated from aggregate preparation and concrete-mixing; and, (vi) equipment emissions (gaseous CO and NO2 from transport vehicles and heavy diesel machinery and equipment).
2. Impacts at the subproject site will be localized and short-term in duration and are likely to impact residents. Impacts of vehicle emissions along access routes will not result in any predicted exceedances of air quality standards and will be small in scale compared to other vehicle emissions.

Mitigation measures

1. These potential impacts, though minor, can be effectively mitigated through good site and equipment management practices, including covering transportation loads and managing construction traffic to reduce the impact. Site spraying will be utilized. Some mitigation measures during road construction include: asphalt and hot-mix plants are located at least 500 meters away from the nearest sensitive receptors; dust-generating items are transported under cover; spraying road surfaces are required; require trucks carrying earth, sand, stone construction materials are covered with tarps or suitable/ acceptable materials to avoid spilling; machinery and equipment will be fitted with best available pollution control devices, calibrated properly; open burning is prohibited the proper use of solvents and volatile materials will be incorporated in the contract and documents.
2. Pre-construction monitoring of existing ambient air quality will be undertaken in conjunction with each construction package to provide a baseline for the measurement of air

**Water quality**

1. The repair and reconstruction work under Type I and II may include a slight risk of contamination of surface/run-off water by chemical substances used for repair and reconfiguration work. During the operation phase, heavy metals and oil grease could be deposited on roadsides and reach water bodies and adversely affect fauna. Rainstorms and heavy rainfall trigger flashflood/stream courses. Potential impacts will be localized to the construction sites and primarily relate to the Type 2 investment activities.
2. Under Component 1.1, if Type II reconstruction work includes bridge crossing Tuul river and/or road work; in the nearby ecosystem, the PMO will have GEIA and DEIA to identify further environmental impacts. Additionally, the environmental impact assessment will include a detailed mitigation management plan.

Mitigation measures

1. These potential impacts will be mitigated through good wastewater management practices, including providing sanitation facilities for workers, managing construction wastewater, and off-site maintenance of construction equipment and vehicles.
2. Locations of ground water wells or hand pumps in nearby ger district shall be identified/marked and assessed to avoid contamination from chemical and construction material spoil during transportation and construction.

**Noise and Vibration**

1. During the construction phase noise and vibration will be generated by on site construction activities using heavy equipment such as excavators, and by the transport of construction materials. The impacts on the adjacent residents, potential noise and vibration impacts are anticipated. Increasing vibration and noise from roads and/or other existing infrastructure may occur due to construction material transportation by heavy-loaded vehicles.

Mitigation measures

1. The potential impacts will be effectively mitigated through baseline monitoring prior construction commencement, good construction noise management measures, including limiting working hours, using noise barriers if necessary, using low noise equipment, and equipping machinery with mufflers in accordance with relevant government requirements. Pre-construction noise and vibration shall be assessed.

**Solid waste**

1. Solid waste generated in the construction phase may include construction and residential wastes. Construction wastes include various road materials and other types of waste. Domestic wastes include organic and inorganic matter, and an estimated 0.4 kg/day per worker of domestic waste. Inappropriate waste storage and disposal could affect soil, groundwater, and surface water resources, and hence, public health and sanitation.

Mitigation measures

1. These potential impacts will be effectively mitigated through good waste management practices, including the adoption of the waste hierarchy, providing recycling and waste containers at all construction sites, recycling all materials to the extent possible, and collecting and disposing remaining wastes at appropriate waste disposal sites following national regulations. Waste disposal agreements with local authority shall be made, if unavailable, contractor should have contracts for material surplus and for disposal. Waste burning on the subproject site will not be allowed. The subproject environmental management plan to include recommendation and mitigation plan on handling of solid waste including prevention from spills, daily collection and disposal of construction waste, fencing construction area, usage of effective road signs.
2. Environmentally harmful waste should be handled according to toxic waste disposal procedure and transported to landfill or incineration plants. If there are no legalized landfills, agreement should be made with municipality for temporary and final disposal

**Hazardous and Polluting Materials**

1. Inappropriate transportation, storage, use, disposal and spills of petroleum and hazardous materials are tangible risk associated the reconstruction work. Hazardous waste contaminates soil, surface and groundwater.

Mitigation measures

1. These potential impacts will be effectively mitigated through good practice hazardous materials management such as separate collection, non-leaking containers, impermeable surfaces, and contracts with licensed companies in accordance with relevant WB EHS and local rules and regulation. ESIA/EMP will include comprehensive procedure for handling hazardous waste to prevent spilling during transportation and inadequate illegal dumping the waste especially to Tuul river or Selbe river.

**Flora and Fauna**

1. There is no critical habitat, rare or endangered flora and fauna or areas of natural forest at or immediately adjacent to the Type 2 investment activity locations. Therefore, construction activities, including limited vegetation clearance, are not expected to have any impact on these resources.

Mitigation measures

1. In general, impacts are low and will be effectively managed through good construction measures such as erosion and wastewater control. The road design shall aim to incorporate sustainable design schemes, such as biomimicry, promotion of local species with high values (such as water absorbing plants) shall replace species. Cottonwood (*Populus sect. Aigeiros)* shall be avoided due to issues with heavy seed and seedhair fall.

The removed trees shall be replanted at appropriate landscape by the contractors.

**Other environmental risks**

1. The location of subprojects may have risks of flooding due to impermeable surface, and lacking drainage system capacity. A parallel issue can be risks of urban heat causing increasing temperature in the areas. A common issue nowadays is freshet flooding ger area resident’s ger, and other properties leading them to homelessness.

Mitigation measures

1. Mitigation measures for flooding and impact drainage system capacity and risks of urban heat shall be assessed and prevention plan should be developed as part of project and EMP.

**Earthquake and permafrost**

1. Risks associated with the earthquake; risks related to permafrost shall be considered during design stage. In relation to Component 2, sustainable engineering designs are recommended for installation of bus lanes on selected corridors and improvements of the bus stops along the project corridors.

**Social Impacts and Mitigation Measures**

**Traffic management**

1. During repair, rehabilitation and reconfiguration of selected corridors, construction activities may result in a significant increase in the number of vehicle trips passing the roads in the project areas. The movement of such heavy vehicles for the transport of construction materials and equipment may disturb traffic flow on the road. There will be a need to temporarily occupy portions of the roadway requiring traffic control or diversions.
2. Temporary road occupancy during the construction period is likely to result major inconvenience and road safety issues to road users including people with disability, children and women. Where roads are reduced to single lane or traffic is otherwise disrupted traffic management measures will be implemented by the contractor to ensure safe passage of vehicles through construction zones and minimal delays. In addition, traffic disturbance or the movement of heavy load trucks on the road may also cause increased traffic safety risks on local roads, affecting the safety of local travelers and the workers at sites. Damage of existing roads and/or other existing infrastructure may occur due to construction material transportation by heavy-loaded vehicles. Therefore, these potential impacts should be avoided by measures such as using alternative transportation routes or only allowed trucks with suitable loads as suggested in Traffic Management Plan Annexed to this ESMF.

*Mitigation Measures*

1. In order to avoid, minimize and mitigate traffic safety risks, a Traffic Management Plan will be developed for the project and its guideline and temporary measures are included on Annex

**Labor and Working conditions (Occupational Health and Safety)**

1. Under component 1, contracted workers may work in an environment with increased level of dust and toxics generated from the activities of demolition, soil excavation and machine operation, which may lead to fatigue, dizziness during their works. Workers may expose to electricity lines/equipment, physical hazards and various machines operating at the same time within the construction sites especially when they are in negligence in work and lacking awareness of labor safety regulations.
2. The project contractors are unlikely to recruit a workforce from abroad except highly skilled technical engineers and staff in low volume as local labor market can supply workers to work and return to their homes after works. There may be the regular coming and going of support services, such as catering, cleaning services, equipment, material and supply deliveries, and the interaction with specialist sub-contractors bought in to deliver elements of the works.
3. Construction activities may cause OHS incidents for workers. Local communities and workers are potential to be suffered with communicable disease and COVID-19 infection and pandemic. In addition, the presence of foreign, especially if they come from countries with high infection rates, may also cause social tension between the foreign workers and local populations. The risk is expected to be moderate under the country’s experience in prevention and fighting against COVID-19. The project contractors are required to follow implementing all mitigation measures regulated by the Government and WHO in prevention and control of COVID-19.

*Mitigation measures.*

1. To mitigate this potential impact specific requirement as described in Labor Management Procedure (Annex 2).A survey can be conducted as part of subproject specific environment and social assessment to identify and assess these risks on communicable disease and the associated prevention measures will be incorporated in the labor management procedures (LMP) and Occupational Health and Safety Plan (OHSP) to be developed by the contractor upon detailed design development, and approved by the PMO. Additionally, gender sensitive recruitment practice will be promoted. Particularly in COVID 19 pandemic period, relevant guidance, and policies of WBG and WHO are expected to be incorporated in construction management. In case of potential low volume foreign staff in construction activities, adequate management measures to be included on the contractor’s agreement and policy. The implementation agencies will keep records and responses of E&S incidents in compliance with the WB Environment and Social Incident Reporting Toolkit[[16]](#footnote-17) requirements.

**Vulnerable groups and inclusion**

1. During construction period, activities of component 1 are expected to cause temporary pedestrian safety issues. There are densely located resident’s apartment and business buildings, kindergarten, schools, family clinics and hospitals in proximity that would be affected. Pedestrian access will be similarly affected, given the proposed corridors are mostly in central or crowded area of Ulaanbaatar city. Also, temporary disruptions on bus services and other public services around the construction site.
2. Some areas of vulnerability among the population (elderly, disabled) can be lowered with appropriate mitigations in relation to component 1. As such, access restrictions will need to be carefully managed together with the contractor to ensure pedestrians can enter and exit buildings safely.
3. Component 2 is foreseen to have a positive effect on residents of near-urban ger areas at some point in the future. There are anticipated transport service fee implications, associated with the plan and strategies to be developed under the component 3, which would disproportionally affect vulnerable groups or their ability to pay for travel costs. Due to a potential risk on limited public participation in investment decisions, relation to components 1, 2 and 3, public consultation meetings are expected to incorporate community views into the design, especially in management of transport service and any additional measures for vulnerable members of the community that need to be addressed.

*Mitigation Measures*

1. Public engagement in planning and design process is essential especially on components 1, 2 and 3 and will be addressed in SEP and GRB during project implementation. Appropriate participation channels should be provided not only for citizens but also for the affected business community such as public transport and car parking service providers to have their voice in the planning process and overall outcomes. To maintain public support, MUB should make a concerted effort to keep the public informed about the status of projects. The project will encourage gender and disability inclusive infrastructure and service design and safety aspects. Universal accessibility and design tools should be applied.
2. Additionally, gender tagging, gender analysis and consultation on gender or gender-related concerns could address the distinct needs of women and girls or men and boys or to decrease gender gaps and facilitate the monitoring and evaluation of gender effects through the project’s results framework.

**Impacts on land**

1. Given the location of priorities corridors, under component 1, has been predefined and there will be no substantial resettlements requiring physical and economic displacements. The implementation of component and 1 and 2 activities in certain areas is expected to involve land acquisition (both permanent and temporary). This would have impact on incomes and livelihoods of affected people (relocation, significant loss of land and/or business activities/incomes, and vulnerable groups). The impacts of land acquisitions could be varied from moderate to substantial.
2. This Resettlement Policy Framework (RPF) describes (i) the protocol for compensation of impacts on structures and fixed assets; and (ii) the policies and procedures regarding displacement impacts which require the development of a Resettlement Action Plan (RAP) to be completed after appraisal, prior to implementation of the civil works.
3. This RPF incorporates the requirements of Mongolian law and the World Bank’s ESS5 on land Acquisition, restrictions on land Use and involuntary resettlement. It is expected any Affected Persons (APs) should be better off, or at least as well off, as before the project. All persons affected by the project are to be consulted throughout the project, have the opportunity to participate in planning, and to share in project benefits. These principles require a process of early identification of stakeholders, and in particular of APs; effective public disclosure of any known impacts; consultation and participation with all sectors of the community to avoid or mitigate negative impacts identified, and to ensure that no person or impact is overlooked; fair, transparent and timely intervention to support APs during implementation, resettlement and restoration of livelihoods; and commitment where possible to improve upon the status quo, particularly for those who may be vulnerable by reason of poverty, ethnicity, gender, age, disability, or social status.
4. If there are fixed assets lost (such as shop structures), the aim will be to replace like for like, and if this is not possible, to compensate for lost assets and income, and meet the costs of relocation and restoration of livelihoods. Restoration includes not only physical assets, but also social and cultural assets. If there is a risk of disruption of these values, which are often disproportionally encountered by women, the APs will contribute to selection of mitigation options to ensure policy objectives are met.

*Mitigation measures*

1. Land acquisition will be minimized as far as possible, avoid acquisition of existing residential land and mitigation measures can be referred in Resettlement Plan Framework (RPF), annex 1. RAPs will be developed in conformance with World Bank Environmental and Social Framework (ESF), 2017 Land Acquisition, restrictions on land Use and involuntary resettlement (ESS5) and Mongolian Law.
2. The Project Management Office (PMO) under the Mayor’s office of Ulaanbaatar city will include individuals charged with screening for impacts on structures and fixed assets in the right of way and response according to the principles of this RPF. Close coordination will occur with Road Development Agency (RDA), who are responsible for road planning, construction, repair and maintenance in the city.

**Impacts on Livelihoods**

1. On livelihood aspects, the primary concerns are informal vendors who may be occupying the right of way and have to be relocated. During construction period, activities of component 1 and 2 may cause temporary disturbances to businesses, apartment buildings and offices in accessing their residences or place of work; as well as disturbances to businesses, apartment buildings and offices in accessing their residences or place of work; as well as pedestrian safety issues with trenching at a depth of 2-3m. There are densely located resident’s apartment and business buildings, kindergarten, schools, family clinics and hospitals in proximity that would be affected. Pedestrian access will be similarly affected, given the proposed corridors are mostly in central or crowded area of Ulaanbaatar city.
2. The impact is some areas of vulnerability among the population (elderly, disabled) with some ability to adapt to component one activities and it can be lowered with appropriate mitigations. As such, access restrictions will need to be carefully managed together with the contractor to ensure pedestrians can enter and exit buildings safely.

*Mitigation Measures*

1. Besides compensation to the lost land and assets on land, those whose livelihoods are potential to be severely affected due to loss of lands or business opportunities, an income should receive assistance to minimize business disruption and restore livelihoods to pre-project levels. Relevant measures can be referred in RPF, annex 1.

**Sensitive receptors**

1. Inconveniences to residents and businesses, including small businesses, are inevitable during the construction period, and they will have a temporary nature. For pedestrians, cyclists and motorcyclists, the lack of specific infrastructure features may leave them vulnerable to injury. Road safety inspections, systemic assessments and star rating of existing roads can provide mechanisms to identify failings in infrastructure which can affect a crash likelihood and severity. In this case, high risk roads are selected to be upgraded. As historic road design practice and standards have focused on meeting the capacity and travel time needs of motorized vehicles whereas the specific needs of vulnerable road users often have been secondary considerations.
2. Construction may causedisruption of the daily domestic and business activities of the households and/or companies nearby, and other livelihood activities near the construction sites. Noise of construction may potentially have a moderate impact on residential areas, and the first row of building on the road next to the site. There are local family clinics, schools, kindergarten and local administrative units in proximity to the construction area.
3. There are no known physical cultural resources at/or near the Type 1 investment activity locations. Impacts on cultural heritages needs to be assessed and to be avoided at any known existing cultural heritage.
4. In addition, operation of cranes may affect the existing physical infrastructures such as power lines, telephone lines, drainage system. The impact can be avoided or minimized through measures such as conducting proper site investigations and consultations with local authorities and relevant agencies before civil works.

*Mitigation measures*

1. Relevant mitigation measures will include standard community health and safety actions such as placing signage, safety barriers, traffic calming for works taking place near sensitive social receptors like schools, kindergarten and family clinics. More details of measures can be referred to LMP and SEP, Annexes, 2 and 3. Chance Finding Procedures will be included.

* construction activities will be immediately suspended if any PCRs are encountered.
* destroying, damaging, defacing, or concealing PCRs will be strictly prohibited in accordance with Mongolian regulations.
* the local Cultural Heritage Bureau will be promptly informed and consulted; and,
* construction activities will resume only after thorough investigation and with the permission of the local Cultural Heritage Bureau.

**GBV risks**

1. The risk assessment tool of GBV has been applied and rated that project risk is considered as low. Throughout the project life cycle, the Borrower will carry out an ESA of the project to assess its environmental and social risks, particularly to SEA/SH.
2. Local communities and vulnerable groups such as women and children are potential to be suffered with gender-based violence (GBV) and violence against children (VAC), Sexual Exploitation or Abuse (SEA) due to influx workers. The varies of cultural behaviors can lead to conflicts between local and migrant laborers at construction sites and workers camps. In addition, GBV, sexual harassment may occur at sites due to male migrant and local workers causing adverse effects.
3. Given the urban setting, locally sourced workforce if applicable and short construction period, the potential risk of child labor, forced labor, SEA, VAC, and GBV is expected to be low. There is still potential for opportunistic misbehavior of the workforce towards women in the city during the construction period. Nevertheless, a survey can be conducted as part of social assessment to identify and assess these risks and mitigation measures could be designed.

*Mitigation Measures*

1. Relevant mitigation measures can be referred to LMP and SEP, Annexes, 2 and 3, such as Code of conduct and worker inductions under annex 8. Also, ESMP will define the specific ways that SEA/SH risks are to be addressed in the project by identifying prevention and mitigation measures, including the development of a SEA/SH Prevention and Response Action Plan if applicable. ESMP will be included as part of the tender package and thereby forms part of the subproject contract, with the contractor using the project ESMP to create the contractor’s subproject ESMP. Project-level measures to address SEA/SH risks are required to consider other ongoing efforts to prevent and respond to GBV more broadly and its SEA/SH prevention interventions should be linked with existing activities in the health sector, and GBV service providers, such as integrated one stop service centers, hotline and referral services, and justice/security, psychosocial support and economic empowerment programming.
2. Stakeholder engagement will be conducted throughout the project life cycle according to the SEP and is important for managing the project’s risks. Further information and general guidance can be referred on the note on Grievance Mechanisms (GMs) for SEA/SH in World Bank-financed projects, and the Violence Against Women and Girls Resource Guide and specifically, its ethical section for safe and ethical consultations. All consultations should be undertaken in accordance with the Guidance Note on Stakeholder Consultations for Investment Projects.
3. All relevant stakeholders should be aware, at a minimum, of potential risks to and impacts on local communities, and related to ESHS, SEA/SH, the labor influx implications, CoC standards, the local GBV service providers, stakeholder engagement process and its available channels or GM. Additionally, there will be capacity building programs focused on gender sensitivity and GBV related issues.

*Mitigation Measures*

1. Relevant mitigation measures can be referred to LMP and SEP, Annexes, 2 and 3, such as Code of conduct and worker inductions under annex 8. Additionally, there will be capacity building programs focused on gender sensitivity and GBV related issues.

**Utility disruptions**

1. Temporary or accidental utility disruption may occur for a limited duration during the construction period, under component 1 and 2 activities, namely for electricity, communication cables, fiber optics, other services to residential apartments and business. Unregistered or unreported underground utility infrastructure may be revealed at construction site. Inter-agency coordination and cooperation within MUB and national authorities are essential.

*Mitigation measures*

1. Measures under the Stakeholder Engagement Plan (SEP), such as notifications to households and limiting period of disturbance. Prevention measures to be identified and implemented to handle unregistered or unreported underground utility infrastructure and eliminate risk of disruption.

**Community Health and Safety**

1. Potential adverse impacts on project affected communities including workers and road users will be associated to increased exposures to traffic and road safety risks, diseases, and hazardous materials in addition to the construction activities under the project (including repair, upgrading and reconstruction of selected corridors) which may pose potential health and safety for local people living surrounding construction sites. There can be increased level of dust, noise, hazardous wastes, odors, contamination of surface water and traffic density due to the project machine operation and transportation and land subsidence, structure collapse, uncovered holes. Construction wastes, if not properly loaded and disposed of, would occupy spaces at the construction sites, affecting the landscape and may pose safety risks for the pedestrians/traffic passing by.
2. The likely risk of gender-based violence (GBV) is low given the expected scale works and the urban setting. The project areas are considered a low security context, security risks are similarly considered to be low. Basic security such as fencing, signposting, lighting, basic security awareness training, and a security guard may be all that is needed to manage security risks at project locations.
3. Appropriate risk assessment and mitigation measures will be incorporated into the design, implementation of all project interventions and ESMF requirements, including: (i) street layout that fosters safer vehicle speeds and pedestrian movement; (ii) traffic calming measures that reduce vehicle speeds or allow safer crossings; (iii) safe pedestrian and cyclist facilities and access to public spaces; and (v) safe access to transport corridors, stations, and stops. This work will be undertaken in close consultation with key stakeholders during project implementation. Because the Transport Police are responsible for attending any traffic or safety incidences and they will be an important stakeholder to improve project outcomes.

*Mitigation measures*

1. In addition to LMP, SEP, ESMP, Guideline for Traffic Management Plan and Temporary Measures can be found in Annex 7. It sets traffic management guidelines for site-specific Traffic Management Plans and temporary safety measures ensuring traffic safety in the local communities and the construction sites, in particular, to protect the pedestrians, bicyclists, and workers including the materials supply workers, construction workers, and transport vehicle drivers. Throughout the project life cycle, a road safety assessment shall be undertaken, and appropriate safety measures shall be developed based on the local requirements of MUB, and the WB EHSGs and Good Practice Note on Road Safety of the WB, ESF including (i) Safe Workplaces at Construction site, (ii) Safe Vehicle at Construction site, (iii) Safe Driver and Driver-related practices, (iv) Traffic safety, (v) Emergency Preparedness and response.

# Environmental and Social Management Procedure for Subprojects

1. **Objective and Approach**. Since the Project activities and subproject will be identified during Project implementation, the ESMF has been prepared and it will be applied to all subprojects including infrastructure investment and TA support. Main objective of the ESMF process is to ensure that all the project activities to be financed will not create significant adverse impacts on the local environment and local communities and the residual and/or unavoidable impacts will be adequately mitigated in line with the WB’s ESF policy and applicable domestic laws and regulations.
2. **Key Steps.** The E&S management process for future subprojects comprises 4 steps. This section briefly describes key steps that are summarized in Figure 5.

* Step 1: Screening for eligibility and E&S risks classification, along with the identification of needed E&S documents/instruments.
* Step 2: Preparation of E&S documents based on the results of E&S screening.
* Step 3: E&S documents clearance and information disclosure; and
* Step 4: Implementation, monitoring, and reporting.

E&S screening

- Exclusion list

- E&S risk classification of eligible subprojects

- E&S document preparation

Review and Clearance of E&S documents

- E&S performance monitoring

- ESCP implementation monitoring

- E&S performance evaluation

**Subproject Implementation**

**E&S Risk Management Procedure**

Subproject Preparation

Subproject Evaluation and Approval

Subproject Screening

Subproject Implementation and Supervision

Subproject Completion Review

Stakeholder engagement

Figure 5. Environmental and Social Management Procedures for Project Activities

## E&S Screening

1. This step (Step 1) aims to confirm the eligibility of subproject and/or activities to be financed by the Project as well as identify the potential E&S issues and assess potential impacts of the subprojects/ activities including needs for preparation of E&S documents as required by the ESS1, ESS2, ESS3, ESS4, ESS5, ESS6, ESS8, and ESS10. The agencies responsible for implementing the subproject/activity will be responsible for undertaking and signing the screening forms (Annex 4). The MUB and IEs, with the support of their external environmental and social specialists, will be responsible for quality control of the completed screening forms. The E&S screening results should be filed for records and spot check by the World Bank.
2. Following the E&S screening form (Annex 4), each proposed activity (including both physical investments and TA activities) will be screened for their E&S issues, including the followings.

1) E&S eligibility against the E&S exclusion list established in Section 4.2 to exclude all activities anticipated to have high E&S risks.

2) E&S risk classification and identification of applicable E&S instruments proportionate to the nature and scale and the potential risks and impacts, and consistent with the requirements of the World Bank ESF and applicable domestic laws and regulations.

1. The E&S risk classification and E&S instruments applicable to different types of activities under the Project are summarized in the table below.

| **Type of Activities** | **Risk Classification** | **Explanation** | **E&S Instruments and Due Diligence Requirements** |
| --- | --- | --- | --- |
| Type I corridor works (road repair, maintenance and rehabilitation) and associated physical investments | Moderate | Small-scale civil works, site-specific impacts, mainly construction nuisance | Generic Environmental and Social Management Plan (Generic ESMP, Annex 5), Traffic Management Plan (TMP, Annex 7) and Safeguard Code of Conduct (Annex 8), to be implemented by the IEs and their contractors as part of contractual obligations. |
| Type II corridor works (road upgrading) and associated physical investments | Substantial | Anticipated to have the potential to result in significant E&S risks/impacts, but there are effective mitigation measures available for risk management. | Appropriate E&S instruments, including site-specific ESIA and ESMP, Resettlement Action Plan (RAP), Labor Management Procedures (LMP), site-specific Traffic Management Plan (TMP) and etc. to be prepared based on the screening results, by respective IEs and reviewed and cleared before subproject implementation. |
| Moderate | Potential risks/impacts on human populations and/or the environment are not likely to be significant based on results of E&S screening. | Appropriate E&S instruments, including site-specific ESMP, Resettlement Action Plan (RAP), Labor Management Procedures (LMP), site-specific Traffic Management Plan (TMP) and etc. to be prepared based on the screening results, by respective IEs and reviewed and cleared before subproject implementation. |
| Type 1 TA: Supporting detailed design of future investment projects | Moderate -Substantial | Risk classification should also consider the risks associated with supported investment projects. TA outputs link directly to the detailed implementation plan of downstream investments. | Appropriate E&S instruments, including site-specific ESIA and/or ESMP, Resettlement Action Plan (RAP), Labor Management Procedures (LMP), site-specific Traffic Management Plan (TMP) and etc. to be prepared based on the screening results, as part of the TA outputs. |
| Type 1 TA: Supporting feasibility study or equivalent studies of future investment projects | Moderate -Substantial | Risk classification should also consider the risks associated with supported investment projects. TA outputs provide supports to initial preparation of downstream investments. | Relevant ToRs should be submitted and reviewed by E&S specialists to ensure the incorporation of necessary E&S considerations as part of TA deliveries. |
| Type 2 TA: Supporting the formulation of policies, programs, plans, strategies or legal frameworks etc. | Moderate -Substantial | Mainly downstream E&S risks/impacts, for example, in relation to the implementation of city-level strategies/transport investment plan. | Relevant ToRs should be submitted and reviewed by E&S specialists before implementation of respective TAs to ensure that potential downstream E&S risks/impacts are fully considered with mitigation measures proposed. For Type II TA activities, the deliveries should include analysis on cumulative E&S impacts with mitigation measures proposed accordingly. |
| Type 3 TA: Strengthening borrower capacity | Low | No/minimal risks/impacts. | No additional E&S instrument needed. |

## Preparation of Environmental and Social Instruments

1. This step (Step 2) aims to prepare E&S documents in line with the issues identified in Step 1. Guideline for the preparation of ESIA/ESMP are provided in Annex 6, while those related to ECOPs including code of conducts (COC) on SEA and site - specific mitigation measures (if possible) and mitigation measures to prevent and control COVID-19 pandemic. The separate guidelines for development of RAPs are provided in the RPF (Annex 1). IEs will be responsible for preparation of E&S documents for the subproject following the requirements listed in Section 6.1, and the MUB PMO, with the supports of external E&S specialists, is responsible for supervising and reviewing the E&S documents. Consultation with WB safeguard specialist for complex subprojects will be made as needed.
2. It is also necessary that the Implementation Entities of the subprojects will also be responsible for preparation of E&S documents as required by national ESIA regulation and secure approval of responsible agencies.
3. Key E&S actions can be highlighted as follows:

* Proposed subproject and activities shall not involve high-risk and substantial risk activities and shall be screened and excluded in accordance with the requirements of Project Exclusion List and Environmental and Social Screening Checklist.
* The ESMP/ECOP will be incorporated for medium working scale into the bidding documents and consultant contracts and contractor performance will be closely monitored by the responsible persons of the Implementation Agencies.
* Site - specific E&S impacts of all components (if possible) and ESMP will be incorporated into the bidding documents and consultant contracts and contractor performance will be closely monitored by the responsible persons of the Implementation Agencies.
* If land acquisition, restriction on land use, and involuntary resettlement is involved, preparation of the subproject Resettlement action Plans (RAPs) will be made in line with the project RPF and the guidelines on this will be provided separately.

1. All the E&S documents (ESIAs, ESMPs, RAPs, etc.) of the first three subprojects and the “Substantial”-risk subprojects under each of the following categories (Type I corridor works, Type II corridor works and Type 1 TA: Supporting detailed design of future investment projects) will be subject to WB clearance before their approval and implementation. The World Bank will retain the right of prior review and clearance of sub-projects until the PMO can demonstrate its capacity to manage E&S issues on its own.

## Review and Approval

1. Government approval: As required by the Government’s regulation on ESIA, all relevant documents will be approved by responsible agencies. The ESIA in Mongolian as well as the approval conditions will be provided to the WB for information. The ESIA report and approval condition will also be disclosed to the public.
2. All E&S documents will be posted in the official website of the project and hard copies will be available at PMO and the subproject sites in Mongolian. A notification will be published about the disclosure and comments will be sought within one month of the disclosure date. The English version of the ESIA/ESMP will be disclosed on the WB websites.
3. WB review and clearance: All the E&S documents (ESIAs, ESMPs, RAPs, etc.) of the first three subprojects under each of the following categories (Type I corridor works, Type II corridor works and Type 1 TA: Supporting detailed design of future investment projects) will be subject to WB clearance before their approval and implementation. For the Project, WB may conduct post review as needed. In line with capacity building efforts, this approval process will be reviewed from time to time and once the E&S capacity of the Implementation Agencies (IA) has been built with the supports of the E&S capacity building consultants, the WB will randomly review some ESIA/ESMPs.
4. All the subprojects identified with Substantial E&S risks based on E&S screening should be subject to the World Bank’s prior review, and the Bank also retains the right for prior review of subproject E&S instruments if any sensitive E&S issue is identified during E&S screening. For other moderate/low risks activities, mechanism to ensure sufficient stakeholder engagement during preparation and implementation is needed, could be part of ESCP.

## Implementation and Supervision

1. ESMF implementation, supervision, monitoring, and reporting is an integral part of the Project and subproject implementation and specific E&S staff will be assigned to be responsible for the activities. The WB E&S specialists will also supervise and monitor the implementation of E&S activities as part of the WB implementation support mission. Details on responsibility of agencies are described as follows:

* RAP monitoring: To ensure compliance with ESS5, PMO will hire independent consultant to monitor the implementation of RAP and report the results to the WB.
* E&S monitoring of contractor performance during construction: To ensure compliance with the national laws and regulations as well as some specific requirement of the ESS1, ESS2, ESS3, ESS4, ESS6, ESS8, and ESS10 at subproject level, PMO will hire qualified national consultants to conduct monthly monitoring and reporting while assigning the construction supervision consultants or field engineers to be responsible for monitoring and reporting of contractor compliance on a day-to-day basis. At project level, PMO will hire Environmental, Social, Health and Safety (ESHS) consultant to periodically monitor the contractor performance during construction and report the results in the Project E&S monitoring reports to WB on a 6-month basis or any date as agreed with WB. PMO will also be responsible for monitoring and evaluation the implementation of SEP and LMP, including responding to grievance and/or complaints of the project/subproject affected peoples as well as the project workers.
* E&S safeguard monitoring during operation phase. To avoid potential E&S risks and impacts during project operation, selected activities and subproject sites need to be monitored by Environment agency of MUB to assess whether the project operation will contribute to improving the environment. For the social side, monitoring should be conducted focusing on health and safety of labors, while conducting workshops to exchange the lessons learned in terms of knowledge and experience on critical environmental issues, including the poor and EM and other social issues related to GBV and SEA and functioning GRMs. The activities should be participated by staff from local authorities; municipality and district Environment Officers; Technical staff of MUB, PMO, and their E&S capacity building consultants; representatives from local NGOs such as women and child rights, small business owners and people with disability. As part of the subproject E&S monitoring report to be submitted to PMO will include the results from the relevant monitoring in the E&S monitoring report to be submitted to WB.

## Completion and Review

1. Once subproject and activities get completed, responsible executive entities and E&S specialists will be assigned to review completion reports and deliverables for the subproject and activities and archive and report to the relevant authorities and the MUB PMO.

## Stakeholder Engagement

1. At all stages of the USUT project, i.e., identification of subprojects and their E&S management, the WB ESS10 guidance notes’ requirement should be fulfilled. Engagement with stakeholder is an integral part of the project’s environmental and social assessment and project design and implementation, as outlined in Chapter 7 and Annex 3 of this report.
2. As of March 20, 2021, COVID-19 outbreak in Ulaanbaatar city high and is strictly regulated by State Emergency Commission (SEC). SEC’s interim regulation has following four category levels that outlines pandemic preparedness and imposed anti-COVID-19 measures.

Red – Level 4: If community transmission reported;

Orange – Level 3: If cluster transmission reported;

Yellow – Level 2:  If transmitted (imported) infection reported;

Green – Level 1:  If no infection reported in the last 28 days

All stakeholder engagement activities shall be conducted considering COVID-19 prevention and restrictions.

Table 6. Public consultation record table

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Date** | **Location** | **Participant’s First and Last name** | **Issues of concerns discussed or raised by key stakeholders during consultation** | **How to address** | **Gender** |
|  |  |  |  |  |  |

# Stakeholder Engagement and Grievance Redress



## Information Disclosure

1. On March 29th, the Municipality of Ulaanbaatar disclosed the Executive Summary of the ESMF (in Mongolian) on its official webpage www.ulaanbaatar.mn to the general public. MUB liaison with Implementation Agencies will disclose information promptly that is accessible and placing due attention to the specific needs of groups that may be affected by project implementation.
2. Distribution of the disclosure materials by making them available at venues and locations frequented by the community and places to which the public has unhindered access. Free printed copies of the ESMF, together with the SEP and RPF, are being made accessible in Mongolian for the public at the Municipality of Ulaanbaatar Office. An initial stakeholder fact meeting will be held after loan approval, and press releases will be undertaken. Construction Notice Board, letters to residents via homeowner’s association, website updates, newspaper advertisement on disruptions will be used during project implementation as outlined.

## Stakeholder Engagement

191. MUB/PMO is committed to ensuring meaningful, effective, and informed participation of stakeholders in the formulation and implementation of projects. This process seeks to enhance transparency, two-way communication, information provision and enable fair and representative participation of all sections of affected populations, including the marginalized.

192. Identification of stakeholders considers their interests, needs, possible role in the project, capacity and opportunities, and constraints for engagement. The following key stakeholder and their possible role in the project have been identified:

Table 7. Stakeholders and their roles

|  |  |
| --- | --- |
| **Stakeholder** | **Role in the project** |
| World Bank | Financing of the project. |
|  | Following up on the fulfillment of the objectives of the project. |
| Ministry of Road and Transport Development of Mongolia | Through Project Steering Committee, providing overall guidance to the Project implementation. |
| Ministry of Environment and Tourism /Municipal Environmental Department | The MoET/Municipal Environmental Department will provide environmental clearances and may undertake inspections and monitoring at their discretion. |
| Ministry of Finance | Follow up on the fulfillment of the Minister’s Order 4 on utilization of proceeds of external debts incurred by the Government of Mongolia; implementation, administration, financing, monitoring, and evaluation of projects and programs funded by such proceeds.  Through Project Steering Committee, providing overall guidance to the Project implementation. |
| Ministry of Construction and Urban Development | The MoCUD will provide clearances and may undertake inspections and monitoring at their discretion. |
| Municipality of Ulaanbaatar | Executing and implementation agency. Appointment of PMO staff and be responsible for overall project planning, management, coordination, monitoring, and supervision. |
| UB Road Development Department | Project implementing entity. |
|  | Participate in the project implementation. |
| Traffic Control Center | Project implementing agency. |
| Transport Police | Project implementing agency. |
| Public Transport Agency | Project implementing agency. |
| Traffic Planning, Management, and Engineering Agency | The TPMEA will be another implementing partner of Component 1: Integrated corridors and Subcomponent 3.1: strategic studies. This is a newly established agency within the MUB in an effort to consolidate actions to curb congestion under one entity and is reported to be responsible for developing relevant procedures, rules, standards, and engineering interventions to more efficiently plan the road network and reduce traffic congestion in Ulaanbaatar. It supports the PMO in the implementation of the parking related activities |
| Master Planning Agency of Capital City | support, clearance, and permission |
| Urban Planning, Architecture and Design Institute of Ulaanbaatar City | Support, clearance, and permission |
| Municipal and District Land Management Agency | Land management agency and division of related districts will provide clearances for land ownership documents, land certificate, land use agreement, and cadastral maps.  Support PMO to implement RPF. |
| Municipal Agency for Specialized Inspection | Periodic inspection of construction work |
| Municipal and District Offices | Support, information disclosure, stakeholder engagement |
| Project Steering Committee | Chaired by the Municipality of Ulaanbaatar and including the (MoF), MRTD, and yet to be defined others, the Steering Committee will provide overall guidance to the Project implementation as per Order 4 on utilization of proceeds of external debts incurred by the Government of Mongolia |
| Project Management Unit | Overall responsibility for assuring project implementation. |
| Contractor | Project partners |
|  | Participate in the project implementation |
| Consultants/Advisors | Project partners |
|  | Participate in the project implementation |
| Local research institutes | Potential project partners |
|  | Participate in the project implementation |
| Civil society organizations | Potential project partners |
|  | Participate in the project implementation |
| NGOs | Potential project partners |
|  | Participate in the project implementation |
| Project-Affected public entities | Participate in the project implementation; continues communication with utility authorities. |
| Project-Affected private entities | Participate in the project implementation |
| Project-Affected people | Participate in the project implementation |
| Users (passerby) | Participate in the project implementation |

1. The PMO is responsible for conducting stakeholder consultations following the government of Mongolia and the World Bank's laws and regulations. The PMO is obliged to follow the requirements of ESS10 in the World Bank's Environmental and Social Framework to carry out stakeholder activities. A “Stakeholder Consultation Framework” is included in the Stakeholder Engagement Plan (SEP) of the Project, which provides detailed procedures and requirements to guide stakeholder consultations. (Annex 3)
2. The objective of the SEP is to identify project stakeholders, the methods for information distribution and consultation during the life of the project, and the approach to grievance redress. A “Stakeholder” refers to individuals or groups who: (a) are affected or likely to be affected by the project (project-affected parties); and (b) may have an interest in the project (other interested parties).
3. The World Bank’s ESF includes Environmental and Social Standard (ESS) 10, Stakeholder Engagement and Information Disclosure, which recognizes “…the importance of open and transparent engagement between the Borrower and project stakeholders as an essential element of good international practice”. Borrowers are required to develop a SEP proportionate to the nature and scale of the project and its potential risks and impacts. ESS10 also requires the development and implementation of a grievance redress mechanism (GRM).
4. The Law on Urban Development (2015, Article 17 and 18) states:

* participatory planning shall be adopted in urban development planning and consultation with citizens shall be conducted during implementation of urban planning.
* Decisions pertinent to urban development shall be disseminated and disclosed to the public in a timely manner.
* Utility disruptions are required to be disclosed to residents and entities 24 hours prior to disruptions.

1. The Law on Environmental Impact Assessment (2012, Article 5 and 18) requires that:

* Development plans and programs assessed as part of the DEIA process will be publicly disclosed on the State Administrative Central Organization website in charge of nature and the environment.
* There will be a 30-working day period for submittal of verbal or written public input, and the DEIA consultant should organize community consultations that include local government and local residents within the area of influence.
* The DEIA should include meeting minutes, comments by local government, and community consultation that has been conducted with local communities in the area of influence.

1. During preparation of this ESMF, first stakeholder consultation with 24 participants was organized on March 25th. The parties included MUB, IEs, other decision-making authorities, gender analysts, representatives from civil society organization; Association of persons with disabilities and parents representative from children with special needs. Key feedback noted during the consultation are:

* Lack of public transport availability and safety issues, especially for female workers who work night shifts
* Availability of gender sensitive criteria for road and transport sector planning and management, and whether the criteria themselves are gender sensitive and responsive
* Lack of constructive long-term gender equality capacity building program for decision-makers
* Analysis of gender equality in decision making positions in the road and transport sector
* Use of universal design for subprojects
* Lack of public transport availability for persons with disability. Out of 954 public buses, 54 is claimed accessible for PwD, in reality, only 8 buses are in service in one direction.
* Pedestrian pathway has serious design problems, such as construction of poll, open manholes, and various other hazards for visually impaired persons and mobility-impaired persons.
* Lack of clear addressing in the city raises many issues for people with special needs
* Engineering design lacking basic user requirements, especially children with special needs;
* lack of public restrooms near public transports;
* lacking availability of public transport in the school directions
* Wheelchair accessibility lacks in engineering design for public transport access, and taxi access
* Problems with flooding road and pedestrian paths due to drainage system unavailability, leading persons with wheelchair, visually impaired persons unpassable.
* Road and transport sector contractors, workers have poor working conditions even with labor regulations. Labor regulations are not enforced, leading health harming and psychosocial stress hazards for male workers.
* Female business owners are struggling to benefit economically, as the sector is male dominant. The sector strategy to incorporate incentives and employment quota for equal opportunity

1. The consultation feedback and identified mitigation measures are described in Chapter 3 (Social Baseline) and Chapter 5 (Social Impacts and Mitigation Measures) sections of this report.

## Grievance Redress Mechanism

1. Mechanism (GRM) provides a practical approach for resolving the affected person/community's complaints and issues. PMO formulates the procedures for implementing the GRM, and PMO’s engineering staff shall undertake GRM’s initiatives that include systems of reviewing and recording complaints and comments, handling of on-the-spot resolution of minor problems, taking care of complaints, and provisions of responses to stakeholders at all stages of the project.
2. The GRM will be introduced during community consultations and publicly available in the Mongolian language to stakeholders throughout the project. In the event of a grievance issue, up to four stages will be implemented, as follows:

* Stage 1: Resolution at Local Level and Access to GRM. The GRM system enables affected persons (residents, representatives of local business entities, workers of contractors) to issue a complaint and/or comments, choosing the most comfortable way out of several options. The affected person’s complaint will directly be recorded in the internal central web server of MUB, which is linked to all feedback systems. The complaint record includes details such as the comments/grievance issue, the affected person’s name, contact, and date of grievance.
* Stage 2: Complaint Eligibility Assessment and Resolution by MUB.Received complaint is assigned to the relevant personnel either in PMO or to the appropriate department/division/unit in MUB. The PMO should take steps to investigate and resolve the issue. This may involve instructing the contractor to take corrective actions. The contractor should implement the redress solution and convey the outcome to the PMO and notify WB. Depending on the type and complexity of the grievance issue, PMO/MUB can solve the issue between 1-30 days after receiving the comment/complaint.
* Stage 3: Complaint Resolution by PMO Steering Committee. MUB PMO investigates and organizes multi- stakeholder meetings within ten days of Stage 3 and then has ten days to implement a solution.
* Stage 4: Higher Authority Resolution. If the complaint is not addressed, AP may seek legal redress through the court system.

**Stage 2: Complaint Eligibility Assessment and Resolution by MUB**

Complaint submitted to MUB PMO, MUB, and implementing entities either directly by AP or via IEs or local focal points. Complaint eligibility is assessed by relevant IE within 5 days.

If complaint is eligible, MUB system registers it and informs stakeholders, has 10 days to investigate and develop solution, and has 10 days to implement the solution.

**Stage 3**: **Complaint Resolution by PMO Steering Committee**  
EA PMO investigates and organises multi- stakeholder meeting within 10 days of Stage 3 and then has 10 days to implement solution.

days.

**Stage 4:** **Higher Authority Resolution**  
Refer to relevant for solution, which should then be implemented with 10 days.

**Stage 1:** **Resolution at Local Level**   
AP tries to resolve issue directly with the contractor or operator within 10 days.

*If complaint not addressed, AP may seek legal redress through court system, or access WBG’s Grievance Redress Service at* [*www.worldbank.org/grs*](http://www.worldbank.org/grs)

*.*

*Complaint Redressed*

*Complaint Not Redressed or AP wishes to submit directly to relevant IE*

*Complaint Redressed*

*Complaint Not Redressed*

*AP Informed Complaint Not Eligible.*

*Complaint Redressed*

*Complaint Not Redressed*

*Complaint Redressed*

Figure 6. Proposed Project GRM

1. MUB’s grievance redress system is regulated by Mayor’s Order No. A/1086. All agencies and projects of MUB are required to implement the GRM system (Figure 6). The USUPT project GRM can be effectively managed based on the existing system. The PMO GRM regulation can be utilized with improvements to facilitate Implementation Agencies’ involvement for better engagement with each and individual project-affected or/and other interested parties at all stages of the project.

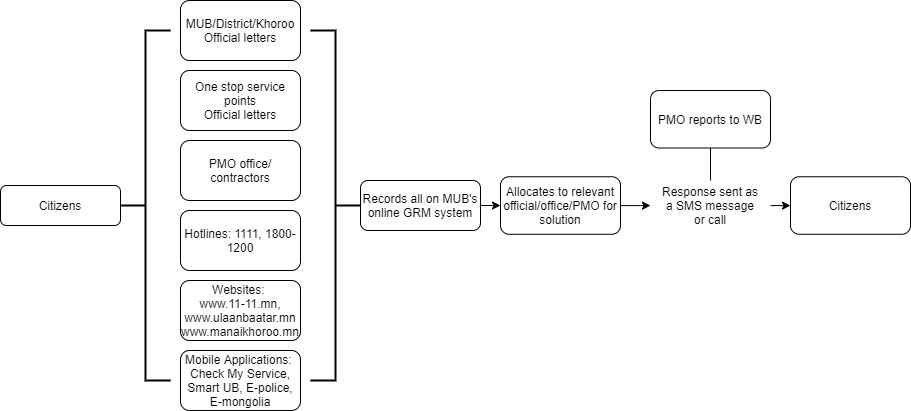


Figure 7. Project Grievance Redress Management integrated with MUB's smart GRM system

**Reporting**

1. Each IE will record the complaint, investigation, and subsequent actions and results and report this information to the MUB PMO. The MUB PMO will include this information in the environmental and social management implementation and monitoring reports for the WB and project steering committee members.
2. The tracking and documenting of grievance resolution will include: i) tracking forms and procedures for gathering information from project personnel and complainant(s); ii) periodic reviews of complaints to recognize grievance patterns, identify any systemic causes of grievances, and periodically evaluate the overall functioning of the mechanism; iii) processes for informing stakeholders, significance on the vulnerable group, about the status of a case; and iv) procedures to retrieve data for reporting purposes, including the periodic reports to the WB, MUB, and MOF.

# Institutional Arrangement and Capacity Building

## Institutional Arrangement and ESMF Implementation

1. The project will be implemented by the respective Implementation Agencies of the MUB, i.e., the Road Development Agency (RDA), Public Transport Service Agency (PTSA), and Traffic Control Center under the supervision and coordination of the Ulaanbaatar Governor’s Office in close cooperation with the relevant government bodies at national and municipal levels.
2. According to Order No. 4, the Minister of Finance, dated January 11, 2021, “Guidance to Use of Government's Foreign Loan Funds, and its Procedures for Organizing, Financing, Monitoring and Evaluating Implementation of the Projects and Activities financed with the Funds”, a Project Management Office will be established to implement environmental and social management. In liaison with the Implementation Agencies, PMO Environmental Specialist and PMO Social Specialist will oversee the planning, implementation of ESMF and other safeguards documents.

Steering Committee

1. Chaired by the MUB and the Ministry of Finance (MoF), Ministry of Road and Transport Development (MRTD), the Steering Committee will provide overall guidance to the Project implementation.

Municipality of Ulaanbaatar and its PMO

1. The MUB will be the EA for the project and the primary point of contact with the World Bank. It will appoint environmental and social safeguards to its MUB PMO and be responsible for overall project planning and management, coordination, and monitoring, and supervision. In relation to environment safeguards, the MUB PMO will:

* Have overall responsibility for ensuring the implementation of the ESMF.
* Ensure allocation of sufficient budget for ESMF implementation and monitoring.
* Ensure that the necessary environmental clearances and permits are secured for the project.
* Provide coordination and supervision support to the subproject IEs.
* Coordinate resolution of complaints under the GRM.
* Liaise with WBG on the implementation of the ESMF and corrective actions.
* Review the environmental and social monitoring reports submitted by the subproject IEs.
* Submit environmental monitoring report to WBG for disclosure.
* Incorporate the results of the environmental monitoring reports into progress reports submitted to WBG.
* Revise the ESMF and ESMPs as required during detailed design.
* Ensure that national EIA and revised ESMF/ ESMP requirements are included in the bidding documents and civil works contracts.
* Obtain all necessary environmental clearances and permits for the project.
* Coordinating delivery of the training program described in this subproject ESMP.
* Require the contractors to develop ESMPs (one for each subproject) in compliance with the ESMF, and review and approve contractor ESMPs.
* Ensure the contractors implement the ESMPs properly and in compliance with the requirements of the relevant ESMPs.
* Ensure that the contractors comply with the relevant environmental management and protection requirements and regulations of Mongolia and the WBG and any Project environmental or social loan covenants and assurances.
* Identify any environmental issues during implementation and propose necessary corrective actions.
* Undertake ongoing outreach and communications with project stakeholders and affected persons (APs).
* Ensure implementation of the GRM such that complaints from affected persons are efficiently and effectively resolved.
* Ensure implementation of the environmental monitoring presented in the subproject ESMPs environmental monitoring plans.
* Review and consolidate quarterly environmental monitoring reports submitted by the contractors.
* Prepare and submit consolidated semi-annual/annual environmental monitoring reports to MUB PMO for onward submission to WBG.

Implementation Agencies (IE)

1. The IE will have focal points on environmental and social safeguards issues. The IE will have direct day-to-day responsibility for ensuring the implementation of the ESMPs, including:

* Support PMO in all environmental and social management activities.
* Ensure implementation of ESMP
* Ensure that the contractors comply with the relevant environmental management and protection requirements and regulations of Mongolia and the WBG and any Project environmental or social loan covenants and assurances.
* Coordinate resolution of complaints under the GRM.
* Prepare environmental and social monitoring reports, and submit to PMO
* Coordinating delivery of the training program described in this subproject ESMP.

Subproject Contractors

1. Construction contractors will be responsible for implementing the mitigation measures for each subproject. Contractors will be required to respond to the environmental specifications in the bidding documents in their proposals. Each contractor will also be required to develop an Environmental Social Management Plan (ESMP) and will assign a person responsible for environment, health and safety. After Project completion, environmental management responsibilities will be handed over to the operation and maintenance units of the IEs.

## Capacity Plan for Environmental and Social Management

1. The Project is one of the first World Bank IPF operations for the Municipality of Ulaanbaatar (MUB). MUB with assistance of development partners and PMO hired technical capacity building teams has implemented several international investment projects past decade. MUB’s current capacity on preparation of the E&S instruments in accordance with the WB’s ESSs of ESF is low. During the project implementation, internal staffing should consist at least one dedicated E&S coordinator or preferably two assigned safeguard officers in charge of environment and social aspects, and recruitment of external E&S consultants. Since no staff have been trained on preparation of the E&S instruments in accordance with the WB’s ESSs of ESF yet, it is necessary to have the assistance of local specialists to enhance their capacity. To be effective, within the first to 12 months of project timeline, the E&S training should be made by the qualified international and national consultants with the support of the World Bank safeguards team. Given that the ESF and ESSs require due attention on ensuring effective performance of contractors including provision of adequate services related to health, safety of workers and local communities, specific training on these aspects will be necessary.
2. It is expected that the training and capacity building on ESF will focus on familiarity and understanding with the core concept and management of the ESF, ESSs, screening, risk rating and the implementation of ESMF, SEP and LMP, especially those related to contractor management and monitoring of E&S issues related to labor management, community health and safety, environment, health and safety (OHS), and the requirements for stakeholder engagement. The targeted training programs focused on E&S risk management may help strengthening inter-agency coordination and cooperation which is critical for ensuring effective management of land acquisition, utility disruptions and other issues.
3. During implementation stage, E&S training and TA will be provided to the Implementation Agencies and relevant stakeholders. Priority training topics may include the followings:

* The ESMF process and guidelines for preparation, implementation, and supervision of E&S instruments focusing on ESMP, SEP, LMP, and RPF,
* Specific training on RPF/RAP, ESMP, SEP and LMP planning and implementation including the application of GRM,
* Specific training on supervision and monitoring of contractor performance, including forms and reporting process and basic knowledge and awareness on health, safety, gender and inclusiveness, and good construction practices for reducing potential impacts on local communities and environment, GRM procedures and other social issues related to GBV, COVID-19 and other communicable diseases etc.

1. During the first 2 years PMO is recommended to conduct at least 2 safeguard training workshops per year to the IAs regarding the ESMF process and needs for preparation of safeguard documents, especially those related to ESMP, SEP, LMP, ECOPs, and RAP. Specific target groups for the key training for a beginning program are proposed in Table 8.1.

Table 8. Safeguard training at the beginning of Project implementation

|  |  |  |
| --- | --- | --- |
| **No** | **Contents** | **Target Groups for Training** |
| 1 | ESMF process, implementation, monitoring, and reporting the ESF concept, ESSs, SEP, LMP, including ECOPs and COC on SEA, GBV, GRM | PMO, IAs, individual or firm consultants |
| 2 | RPF including RAP preparation | PMO, IAs, individual or firm consultants and local authorities |
| 3 | ESMP, SEP, LMP preparation and monitoring including contract management and capacity improvement including COC on SEA, GBV requirements) | PMO, IAs, individual or firm consultants and contractors |
| 4 | Environmental and social monitoring skills improvement | PMO, field engineers, contractors, environmental and social consultant, local authority, |
| 5 | Training on ECOPs and COC on SEA and GBV compliance and environmental health and occupational safety measures, prevention of communicable diseases, COVID 19 | field engineer, Contractor, individual or firm consultants, local communities |

1. Given different need of E&S training and limited capacity of the agencies, PMO will hire and mobilize E&S consultants (individual or firm) to assist in the implementation of ESMF, preparation of E&S documents, and mitigation measures of the subprojects under their responsibilities. Indicative costs for capacity building and training on ESMF implementation and concept of the ESF and ESSs will be about $0.4 million and PMO will be responsible for management of this budget.

# ANNEX 1: Resettlement Policy Framework

1. **Introduction**

This document is a Resettlement Policy Framework (RPF) for the Ulaanbaatar Sustainable Urban Transport (P174007), namely component 1 and 2 Corridor-specific infrastructure Investments and Public Transport service improvements; and any additional candidate subprojects under component 4 Contingency Emergency Response in case requested.

For Type I activities of component 1, within the existing right of way, rehabilitation of the roadway, reconfiguration of selected street cross sections to allocate more space to sidewalks, bus priority lanes and bus stops, bike lanes; intersection channelization; and installation of additional traffic engineering facilities such as signs and road markings, traffic signals, safety barriers, improvements to drainage and the road pavement to reduce the risk of being flooded or disrupted by icing.    Under the component 1, type II activities involve reconstruction of the corridor to improve network connectivity and serve ger areas and this may need land acquisition to widen the existing roadway.

Given the location of priorities corridors, under component 1, has been predefined and further details have also not yet finalized, this Resettlement Policy Framework has been prepared prior to project appraisal.

It is not anticipated that there will be substantial resettlement requirements, this RPF provides guidance in the instance that physical and economic displacement occurs.

This RPF describes (i) the protocol for compensation of impacts on structures and fixed assets; and (ii) the policies and procedures regarding displacement impacts which require the development of a Resettlement Plan (RP) to be completed after appraisal, prior to implementation of the civil works.

Any RPs will be developed in conformance with World Bank Environmental and Social Framework (ESF), 2017 Land Acquisition, restrictions on land Use and involuntary resettlement (ESS5) and Mongolian Law.

The Project Management Office (PMO) under the Mayor’s office of Ulaanbaatar city will include individuals charged with screening for impacts on structures and fixed assets in the right of way and response according to the principles of this RPF. Close coordination will occur with Road Development Agency (RDA), who are responsible for road planning, construction, repair and maintenance in the city.

1. **Objective and Key Principles**

This RPF incorporates the requirements of Mongolian law and the World Bank’s ESS5 on land Acquisition, restrictions on land Use and involuntary resettlement. The guiding objective for the RPF is that involuntary resettlement is to be avoided or minimised throughout the Project. Where avoidance is not possible, the policy objective is to minimise impacts. Ultimately, any Affected Persons (APs)[[17]](#footnote-18) should be better off, or at least as well off, as before the project. All persons affected by the project are to be consulted throughout the project, have the opportunity to participate in planning, and to share in project benefits. The project should contribute to sustainable development.

These principles require a process of early identification of stakeholders, and in particular of APs; effective public disclosure of any known impacts; consultation and participation with all sectors of the community to avoid or mitigate negative impacts identified, and to ensure that no person or impact is overlooked; fair, transparent and timely intervention to support APs during implementation, resettlement and restoration of livelihoods; and commitment where possible to improve upon the status quo, particularly for those who may be vulnerable by reason of poverty, ethnicity, gender, age, disability, or social status.

If there are fixed assets lost (such as shop structures), the aim will be to replace like for like, and if this is not possible, to compensate for lost assets and income, and meet the costs of relocation and restoration of livelihoods. Restoration includes not only physical assets, but also social and cultural assets. If there is a risk of disruption of these values, which are often disproportionally encountered by women, the APs will contribute to selection of mitigation options to ensure policy objectives are met.

1. **Key Principles of Resettlement Planning**

The following key principles are to be followed during resettlement planning and implementation:

* Displaced persons should be consulted during the process of RP preparation, so that their preferences regarding compensation arrangements are solicited and considered.
* The cut-off date for compensation will be the day of the census and inventory of losses survey and advertised in Mongolian Newspapers.
* All affected persons will be eligible for compensation and rehabilitation entitlements irrespective of their property status, including unlicensed occupants of land, and of the type of use of their property (residential, commercial, public or community). Lack of legal rights to the assets lost will not bar displaced persons from entitlement to such compensation or alternative forms of assistance.
* Affected structures and fixed assets will be compensated at replacement cost based on prevailing market rates for comparable types of structures without deduction of depreciation. Materials may also be salvaged by the affected persons.
* Temporary disturbances, including removal of fences and civil works on land outside ROW, will be compensated in cash based on negotiated agreement with affected entities. Affected entities will enjoy continued access to land and residences. Civil works contractors will move fences and will restore land and fences upon completion of works.
* Compensation rates as established in an RP refer to amounts to be paid in full to the eligible owner or user of the lost asset, without depreciation or deduction for any purpose.
* Compensation for structures and fixed assets will be paid prior to the time of impact.
* All relocation, transfer and transaction expenses (fees and duties) will either be waived by government or included in the contract price of the affected properties.
* Civil works shall not commence unless all compensation and relocation activities have been completed, and short-term financial assistance for loss of income has been paid.
* Cash compensation will not be taxable, and all fees and transaction costs to register property will be paid by the project owner.
* Given affected shops will have to move outside of the Project’s ROW, an allowance to effectively support their reestablishment and income loss will be paid.
* The mechanism established for project grievance redress will be utilized, as outlined in the Stakeholder Engagement Plan.
* The project proponent/Bank borrower is responsible for meeting costs associated with compensation. Any RPs prepared will include an estimated budget for all costs associated with land acquisition, including contingency arrangements.
* Any resettlement plan prepared will be disclosed in an accessible place and form and monitored in line with the requirements of the ESF 2017.

1. **Legal and Regulatory Framework**

All provisions of this RPF are in accordance with the applicable Mongolian Laws (as listed below) and the World Bank’s ESS5. The relevant stipulations of national law and World Bank policy are summarized in this section along with measures to bridge any gaps between the requirements.

All provisions of this RPF are in accordance with the applicable relevant stipulations of national law and World Bank Environment and Social Framework (ESF, 2017) are summarized in this section along with measures to bridge any gaps between the legal provisions and Bank requirements. The basic legislative framework for land acquisition and resettlement under the existing legal framework consists of the following: the Constitution (1992); the Land Law (2006); the Law on Allocation of Land to Mongolian Citizens for Ownership (2003); The Civil Code of Mongolia (2002); Government land valuation tariff (Cabinet Resolution 103, 2003); law on State Registration of Property Allocation Rights and Other Related Rights (2003); and the Law on Urban Development (2015).

Constitution of Mongolia states, inter alia, that “The State shall have the right to hold landowners responsible in connection with the manner the land is used, to exchange or take it over with compensation on the grounds of special public need, or confiscate the land if it is used in a manner adverse to the health of the population, the interests of environmental protection and national security” and “If the State and its bodies appropriate private property on the grounds of exclusive public need, they shall do so with due compensation and payment” respectively.

The Land Law regulates how to acquire land when possession titles expire. Non-titled occupants of land are considered illegal land users and can be evicted on the basis of Article 27.4 of the Land Law, which states that “possessing land without a valid license is prohibited”. The Law on Allocation of Land to Mongolian Citizens for Ownership contains provisions respecting expropriation of land under private ownership. Article 35 of the Law on Allocation of Land to Mongolian Citizens for Ownership stipulates the confiscation of land owned by a citizen when the Article 28 of the same law is infringed. The Government land valuation tariff (Cabinet Resolution 103) determines land valuation tariffs.

Table 9. Comparison of Mongolian Law and World Bank Involuntary Resettlement Requirements

|  |  |  |
| --- | --- | --- |
| **Topic** | **Provisions of Mongolian Law** | **World Bank Environment and Social Framework** |
| Eligible Affected Entities | Licensed owners, possessors and users of land can transfer their titles to other legal persons recognized under the Land Law (Articles 35 and 38) and the Law on Allocation of Land to Private Citizens (Article 27).  Non-titled occupants of land as illegal possessors are not eligible to transfer the land occupied or receive compensation (Land Law, Article 27.4).  The Civil Code recognizes the right of a long-term non-owner occupant of ownerless immovable property (incl. land) to own it after 15 years, if registered in the State register (104.2). | (ESS5) Affected persons may be classified as persons:   1. (a)  Who have formal legal rights to land or assets; 2. (b)  Who do not have formal legal rights to land or assets, but have a claim to land or assets that is recognized or recognizable under national law;14 or 3. (c)  Who have no recognizable legal right or claim to the land or assets they occupy or use. |
| Compensation for structures | Contractually agreed payment for transfer of structures located on land acquired. The value of structures is determined at market rates, with depreciation deducted from gross value of the structure. The implication in the land laws is that land and immovables should be compensated at market value. In practice, compensation is not based on market value. There are no provisions for compensation of structures in utility right of way or easement areas. | To mitigate unavoidable adverse social and economic impacts from land acquisition or restrictions on land use by: (a) providing timely compensation for loss of assets at replacement cost (ESS5)[[18]](#footnote-19). |
| Vulnerable Groups | No legislative provisions for vulnerable displaced persons. | For economic and physical displacement, the RP will pay attention to gender aspects and the needs of vulnerable segments of communities and will ensure that these are provided in a transparent, consistent, and equitable manner (ESS5). |
| Grievance procedure | The Land Law refers disputes over land to the governors of administrative units and eventually the courts (Article 60). The Civil Code and Law on Allocation of Land to Private Citizens refers various types of disputes to the courts. | Propose and implement a grievance mechanism to receive and facilitate resolution of concerns and grievances proportionate to the project risks and impacts (ESS10). |
| Resettlement Plan information disclosure and public consultation | The Law on Urban Development (Article 17 and 18) states participatory planning shall be adopted in urban development planning and consultation with citizens shall be conducted in the course of implementation of urban planning. Decisions pertinent to urban development shall be disseminated and disclosed to the public in timely manner. | The Borrower will prepare a plan proportionate to the risks and impacts associated with the project: For projects with minor land acquisition or restrictions on land use, as a result of which there will be no significant impact on incomes or livelihoods, the plan will establish eligibility criteria for affected persons, set out procedures and standards for compensation, and incorporate arrangements for consultations, monitoring and addressing grievances (ESS5). |
| Cut-off date | There is no provision as to cut-off date for acquisition of land under possession or use. | In conjunction with the census survey, the Borrower will establish a cut-off date for eligibility. Information regarding the cut-off date will be well documented and will be disseminated throughout the project area at regular intervals in written and (as appropriate) nonwritten forms (ESS5). |
| Notification period for vacating property and commencement of civil works | Time period for vacating a property may be defined in contract.  Civil works commence in parallel with acquisition of property, but without a defined waiting period. | The Borrower will take possession of acquired land and related assets only after compensation in accordance with the ESS has been made available (ESS5). This will occur well prior to civil work commencement. |

As presented in Table 01, there are several policy gaps between the Mongolian legal framework and the World Bank ESF. According to Mongolian law or practice: (i) non-titled occupants of government land or utility rights of way, are not eligible for compensation and rehabilitation entitlements; (ii) income and livelihood rehabilitation is not normally considered in local land acquisition practices; (iii) transaction costs are not included in compensation payments; (iv) there are no project internal grievance procedures preceding dispute resolution by governors and the courts; (v) public consultation and information disclosure is not practiced; (vi) an eligibility cut-off date is not declared; (vii) there is no limitation on commencement of civil works until after completion of all land acquisition procedures, and (viii) there is no need to prepare an RP or to undertake monitoring and evaluation activities.

To bridge these gaps, this RPF provides entitlement provisions (see Entitlements Matrix), which integrates both, while World Bank ESF (ESS5) requirements prevail in cases of discrepancies. In addition, to bridge process related gaps procedures outlined in this RPF (such as valuation methodology, preparation of an RP, consultations, GRM, monitoring and evaluation), are to be followed; in addition, the previously listed key principles apply for the project.

1. **Preparing and Approving Resettlement Plans**

The proposed corridors will be screened together with the PMO safeguards specialist to provide social and displacement inputs. Locations screened, will consider potential for displacement impacts and seek to avoid and minimise these in the first instance.

**Once the final detail of corridor reconstruction is determined**, the PMO safeguards specialist will:

* Conduct additional due diligence to determine the extent of any displacement impacts, temporary or permanent that may occur as a result of civil works activities

**If displacement impacts are identified in the right of way, the following will be undertaken** by the PMO to prepare a resettlement plan:

* Discuss the development and process of preparing an RP instrument with World Bank task team.
* Undertake immediate consultations with relevant officials in government stakeholder Ministries and agencies.
* Preparation of Project Information Bulletins (PIB) in Mongolian and English (Tool 3 for required content) describing the project parameters, anticipated impacts, assistance criteria, and cut-off date for entitlements.
* Meet with potentially affected persons and disclosure about the project through release of the PIB.
* Undertake a Census of affected persons and an inventory of losses survey (See Tool 1 Content of Census Surveys and Asset Inventories).
* Review replacement cost values undertake any necessary valuation surveys as outlined in section 9.
* Preparation of a draft RP, in conformance with World Bank ESS5 and this RPF. An outline of the Resettlement Plan is provided in tool 4. The RP will include an AP profile, asset inventory, a draft entitlement matrix (refined from the matrix in this RPF as presented in Tool 2) and budget for the RP covering involuntary impacts.
* Disclosure of the Draft RP information and an updated PIB.
* Finalization of the RP; borrower and World Bank Approval of the RP.
* Posting of the RP on the borrower and World Bank websites.
* Preparation of individual compensation and entitlement forms for each AP, specifying amounts, times and places of payment.
* Transfer of entitlements and acquittal by APs.
* Recording and periodic reporting to donors and financiers.
* Monitoring, with AP and community participation and publication of outcomes.

If any unforeseen impact is identified after approval, updates to the RP will be prepared, consulted and disclosed. The World Bank will review and clear any resettlement plan/s prepared.

1. **Estimated Population Displacement**

The project will be located in the capital city Ulaanbaatar and its component 1.1 targets Ulaanbaatar’s sparse and disconnected street network, aiming to increase the efficiency of the existing road space to benefit all users and to reduce congestion, and to improve climate resilience and road safety of these corridors. This resettlement policy framework has been developed for the component 1.1 and component 4 where applicable.

The MUB will utilize evidence-based transport infrastructure asset management practices and tools to select the priority road sections and intersections, together with adjacent streets feeding into the corridor and impacting it, and design interventions, building on the methodology and recommendations of previous and further TA analytical works included in Component 3.1. Specifically, infrastructure improvement in Component 1.1 as well as the ITS in Component 1.2 will utilize road safety inspection results (previous TA), conflict analysis and crash data analysis in Component 3.1 (c), and focuses on intersections, curb and sidewalk, NMT lane, traffic signs and marking, traffic signals, and access to PT stations to improve safety especially for vulnerable groups such as pedestrians, women, children, and elderly. While the TAMP in Component 3.1 addresses important management and maintenance issues of relevant transport assets, corridor-specific infrastructure design in Component 1.1 will also incorporate improvement to drainage and pavement to reduce risk of being flooded or disrupted by icing.

1. **Eligibility Criteria**

The foreseeable categories of displaced persons relative to the project include:

* Owners or users of structures/fixed assets in the right of way.
* Owners or Entities near the corridors who experience temporary construction impacts or damages.

Eligibility criteria apply to both affected persons and affected assets. Displaced persons may be classified in one of the following three groups: (a) those who have formal legal rights to land (including customary and traditional rights recognized under the laws of the country) ; (b) those who do not have formal legal rights to land at the time the census begins but have a claim to such land or assets provided that such claims are recognized under the laws of the country or become recognized through a process identified in the resettlement plan; and (c) those who have no recognizable legal right or claim to the land they are occupying.

Note: (1) The loss may be temporary or permanent; (2) the term resettlement assistance may include relocation expenses, or meeting costs of starting up new livelihood activities like preparing land in the new resettlement sites, etc.

Resettlement planning will ensure that affected persons have sufficient opportunity to replace assets they will lose, and to improve or at least restore their incomes and living standards. Furthermore, planning will ensure that there will be no discrimination against any affected person due to sex, social status, language or other criteria. To achieve these objectives, the PMO will ensure that all affected persons are identified, and that all affected persons are deemed eligible for appropriate mitigation measures in the RP.

Loss of non-land assets, whether temporary or permanent, will be recognized for project-induced impacts on:

* An individual’s business or income
* Any other assets or elements of livelihoods recognized in Mongolian law and in ESS5 that may be discovered during disclosure and consultation.

Persons demonstrating that they will suffer involuntary losses from any of these causes as at the cut-off date for entitlements will be regarded as eligible for resettlement. Losses from encroachments or activities commenced after the cut-off date for the respective projects will not be eligible.

1. **Valuation Methodology**

“Replacement cost” is defined as a method of valuation yielding compensation sufficient to replace assets, plus necessary transaction costs associated with asset replacement. Where functioning markets exist, replacement cost is the market value as established through independent and competent real estate valuation, plus transaction costs. Where functioning markets do not exist, replacement cost may be determined through alternative means, such as calculation of output value for land or productive assets, or the undepreciated value of replacement material and labour for construction of structures or other fixed assets, plus transaction costs. In all instances where physical displacement results in loss of shelter, replacement cost must at least be sufficient to enable purchase or construction of housing that meets acceptable minimum community standards of quality and safety.

Assets and values affected will be fully identified during public consultations, for incorporation in any RP/s. The principles of replacing like for like, replacement cost for lost assets and income, and full restoration of livelihoods will be used in the RPs.

All affected assets will be compensated at replacement cost based on market value for comparable assets estimated by a valuation team. The valuation team will include such persons as: a resettlement specialist; property valuation specialists of the Property Relations Agency and Land Relations, Construction and Urban Development Department (LRCUDD); and a representative of affected entities and agreed with affected persons. The formulation of the valuation team will also be discussed with the World Bank task team. The PMO will be responsible for follow-up and facilitation of the processes for estimation of the replacement values for non-land assets and losses. In the case of disagreements over the compensation rates during the negotiation process with APs, the PMO will be able to engage an independent private valuation specialist and re-assess the compensation rates offered to the APs and disclose the results to the APs.

**Shops, structures, land and buildings.** They will be compensated at replacement value based on prevailing market rates for comparable types of structures free of depreciation, transaction costs and value of salvage materials, which can be used by the affected households for free. The rates established in the RP prepared for the project prior to appraisal may be used if less than 12 months has passed.

**Permanent income loss**. Lost income allowance for 2 months of minimum wage for employees.

**Temporary income loss.** Cash compensation equal to net income losses during interruption period to be included in contractual agreement, estimated based on tax receipts/other valid documents or, if these are not available, based on the average net income of typical road businesses in project areas.

1. **Implementation Process**

To ensure fairness, a time-bound implementation schedule of all activities relating to land acquisition and payment of compensation will be included in any RPs prepared. Payment of compensation should be completed well prior to civil works to give the affected person time to adjust and relocate. If there is a delay of one year or more between asset valuation and payment of compensation, compensation rates will be reviewed and adjusted if necessary, for inflation or other cost factors. If the transaction is agreed but there is a justifiable delay in settlement, for example because it is difficult to locate an owner, the compensation amount may be held in a Government escrow account for disbursement as soon as practicable. Any interest accrued on the sum will be paid to or apportioned amongst the legitimate claimants. This permits project work to proceed without disadvantage to the owner(s).

1. **Involuntary Resettlement Consultation & Disclosure Arrangements**

Consultation and participation on all aspects of the project is presented in the Project Stakeholder Engagement Plan (SEP), this section discusses consultation/disclosure as it relates specifically to displacement impacts. During the resettlement planning stage key consultation actions include meetings with key institutional and commercial informants; development and dissemination of the PIB; identification and census survey of APs; and disclosure of the draft RP with information about how to participate and seek redress. Any affected persons will be consulted directly regarding displacement impacts and other arrangements.

The main output of the planning stage is the agreed RP which will summarize the activities undertaken and the results of consultation, along with any future planned consultation activities to be undertaken. Other outputs include signed registers of attendance at any public consultations, and summaries of discussions and decisions at all consultations.

The PMO, will disclose any RP prepared in draft and final stages to the affected persons and the general public in the project area both on its website, and in hard copy in a language and location accessible to them. In this and any future projects undertaken in collaboration with the Bank, disclosure of the draft RP will be undertaken at least one month prior to Bank review. Disclosure of the final RP will occur following Bank acceptance.

Consultation and disclosure of this RPF, was undertaken together with the ESMF, please refer to the ESMF for details.

1. **Grievance Procedures relating to Land Acquisition**

The project Grievance Redress Mechanism (GRM) is described in the SEP, this adapts the existing government procedure (hotline, in-person, written) and directs project related complaints to the PMO. This GRM is similarly applicable for any Resettlement Plans developed (see below). The relevant activities and subprojects will be designed to avoid and minimize any displacement so that major grievances are not anticipated and use of a local grievance mechanism already established for the project is favourable given any impacts are anticipated to be minor. The process is as follows (as per the SEP, please refer to the SEP for more details on recording of complaints):

Level 1:

Two phone numbers, the PMO and the 24/7 call centres will be advertised for project related complaints (through construction notice board, GRM brochure, letters to residents/affected). Complainant’s can also give complaints in writing and in person as per identified existing mechanism. Complaints from the call centre will be issued directly to the PMO. If received out of working hours, the complaint will be issued to the PMO the next day. The PMO will then work with internal departments and /or the construction contractor to resolve the issue quickly, but in no less than 7 days will either resolve the issue or inform the complainant that their complaint has been forwarded to the 2nd level of the GRM.

Level 2

If the PMO cannot resolve the issue within 7 days, then it will be forwarded to the responsible official of MUB, who will review the complainant, such that it can be resolved within 15 days. If compensation values are in dispute, an option of hiring independent appraisal experts shall be considered as part of the grievance redress mechanism If mediation is unsuccessful, or if the matter is substantive, at any time affected parties can file written or verbal grievances through the Mongolian Court system, in accordance with Mongolian laws and procedures.

1. **Funding & Institutional Arrangements**

A PMO is to be established under the Municipality of Ulaanbaatar city and coordinates closely with its Implementation Agencies. The project borrower will bear responsibility for meeting the costs associated with displacement. Any RP/s prepared in accordance with this RPF require a budget with estimated costs for all aspects of RP implementation. While the process of making an inventory of affected land and assets should identify all affected persons, if there has been a mistake or an omission, persons who had a rightful claim at the time of commencement of the census survey but who are identified after resettlement planning are entitled to compensation even if insufficient mitigation funds have initially been allocated. To meet this and any other unanticipated costs that may arise, the RP budget will include a contingency provision of 10 percent of estimated total costs. Compensation rates included in the RP will provide the basis for calculating compensation amounts due. Compensation will be paid in full to the affected person or persons losing land or other assets or income prior to any civil works taking place. The Project PMO will include a safeguards specialist responsible for preparation and implementation of any resettlement plans prepared.

Resettlement Plan budget items will include the following:

Administration costs:

* Office administration, use of equipment and supplies.
* Travel.
* Advertising and publications.

Resettlement costs:

* Cost of AP consultation meetings (Travel/ Mediation).
* Compensation costs for affected structures and assets
* Compensation for affected livelihoods
* Relocation and reestablishment assistance.
* Transaction costs (notary fees, cadastral map survey, service fees including property registration).
* Contingency for vulnerability and unforeseen costs at an additional ten per cent of the sum of above.
* Costs of scrutineer for entitlements disbursements.

No deductions from compensation will occur for any reason. The RP will put in place transparent procedures for the flow of compensation funds, from Municipality of Ulaanbaatar city to the affected persons, and for witnessing and recording of the transactions. Joint signatures of both husband and wife from each household are encouraged.

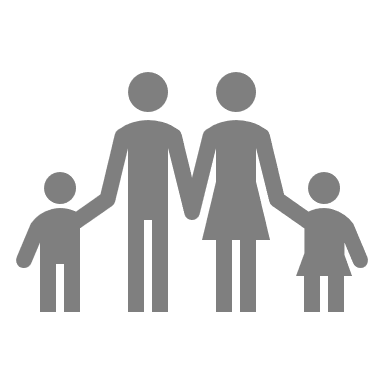
1. **Monitoring Involuntary Resettlement**

This section relates to monitoring requirements to be included with RP/s. Monitoring is the responsibility of the borrower. Monitoring of conformance with the RP/s during implementation will be carried out by the PMO and progress reported in semi-annual project reports to the World Bank. Each RP will include indicators for monitoring.

The PMO, will prepare periodic progress reports on the RP against any indicators specified in the borrower agreement with the World Bank, including for the period under review:

* Any issues that have arisen necessitating change to the RP to meet policy objectives.
* Publicity about the resettlement process, including PIBs and any media coverage.
* Schedule of consultations with APs.
* Signed roster of attendance at RP consultative meetings, photographs and any other evidence of participation.
* Summary minutes of RP discussions and decisions.
* Record of grievances notified under the RP, process and outcomes.
* Copies of official records of any project-related changes to land use or transfer of land titles.
* Update of the Entitlements Matrix and payments against entitlements under the RP.
* Financial summary of disbursements against entitlements.

**Tool 1: Content of Census Surveys and Asset Inventories**

**ULAANBAATAR SUSTAINABLE URBAN TRANSPORT PROJECT**

**HOUSEHOLD CENSUS QUESTIONAIRE**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Date: |  |  |  |  |  |  | Questionnaire No: |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

**1. IDENTIFICATION OF AFFECTED HOUSEHOLD***.*

*Complete one questionnaire per structure/asset owner (i.e. one questionnaire for each business owner)*

1.1 Name of the Owner (official name as per bank account):

1.2 Other name/Nickname:

1.3 Khoroo:

1.4 Location (nearest street/landmark):

1.5 Matches with Inventory of Losses Form #

**PROJECT KNOWLEDGE**

2. Are you aware of the Ulaanbaatar Sustainable Urban transport project is starting next year? □ Yes □ No

*If respondent is not aware about the implementation of the project, brief him about the project implementation.*

**HOUSEHOLD TYPE OF LOSS**

3. What type of loss will the family experience:

□ Business Structure,

□ Asset (fence, other);

□ Building (i.e. security shed, empty building)

□ Income (i.e. shop employee)

□ Land (describe)

□ Other (describe)

**DEMOGRAPHIC INFORMATION**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Family Status | | | | | |
|  | Legal Title | Tenant | Squatter (illegal) in 10-meter safety zone | Encroacher (structure is in both private land & within 10m Right of way | Other |
| 3.1 |  |  |  |  |  |

3.2 If tenant, squatter or leasee, please provide full name of owner and address of owner:

3.3 Total Number of Family Members (living under one roof):…………………………

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| . | Name of Family Members | Sex | Age | Education  (6 years above) | Economic Activity | Relationship with HH head | Marital Status |
| 3.4 |  |  |  |  |  |  |  |
| 3.5 |  |  |  |  |  |  |  |
| 3.6 |  |  |  |  |  |  |  |
| 3.7 |  |  |  |  |  |  |  |
| 3.8 |  |  |  |  |  |  |  |
| 3.9 |  |  |  |  |  |  |  |
| 3.10 |  |  |  |  |  |  |  |
| Codes: Sex: 1= Male, 2= Female  Education: 1= Literate but primary education not completed  2= Primary Education (Grade 1-8) completed  3= Secondary Education (Grade 8-10) completed  4= Higher Secondary Education (Certificate Level or similar)  5= Graduate level and above  6= Illiterate Marital Status: 1=Married 2=Unmarried  Economic Status: 1=Government job, 2=Private work, 3=Business, 4=Animal Husbandry, 5=Student, 6=No Work, 7=If any other, please mention. | | | | | | | |

**FAMILY INCOME**

4. Will the project affect your source of income?   
Yes: ……………………………….………………………………………………………………………...(because) No:……………………………………………………………………………………………………………(because)

Household Income Sources

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 4.1 | Main Income Source |  | 1 Employee (i.e. shop employee)  2 Government Job  3 Business/ Shop Owner  4 Rent  5 Labor job | 6 Office job  7 Agricultural  8 Pension/Remittance  9 Other (describe) |
| 4.2 | Extra Income Source |  |

Total monthly income of the household

|  |  |  |
| --- | --- | --- |
|  | Income Source | Household per month MNT |
| 4.3 | Main |  |
| 4.5 | Extra |  |
| 4.6 | Total All Sources |  |

|  |  |  |
| --- | --- | --- |
| Average Income in One Month | | |
|  | Member of Family | Household per month MNT |
| 4.7 | Husband |  |
| 4.8 | Wife |  |
| 4.9 | Another member |  |
| 4.10 | Total (all family) |  |

**FAMILY EXPENDITURE**

|  |  |  |  |
| --- | --- | --- | --- |
| Family Expenditure | | | |
|  | Expenses Type | Annual Expense MNT | Monthly MNT |
| 5.1 | Food |  |  |
| 5.2 | Clothes |  |  |
| 5.3 | School Fee, Books, Stationery, etc. |  |  |
| 5.4 | Medicine/doctor/health checkup |  |  |
| 5.6 | Transportation, Telecommunication, etc. |  |  |
| 5.7 | Celebrations |  |  |
| 5.8 | Other |  |  |
| 5.9 | Total Expenses |  |  |

Note: If expenditure seems significantly high than incomes then explain the reason.

**ASSISTANCE PREFERENCE**

|  |  |  |  |
| --- | --- | --- | --- |
| 6.1 | Do you have another location to move your structure? |  | 1 Have location  2 don’t have location  3 need support to find a location |
| 6.2 | Do you need assistance to move your structure/asset to another location? |  | 1 need assistance to move  2 don’t need assistance to move |
| 6.3 | How do you prefer to be assisted by the project before the construction |  | No support needed  Need support (describe) |

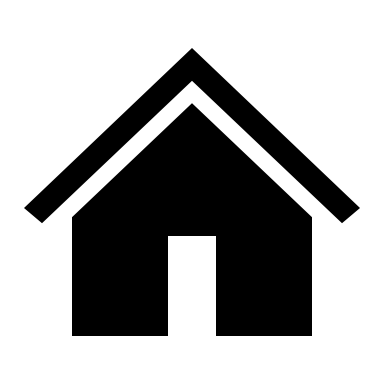
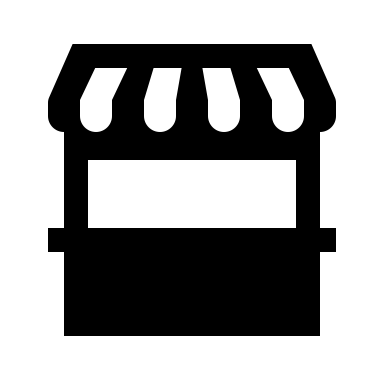
6.4 Do you have other concerns about the project? (list)

6.5 Notes:

Name of Interviewer:

Signature of Interviewer

Signature/Mark of Interviewee

**ULAANBAATAR SUSTAINABLE URBAN TRANSPORT PROJECT**

**INVENTORY OF LOSSES FORM**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Date: |  |  |  |  |  |  | Form No: |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

**1. IDENTIFICATION/OWNER DETAILS**

*\*if Owner can’t be identified, record all other details in the form. If Government Infrastructure, go to Q6.*

*Complete one form per structure/asset owner (i.e one form for each business)*

1.1 Name of the Owner/Company (official name as per bank account):

1.2 Other name/Nickname:

1.3 Khoroo:

1.4 Location (nearest street/landmark):

**STRUCTURES**

2. Is structure in the right of way and will be affected by the construction works? □Yes □ No

List of Structures in the Right of Way, which will be affected by project construction

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| No | Type of Structure | Material type | Area m2 | No of stories | Construction year | % of structure affected | Remarks |
| 2.1 |  |  |  |  |  |  |  |
| 2.2 |  |  |  |  |  |  |  |
| 2.3 |  |  |  |  |  |  |  |
| 2.4 |  |  |  |  |  |  |  |
| 2.5 |  |  |  |  |  |  |  |
| Type of structures: business kiosk/shop, residential home, warehouse, community structure; other (describe. | | | | | | | |

**ASSETS**

3. Is there assets in the Right of Way, which will be affected by project construction □ Yes □ No

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| No | Type of Asset | M2 | m | No. | Material Used | Age | Remarks |
| 3.1 |  |  |  |  |  |  |  |
| 3.2 |  |  |  |  |  |  |  |
| 3.3 |  |  |  |  |  |  |  |
| 3.4 |  |  |  |  |  |  |  |
| 3.5 |  |  |  |  |  |  |  |
| 3.6 |  |  |  |  |  |  |  |
| Type of Assets include: boundary fence, playground equipment, roof, water well, water tank, others (describe) | | | | | | | |

**BUSINESS STRUCTURES**

4. Do you own the shop or business structure? □ Yes □ No

4.1 □ Self Owned, □ Joint, □ Rented □Company Owned

4.2 Do you have proof of ownership? □ Yes □ No (possession only)

4.3 Type of ownership documentation:

4.4 How many years are running business in the location?

4.5 Estimated value of present stocks MNT:

4.6 Estimated value of business/shop structure MNT:

**5. BUSINESS INFORMATION**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Business Tax Status | | | | Number of People Working | |  |  |  |
|  | Type of Business | Registered | | Not registered but pay taxes | | Regularly | Seasonal | Average profit per month | Average profit per day | Remarks |
| 5.1 |  |  |  |  |  |  |  |  |  |  |
| 5.2 |  |  |  |  |  |  |  |  |  |  |
| 5.3 |  |  |  |  |  |  |  |  |  |  |
| 5.4 |  |  |  |  |  |  |  |  |  |  |

5.5 If your shop affected by the Project construction works. Do you have any other source of income?

5.6 What is the other source of income?

5.7 How much of your family income do you receive from other sources (percentage)?

**6. OTHER INFRASTRUCTURE**

Other infrastructure in Safety Right of Way Affected By project construction, belonging to anyone other than UBHC

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Infrastructure | No/  Unit | Area/ length | Material type | Estimated Cost | Government Agency Owner |
| 6.1 |  |  |  |  |  |  |
| 6.2 |  |  |  |  |  |  |
| 6.3 |  |  |  |  |  |  |
| 6.4 |  |  |  |  |  |  |
| 6.5 |  |  |  |  |  |  |
| 6.6 |  |  |  |  |  |  |
| Infrastructure: School, electric poles, government office, government fence, other (describe) | | | | | | |

Surveyor Notes:

Signature of Asset/Structure Owner:

Name of Surveyor:

Signature of Surveyor

**PHOTOS ATTACHED**

(including owner in front of asset/structure)

□ Yes □ No

**Tool 2: Entitlement Matrix**

To bridge the gap between Mongolian Law and World Bank policy, this RPF provides entitlement provisions, which integrates both, while World Bank policy requirements prevail in cases of discrepancies. Any RPs prepared for this Project, will update the Entitlement Matrix provided below, to be specific to subcomponent impacts.

**RPF Entitlement Matrix**

| **Type of Loss** | **Entitled Person** | **Entitlement** |
| --- | --- | --- |
| Shop structures in Right of Way (permanent loss of structure) | Structure Owner | * Replacement cost for structures * Transition and relocation allowance * Assistance to find an alternative shop location as applicable |
| Structures in the Right (permanent loss of structure) | Structure Owner | * Compensation for structure at Replacement cost * Right to salvage materials * Transport allowance |
| Alternation to structure | Owner, possessor, legalizable occupant of land | Cash compensation for lost part of structure and reconstruction of remaining structure at market rate without deduction of depreciation, based on contractual agreement. |
| Land (permanent loss of land) | Land user/owner | * Replacement cost for land * Transition and relocation allowance including moving costs coverage and possibly income support provided for the expected period of transition (3-6 months normally). * Assistance to find an alternative land as applicable |
| Businesses | All affected entities temporarily affected | Cash compensation equivalent to the loss, i.e. for the period of interruption of business based on tax receipts/other valid documents or, if these are not available, based on the average net income of typical local businesses in project areas. |
| All affected entities permanently affected. | Cash compensation equivalent to the loss, i.e. for the period of interruption of business based on tax receipts/other valid documents or, if these are not available, based on the average net income of typical local businesses in project areas. |
| Lessee permanently affected | * Cash refund at rental fee rate and proportionate to duration of remaining lease period * Renter transitional allowance such as 3 months income assistance |
| Employees | All laid-off employees of affected shops | Lost income allowance for 2 months of minimum wage |
| All temporarily laid-off employees of affected businesses | Compensated with cash indemnity for 2 months wages for workers/employees that have been engaged for at least 1 year; otherwise entitlement is 1-month wage. |
| Vulnerable Household | Vulnerable households as identified in census, such as non-titled, women-headed, disabled headed, below the poverty line. | * Vulnerable household allowance, equivalent to three times the monthly minimum wage. * Advisory services and support to help them relocate or re-establish their livelihood. |
| Temporary Disturbance | Owner, possessor, unlicensed occupant of land | * Temporary disturbances, including moving back of fences and civil works on land near corridors, will be compensated in cash based on negotiated agreement with affected entities. * Affected entities will enjoy continued access to land and residences. * Civil works contractors will move fences and will restore land and fences upon completion of works. |

**Tool 3: Project information Bulletin Contents**

A Project Information Bulletin (PIB) will be issued for component 1.1 where resettlement will be undertaken to give initial project information in English and Mongolian. It will be simple, jargon-free language aimed at the general public. It will be updated at least (i) to disclose the draft RP, (ii) to publicize the finalized RP, and (iii) to convey the results of end-of-project monitoring.

Media bulletins will be released at other intervals as required to inform the public about progress of works, any restrictions to normal access and operation of roads and airport facilities during implementation.

Content of the PIB in the resettlement planning phase will include:

* A whole-of-project description, and of the components to be covered in the RP.
* The project rationale and expected benefits.
* A description of anticipated environmental, social and economic impacts, positive and negative.
* Reassurance that negative impacts will be compensated for.
* Eligibility criteria – persons and impacts that will be recognized in resettlement.
* Cut-off date for entitlements.
* A description of the type of impacts that would be recognized.
* A description of the proposed consultation process.
* Information about how to register as a potentially Affected Person.
* Information about the planned focus group meetings.
* An indication of the proposed process thereafter.
* Description of the proposed grievance system.
* Maps and other visuals when appropriate.

Content of subsequent bulletins will be influenced by initial consultations and the final form of the RP, grievance and monitoring processes.

**Tool 4 Resettlement Plan Contents**

* Description of the project.
* Resettlement Objectives.
* Census survey and baseline socioeconomic studies.
* Legal framework.
* Institutional framework. Eligibility.
* Valuation of and compensation for losses.
* Implementation schedule.
* Costs and budget.
* Grievance redress mechanism.
* Monitoring and evaluation.

# ANNEX 2: Labor Management Procedures

These Labor Management Procedures provide an overview of the applicable Mongolian legislative and WB Environmental and Social Standard 2 (ESS2) provisions and how the risks and issues related to labor in the Ulaanbaatar Sustainable urban Transport Project (P174007) components will be managed during the implementation of the project.

**Overview of labor use on the Project**

The Project will be implemented in 2 phases, and the first phase activities have been selected and defined based on the availability of existing analytical works, and the readiness of implementation by government counterparts. Findings and recommendations from activities implemented during the first phase of the project will lead to the detailed description of the activities to be implemented during the second phase of the project. The USUT Project includes four components:

Component 1: Integrated Corridors

Component 2: Sustainable Public Transport System

Component 3: Effective institutions for transport planning and management

Component 4: Contingency Emergency Response Component (CERC

The project activities involve three types of employment, these include: (i) *direct workers*- the borrower staff, such as Project Management Office (PMO) staff who will be directly engaged, (ii) *contracted workers* through third parties, such as construction workers engaged by the construction company/s for the corridor, as well as range of technical specialists; and (iii) *foreign technical staff* involved in technical assistance and construction management. There will not be any community workers engaged for the project, nor are any migrant workers anticipated to be engaged, given the locally available labor force for corridor work. The sections below provide detailed description of the type and number to be engaged throughout the project life. There would also be a small number of security workers.

Component 1.1. relies on a combination of *direct workers*, local and possibly foreign high skilled staff as *contracted workers.* It will include: 1) laborers and technicians to support the site preparation, engaged through a construction company, an estimated 50-100 workers are anticipated to be required. As well as national technical specialists (*Direct Workers*) of the PMO (approximately 10 workers), international technical specialists and environmental related specialists through consulting firm/s (*contracted workers*); approximately 5-10 workers. The exact number of *direct workers, contracted workers and primary supply workers* over the life of the project for these specific subprojects is not yet known, but a rough estimate is 50 – 150 workers at one time, including PMO staff, technical consultants, etc during the construction phase, and falling significantly after commissioning

Component 3 aims to help the MUB develop a sustainable and agile institutional framework guided by a cohesive vision and comprehensive strategy for urban transport development. The activities of this component will introduce strategies and approaches for UB to reform its infrastructure planning, management, and service provision. This component will largely rely on international and national technical specialists (individual consultants) based in the region (*Contracted Workers*). The exact number of *Contracted workers* over the life of the project for this specific component is not yet known and is likely to fluctuate but may be 5 - 10 workers/technical experts at any one time.

**Number and characteristics of project workers.**

1. **Direct workers:**

Direct Workers – refers to people employed or engaged directly by the Borrower (including the project proponent and the project Implementation Agencies) to work specifically in relation to the project.

For this project, the borrower will hire staff for the Project Management Office (PMO). Direct workers of the PMO will consist of both male and female workers assigned from Mayor’s office of Ulaanbaatar for the Project on a full-time basis. These workers are managed and have labor relationships with the respective government departments. The PMO director will be appointed by the Governor’s Decree. The PMO will be staffed with coordinator, specialists and consultants hired for the sole purpose of coordinating the proposed USUT project. All these workers will be aged 18 and above. The TA may require the hiring of consultants, field validators, monitors, trainers and others. Depending on the situation, these may be considered “project workers”.

1. **Contracted workers:**

Contracted Workers – refers to people employed or engaged through third parties to perform work related to core functions of the project, regardless of location. Third parties may include contractors, subcontractors, brokers, agents, or intermediaries. ‘Core functions’ of a project constitute those production and/or service processes essential for a specific project activity without which the project cannot continue. For this project, contracted workers have been identified as follows:

Approximately 50-100 construction workers are anticipated to be required for relevant components. Contractors will be chosen on bidding basis. An international competitive bid for construction work is anticipated given local private sector capacity and experience. As such, there would be a small number of international technical specialists and staff involved in components one and three, only during the pre-construction and early construction period. The needs for management of construction workers are satisfied through review of the labor management system bid participants in the bidding process. Construction team should have one Chief Engineer who has 2 years of work experience as a Chief Engineer and be professional in the field, hence must have special license, Occupational Safety Health specialist, who also must have OSH certificate and work experience as OSH staff at least for 2 years. They also must submit Social Insurance copy of past 6 months, to prove their employment stability and expertise.

The PMO will be engaged male and female workers from environmental consulting agencies that are approved by and hold special licenses under the Ministry of Environment and Tourism (MET) to prepare feasibility study of Environmental Impact Assessment (EIA). This may largely rely on international and national technical specialists (individual consultants) based in the region. These would include, environmental and social, financial, procurement specialists to provide technical assistance, exact numbers are not known but are anticipated to be 5 - 10 workers/technical experts at any one time. The exact number of Contracted workers over the life of the project for this specific component is not yet known and is likely to fluctuate but may be 5 - 10 workers/technical experts at any one time.

1. **Primary Supply Workers**

Primary Supply Workers – refers to people employed or engaged by the borrower’s primary suppliers. ‘Primary suppliers’ are those suppliers who, on an ongoing basis, provide directly to the project goods or materials essential for the core functions of the project. The exact number of primary supply workers is not yet known and is likely to fluctuate but may be 10-20 workers/technical experts.

**Vulnerable workers.** It’s unclear which if any vulnerable workers will be engaged for the project, but protection of such classification of workers will be based on Mongolian Law and the guidelines set- out in ESS2 of the ESF. No children will be employed by the project as it is essential to note that minimum age is 16 under the Law on Labor (1999, see Article 109), however a range of requirements exist, such as medical examinations and prohibition on lifting of heavy loads until the minor reaches the age of 18. The Law on Labor also includes a variety of protections for persons with disabilities. Mongolia’s statistics show that women’s labor force participation has been declining since 2006 to fall from 64.8% to 53.4% in 2018. This indicates that the economic crisis has had a greater impact on women’s employment particularly, women’s workforce participation has been affected in the urban areas, namely in the capital city (44.8%) as compared with that of rural women (60.5%) in 2018 (ADB 2018). Mongolia has Law on Promotion of Gender Equality (2011) and has recently undertaken efforts to more strongly enforce this law which covers non-discrimination, gender mainstreaming, equal rights and mandating the government for promotion of gender equity. For this project a worker code of conduct (CoC) will be signed by each worker, and induction will include gender sensitivity, gender-based violence (GBV) and Sexual Exploitation and Abuse (SEA) elements.

**Security workers.** The borrower (and or construction contractor) is anticipated to use a small number of security workers (police or contracted security) to protect project construction sites, during the construction period only. The bidding documents will include the employees’ code of conducts to be followed by all workers including any such security workers.

**Assessment of potential labor risks**

**Project Activities**

Direct workers

The staff of the PMO will be responsible for project management and coordination, the procurement and contract management of goods, works, and services; undertaking of financial management including disbursement processing and project audit; public relations; implementation of environmental and social safeguards measures in compliance with the World Bank’s requirements; preparation of periodical reports; monitoring and evaluation (M&E) and their submission to the World Bank; and implementation of grievance redress mechanism. Potential labor risks for direct workers are considered low, although some risks exist, such as: (i) lack of adherence to official work hours; (ii) potential for discrimination in recruitment and employment, and potential for lack of equal pay for equal work for men and women in violation of national law.

Contracted workers

Workers associated with the technical assistance aspects of the project, shall carry out research and evaluation of the technical proposal as well as environmental and social impacts and risks of the Project. The technical assistance aims to provide technical guidance on the implementation of the Project while the monitoring workers will provide monitoring and management services for the Project.

The construction workers shall be carrying out the construction works of the Project on the construction sites. The specialized construction teams of the Project shall consist of chief engineers, electric engineers, OSH specialists, technicians and construction workers, respectively in an approximate number of between 50-100 people. To develop and execute centralized workplace management and codes of conduct that will be disclosed at places with easy accessibility to outlining appropriate behaviors, such as prohibiting drugs and alcohol, and highlighting the importance of strictly complying with the relevant laws and regulations.

If the construction units do not strictly implement the relevant laws and regulations and do not sign labor contracts, it will become unlikely to guarantee the rights and interests of the construction workers and timely payment of workers’ wages. During the operation period, mechanical injury and accidents may occur in the confined in the working area during construction work and maintenance of equipment during the operation period.

As such, risks for contracted workers may include the following:

* Lack of formal work contract
* Lack of adherence to official work hours
* Violation of national labor law regarding employment of Child laborers and forced laborers
* Lack of equal pay for equal work for men and women
* Violation of national Law on Discrimination in recruitment and employment
* Lack of accessible Labor GRM
* Lack of awareness about Labor GRM
* Non-functionality of Labor GRM
* Serious accidents and or injuries due to lack of adequate OHS measures.
* Lack of GBV prevention and awareness
* COVID 19 related issues
* No certified OHS specialist permanently on site.

**Overview of labor legislations**

Mongolian Law on Labor (1999), Law of Mongolia on Promotion of Gender Equality (2011), Law on Labor Safety and Hygiene of Mongolia amended 2015; that have been enacted in order to protect the legitimate rights and interests of workers of Mongolia.

**Wage and welfare**

1. Wage distribution should follow the principles of performance-based distribution and equal pay for equal work. The wage level shall increase gradually along with economic growth. The national government shall exercise macroeconomic regulation and control on the total wage.
2. The minimum wage in Mongolia is MNT 320,000 ($118) per month for 2019 and for 2020 its planned to be increased to MNT 420,000 ($155) per month. The wage paid by the employers to the workers shall not be lower than the local minimum wage.
3. Wages should be paid to the workers in person on a monthly basis in monetary terms and shall not be deducted or unreasonably owed.
4. The employers shall pay wages according to law to the workers during statutory holidays, during marriage and funeral leaves and during legal activities.

**Working time and resting and holidays**

1. In accordance with Article 5 of Mongolian Labor Law, a working hour system shall be practiced allowing no more than 8 working hours per day and no more than 40 working hours per week and the length of the uninterrupted rest period between two consecutive working days shall not be less than 12 hours.
2. The employers shall reasonably determine their labor quota and piece payment standard according to the working hour system prescribed by the national government.
3. The employers shall make arrangements for the employees to take vacation according to law during the Naadam Festival (11th,12th, 13th of July), Children’s Day (1st of June) and other holidays prescribed by laws and regulations;
4. Where an employee is not able to rest on Saturday and Sunday due to the specific nature of the work and production, he/she shall be granted two consecutive rest days on other days of the week that is in accordance with Mongolian Labor Law (Chapter 5. Section 77).

**Equal rights**

1. Workers shall be employed without discrimination based on ethnicity, race, gender, or religious beliefs;
2. Collective bargains and agreements shall incorporate provisions on the creation of conditions and opportunities for a man and a woman to combine their professional and family responsibilities, to bear and care for a child, to take care of his/her health, to enjoy labor safety, equal pay and bonus for equal work and to enjoy equal working conditions.
3. Gender discrimination in employment and labor relations shall be prohibited. Unless otherwise provided by an international treaty ratified by Mongolia and other relevant laws, it is also prohibited to treat preferentially, to restrict or to dismiss an employee based on his/her sex, pregnancy, child care-taking roles, or family status.
4. Any forms of forced labour are strictly prohibited.
5. An employer shall have the following responsibilities to prevent gender discrimination in employment policies and labor relations and to ensure gender equality at a workplace:
   1. Implement on the basis of a plan and/or a program activity aimed at promoting gender equality and report to employees on their implementation and results;
   2. Refrain from explicitly specifying or implying a preference for any one sex in a job vacancy notice/advertisement, except in conditions under the Law of Mongolia on enforcement of the law on promotion of gender equality (Article 6.5 and Article 7 of this law);
   3. Recruiting a person of the under-represented sex in order to ensure gender balance in a given organization or its unit;
   4. Carry out monitoring and evaluation of legal provisions on equal pay for equal work and equal working conditions and take actions to eliminate identified breaches;
   5. Undertake the promotion, professional training and re-training, skills development and pay increases for male and female employees based on the human recourse roster;
   6. Promptly inform all employees of job vacancies and professional training and re-training opportunities;
   7. Ensure that in a case of a once a time lay-off of more than one third of the workforce as a result of a structural change, the gender ratio of the dismissed group be directly proportional to that in the entire workforce irrespective of the length of service;
6. An employer is prohibited from dismissing a pregnant woman, mother who has a child under three years of age, except for cases of dissolution of the organization and cases provided for in Subsections 40.1.4 and 40.1.5 of Mongolian Labor law.
7. In order to prevent and keep the workplace free of sexual harassment and to maintain zero tolerance of such harassment, an employer shall take the following measures:
   1. Incorporate in organization’s internal procedures specific norms for prevention of sexual harassment in a workplace and the redress of such complaints;
   2. Design and conduct a program on training and retraining geared toward creating a working environment free from sexual harassment, and report on its impact in a transparent manner.
8. When hiring a citizen, in the course of the labour relationship, due to the peculiarities and requirements of the work or duty, an employer has limited an employee's rights and freedom, and then he/she shall be obligated to prove the basis for doing so.
9. When hiring a citizen, if it is not related to a peculiarity of the work or duty to be performed, asking questions related to private life, personal opinion, marital status, political party membership, religious beliefs, or pregnancy shall be prohibited.

**Labor contract**

1. The following basic conditions shall be agreed on in the labor contract:
   1. name or title of the position or employment;
   2. term of the labor contract;
   3. amount of basic salary or salary of the position;
   4. working conditions.
2. The parties may agree to other contents in addition to the necessary clauses stipulated in the preceding paragraph.
3. A labor contract shall come into force on the date it is signed.
4. A labour contract shall be of fixed term or open-ended.
5. Term of a labour contract shall be determined by the parties based on the features of the work and duties to be performed
6. If the term of a labour contract is expired, and the parties do not propose to terminate it and an employee continues to perform his work, such a labour contract shall be considered as to have been extended for the initial term specified in the labour contract.
7. An employer shall establish a labour contract with an employee in written form and submit one copy of such a labour contract to the employee.   
   It is prohibited to conclude any contract other than a contract of employment in a permanent workplace.
8. If an employer employs several employees in one work place, an employer shall enter into a labour contract with each employee.
9. If a labour contract has not been established in written form, an employer shall not require an employee to perform work or duties.
10. In case of unforeseen circumstances that result in the necessity of reducing disaster risk and the consequences of unforeseen circumstances, the employer may transfer the employee to another work that has not been provided in the employment contract for a period of up to 45 days.
11. An employee shall retain his job or position in the following occasions when an employee is not fulfilling his working duties:
    1. if an employee is performing the appointed duties of a state organisation, for not more than 3 months;
    2. if an employee is on a regular holiday;
    3. if an employee is going through medical examinations, or executing duties of a donor, or is on leave with permission from the administration or with a doctor's certificate;
    4. if an employee is on pregnancy, maternity or baby care leave;
    5. if an employee is participating in discussions and negotiations in the course of entrance into collective contracts and agreements or a legally organised strike;
    6. until an army call-up committee issues a decision that an employee who received an order to join the army has been activated to the active army;
    7. Other occasions as provided in law, collective and labour agreements.
    8. Covered by protective measures under the Law on Protection of Witnesses and Victims.
12. The labour contract shall be discharged upon the following grounds:
    1. if the parties have mutually agreed to do so;
    2. if a citizen who is employer or an employee has died;
    3. if the labour contract has expired and it has been decided not to extend the contract;
    4. if an authorized organization specified in law has so demanded;
    5. if an unjustifiably dismissed employee has been reinstated to his previous job or position;
    6. If an employee has been called up in the active army;
    7. if a court decision that imposes a conviction of an employee, preventing him from performing his work duties as a result of his crime, has come into force;
    8. if the labour contract has been terminated by the initiative of an employer or an employee.
13. Dismissal and transfer of work
    1. When terminating a labour contract with an employee, the employer shall establish a time for the transfer of duties to the new employee and include that time in the decision on dismissal of the employee.
    2. An employee shall be considered dismissed on the last day when he/she transfers his/her duties.
    3. The employer shall be obligated to provide the employee dismissed with the decision on the dismissal, social insurance book and, if it is provided by law, with dismissal allowances on the date of dismissal.
    4. The employer shall be obligated to issue a letter of reference about the occupation, profession, specialisation, position and remuneration at the request of the employee.

**Occupational health and safety**

**Overview of national labor laws**

The Law on Labor Safety and Hygiene (amended 2015) determines the state policy and principles on labor safety and hygiene, and regulates relationship with respect to management and monitoring system.

1. **Requirements for machineries for lifting, delivering and transportation** 
   1. Machineries for lifting, delivering and transportation should meet technical requirements.
   2. Machineries for lifting, delivering and transportation should be certified and permitted to use by professional organization.
   3. Maintenance, repair service and adjustment to machineries for lifting, delivering and transportation should be made within the time specified in technical documentations or test, adjustment and certification for such machineries should be made within the time approved by competent organization.
2. **Requirements for pressurized container and channels** 
   1. Pressurized containers, pipes and channels should be tested, adjusted and certified in accordance with the relevant regulations and should meet technical requirements and be permitted to use;
   2. Pressurized containers, pipes and channels should have operational procedures and regulations for operation, halting for longer period and maintenance;
   3. Pressurized containers, pipes and channels should have distinguishable signs and logos, and be equipped with signaling and protective devices to prevent from accident.
3. **Requirements with respect to toxic and dangerous chemical substances, explosive devices, radioactive and biologically active substances** 
   1. An employer shall take activities to protect lives and health of employees and preventative measures from toxic and dangerous chemical substances, explosives, explosive devices, radioactive, and biologically active substances and their impacts.
   2. An employer shall take records on toxic and dangerous chemical substances, explosives, explosive devices, radioactive, and biologically active substances which are in use of industrial operation, and shall inform, in accordance with procedures approved by competent organization, the labor monitoring organization and other relevant professional organizations.
   3. A person who deals with toxic and dangerous chemical substances, explosives, explosive devices, radioactive, and biologically active substances shall have knowledge and training on impact of such substances on human health and preventative measures against them.
   4. Other requirements for use and deal of toxic and dangerous chemical substances, explosives, explosive devices, radioactive, and biologically active substances by business entities, organizations, citizens shall be regulated by relevant laws.
   5. An accident, acute poisoning related to use of toxic and dangerous chemical substances, explosives, explosive devices, radioactive, and biologically active substances shall be treated as an industrial accident and be investigated and recorded.
4. **Provision of special garments and protective equipment to employees** 
   1. An employer shall have responsibility to provide employees by special garments and protective equipment which fit their working conditions and work performance nature at free of charge.
   2. An employer shall bear expenses related to testing, purchasing, storing, cleaning, repairing and disinfecting of special garments and protective equipment.
   3. An employer shall approve and keep the list of names, types, period of use of special garments and protective equipment.
   4. An employer shall obtain conclusion from professional organizations on the quality of its special garments and protective equipment. Special garments and protective equipment manufacture in accordance with international standards and have quality warrantees are not subjected to this provision.
5. **Training on labor safety, hygiene and professional training** 
   1. Employed citizens, employees shall attend short term training on labor safety and hygiene in compliance with procedures approved by the state central administrative organization in charge of labor issues and acquire knowledge and training.
   2. Training for citizens and employees who are being shifted to another workplace;
   3. Training for citizens and employees who work at workplace which is under toxic and dangerous industrial impact or similar condition to it.
   4. An employer shall conduct training on labor safety and hygiene at least twice a year for all employees and shall take examinations from them.
6. **Rights and responsibilities of citizens and employees to be provided by favorable working conditions** 
   1. Employed citizens, employees shall have the following common rights:
      1. To work at workplace which meet the labor safety and hygiene requirements;
      2. To have medical insurance for disease caused by industrial accident and occupational nature;
      3. To receive information on workplace conditions, risks that can impose danger to health, industrial dangerous and poisonous factors;
      4. To suspend work in case of work safety regulations is violated or certain conditions which could cause danger to human life and health is emerged in the course of work performance, and inform such matters to employer;
      5. To attend discussion on labor safety and hygiene by personally or through one’s representative.
   2. Employed citizens, employees shall have the following common responsibilities:
      1. To abide labor safety and hygiene requirements, standard, regulations and technologies;
      2. To attend training on labor safety and hygiene, to take examinations if provisions of law requires and to instructed safe operations;
      3. To take prompt measures specified in safety regulations and procedures in case of certain conditions which could have negative impact on human life and health is emerged in the course of work performance.
      4. To protect one’s health, to go under medical check-up.
      5. To use special garments and protective equipment in accordance with their designated purposes.
      6. To acquire technique and methodology and professional skills in order to perform one’s duties without risks and accidents, and to acquire skills by which able to prevent accidents, injuries and acute poisoning and deliver first aid in case of danger and accident.
      7. Not to bring danger and risk oneself and others;
      8. To perform work in compliance with labor safety and hygiene requirements set up by employers in consistence with laws and legislations.

**Occupational health and safety measures**

PMO and Evaluation Committees should select and employ contractors with the ability to manage the occupational health and safety of their employees. Moreover, the PMO will take proactive measures to control risks in the workplace by identifying hazards that can cause harm, assessing the risks they pose to workers and using controls to prevent damage and harm.

1. In accordance with the Mongolian OHS legislation the engineering and technical personnel passes the knowledge testing at least once in 2 years. Hence, OSH staff of contractor must have at least 2 years of experience working as OSH specialist. Moreover, PMO should regularly organize trainings on occupational health and safety for employees and contractors. OSH briefing needs to occur every morning, where every staff has to sign that they have been briefed about OSH. If they haven’t signed the document, they are not allowed to work. According to the working group same procedure will be followed with potential contractors.

PMO should draw up and implement external emergency plans with measures to be taken in the … (accidents).

In order to support prevention of industrial accidents, staff will be provided with special work clothes such as safety helmets, steel cap shoes, safety clothing shall be provided in the plant area and construction site/s. Moreover, sanitation, changing facilities, milk, dairy products and vitamins will be provided as well. PMO should continuously build on strong safety foundations, by actively meeting with and taking feedbacks from employees, contractors and other related parties.

All electrical equipment shall be installed and protected in accordance with safety regulations of electrical equipment.

Issues on establishment of Camp and road manufacturing activities (water, sanitation, disposal…)

Warning signs shall be erected at visible place at all dangerous sections of the project area and at the densely populated area of the project.

During the operation period, relevant measures shall be taken to ensure the safety of personnel during construction. The first-aid supplies such medicine, fire-fighting equipment and clean water shall be provided throughout the project.

**Labor responsibilities and duties**

Mayor’s office of Ulaanbaatar, PMO and Implementation Agencies shall perform the following duties in order to allow them to effectively participate in and manage the Project and guarantee effective operation of the Project.

|  |  |  |
| --- | --- | --- |
| **Responsibility** | **Direct workers** | **Contracted workers** |
| Management of contractors and subcontractors | PMO (Project Coordinator) | PMO |
| Management workers | page17image44365696MUB | Contractors (site manager) |
| Occupational health and safety | Special Inspection agency of Municipality and PMO. | Contractors (including coordination with subcontractors) |
| Training | Special Inspection agency of Municipality. | page17image44184512  PMO, Contractors |
| Appeals | page17image44185664MUB  page17image44182400 | PMO |
| Monitoring | MUB | PMO |

**Contractor management**

The contractor should follow these procedures:

1) During the construction period, OSH specialist from contractor’s side shall carry out labor management procedures, such as occupational health and safety provisions. Requirement for OSH staff will be included in the tender documents and contract documents.

2) Prior to start of the operation the contractor shall assign special personnel to be responsible for reporting the project implementation process to the PMO.

3) In the event of subcontracting, the general contractor shall be responsible for the coordination of the subcontractors, and the project manager responsibility system shall be established to enable the project manager of the general contractor to be responsible for coordinating the safety, health and environmental protection work of the subcontractors; an internal control, reporting and supervision mechanism shall be established in accordance with the requirements of labor management.

4) Prior to the construction and operation processes of the Project, a code of conduct should be developed to outline the appropriate behaviors, prohibition of drugs and alcohol, and the importance of complying with relevant laws and regulations. Every employee must understand and be bound by the Code of Conduct during his or her employment. The Code of Conduct needs to be made public in locations easily accessible to the public. The Code of Conduct shall include (but is not limited to) the following measures:

* All workers and contractors shall abide by the Mongolian laws and regulations.
* illegal items, weapons and firearms and other dangerous items are prohibited at the project side.
* Quarrels or fights are prohibited.
* Gambling is prohibited.
* Drug or substance abuse and other related activities are prohibited during work hours.
* Predation of wild animals is prohibited.
* No pets are allowed.
* Do not disturb the neighborhood.
* OHS standards shall be maintained such as wearing protective helmets and uniforms.
* Respectful workplace behavior towards all inside and outside company, avoiding any defamatory, offensive or derogatory statement addressing co-workers of any rank, male or female or others with whom work-related encounters take place, including members of the community.
* Abide by company rules’ regarding work hours, leave notification, and resignation.
* Refrain from any discrimination or harassment of co-workers or surrounding communities, both of men and women.
* Abide by company’s OHS rules.

The Company’s “misconduct” definition and policy should be explained along with rules of warnings and notification.

The contractor will be responsible to provide orientation to employees and laborers on the project Workplace Code of Conduct including orientation regarding Sexually Transmitted Diseases (STD), and Workplace Sexual Harassment (WSH), Sexual Exploitation and Abuse (SEA), GBV, COVID 19 and shall receive orientation regarding GRM options.

The PMO, project contractor, shall in the course of project implementation, carry out daily supervision and inspections of and keep and submit records of project progress, labor management enforcement status, training implementation and occupational health and safety monitoring data and conclusions to the project owner and the PMO in a timely manner.

**Direct workers**

The direct workers shall be managed and have labor relationship with the respective government departments and mainly be engaged in the project coordination and supervisory management activities.

**Labor Grievance Redress**

A community grievance redress procedure exists for the project, however, a GRM for labor related complaints is also necessary under the World Bank ESS2. As such a grievance mechanism will be provided for all direct workers and contracted workers (and, where relevant, their organizations) to raise work- place concerns. Such workers will be informed of the grievance mechanism at the time of recruitment and the measures put in place to protect them against any reprisal for its use. Measures will be put in place to make the grievance mechanism easily accessible to all such project workers.

The grievance mechanism does not impede access to other judicial or administrative remedies that might be available under the law or through existing arbitration procedures, or substitute for grievance mechanisms provided through collective agreements.

In order to quickly resolve project related labor grievances, the following grievance redress procedure will be established. The GRC will be established after effectiveness and well prior to construction activities. Any project worker may submit a complaint to the GRC for workers, by email, phone or written notification. A dedicated email will be established and the GRC for workers will be publicized widely including during employee inductions.

* **Grievance Redress Committee for workers**: members include: (i) MoE, (ii) Ministry of Labor and Social Protection; (iii) representative of the main construction contractor, (iv) Grievance focal officer in the PMO; (v) labor representatives/labor association, (vi) a representative from MUB. Complaints submitted to the GRC for Workers will be reviewed within 7 working days.

The implementing entity has the responsibility to provide a complaint registration form and a complaint register book. They should also assist the complainant in filling of the form. They will also inform complainant about the timeframe in which a response can be expected.

The GRC will meet as necessary especially during the construction period, as needed TOR review the complaints and mediate a resolution. The above GRC mechanism is formulated on the principle, that the involved parties (worker and employer) will be able to resolve a work-related grievance through mediation. However, if the GRC fails, the parties will be encouraged to use the existing regulatory framework for further redress as described in the table below.

The GRC for workers will be trained on national labor law, regulations and procedures and the World Bank ESF (ESS2 on labor and working condition) linked to labor management (including benefits, working facilities and other rights).

Table 10. Existing Regulatory Functions for Labor Grievance Redress

|  |  |  |
| --- | --- | --- |
| **Topic** | **Regulation** | **Grievance Redress** |
| Gender Discrimination | Law of Mongolia on Promotion of Gender Equality (2011), | The Civil Service Council oversee complaint resolution on gender discrimination within the civil service (article 21)  Article 23, Any act of violation of provisions except Article 14 of this law shall form a basis to lodge a complaint with the National Human Rights Commission of Mongolia. |
| Wrongful dismissal, compensation, contracts, punishment, | Mongolian Law on Labor (1999), Article 128 | Labour relations disputes covered by the court. |
| All other labour disputes | Mongolian Law on Labor (1999), Article 126 | The Labour Dispute Settlement Commission, covers all other aspects of the Law not addressed in a court under the Mongolian Law on Labour 1999 (Article 126) |

# ANNEX 3: Stakeholder Engagement Plan

1. **Introduction**

This document is the Stakeholder Engagement Plan (SEP) for the Ulaanbaatar Sustainable Urban Transport Project (hereafter "the project") drafted in March 2021. The SEP is available on the Municipality of Ulaanbaatar website.

The World Bank (hereafter "the Bank") is proposing to provide $100million, an International Bank for Reconstruction and Development credit to the Mongolian Ministry of Finance for the Project. The executing agency is the Municipality of Ulaanbaatar. The Road Development Agency, the Traffic Control Center, and the Public Transport Service Agency will act as Implementation Entities (IEs).

The SEP is developed based on consultation with the project stakeholders[[19]](#footnote-20) and desk research on stakeholders and identifies engagement methodology. The SEP describes methods for information distribution and consultations during the life of the Project and the approach to grievance redress.

1. **Objective and Scope**

The key objectives of the stakeholder engagement according to the World Bank's ESF, World Bank Environmental and Social Standard (ESS) 10[[20]](#footnote-21) are:

* To establish a systematic approach to stakeholder engagement that will help identify stakeholders and build and maintain a constructive relationship with them, in particular Project affected parties.
* To assess the level of stakeholder interest and support for the Project and to enable stakeholders' views to be taken into account in project design and environmental and social performance.
* To promote and provide means for effective and inclusive engagement with project-affected parties throughout the project life cycle on issues that could potentially affect them.
* To ensure that appropriate project information on environmental and social risks and impacts is disclosed to stakeholders in a timely, understandable, accessible, and appropriate manner and format.
* To provide project-affected parties with accessible and inclusive means to raise issues and grievances, and allow project implementer to respond to and manage such grievances.

1. **Project Description**

|  |  |
| --- | --- |
| ***Component*** | ***Activities*** |
| ***Component 1. Integrated corridors***  *(est. total cost: US$ 90 million, IBRD loan: US$ 81 million)* | * 1. Corridor-specific infrastructure investments * Type I: corridor rehabilitation & reconfiguration * Type II: corridor upgrading   1.2 Intelligent Transport Systems (ITS)  1.3 Smart Parking Management System |
| ***Component 2. Sustainable public transport System***  *(est. total cost: US$ 15 million, IBRD loan: US$ 10 million)* | .1 2.1 Corridor-specific investments   * Installation of bus lanes on selected corridors * Improvement of bus stops along project corridors, including the piloting of family-only indoor bus waiting area by volunteering stores   2.2 City-wide investments   * Upgrade of bus management systems * Deployment of on-demand transit services |
| ***Component 3. Effective institutions for transport planning and management***  *(est. total cost: US$ 10 million, IBRD loan: US$ 9 million)* | 3.1 Strategic studies: (a) vision & strategy; (b) transport infrastructure investment planning and management; (c) road safety; and (d) public transport reform.  3.2 Capacity building and implementation support.   * Project management and implementation support * Feasibility studies and design * workshops, trainings, conferences, study tours |
| ***Component 4. Contingent Emergency Response Component (CERC)***  *(total cost: US $0)* | This zero-dollar component is designed to provide a swift response in the event of an eligible crisis or emergency, by enabling Ulaanbaatar to request the World Bank to reallocate project funds to support emergency response and reconstruction where needed. |

Detailed description of the Project is in Chapter One of this ESMF.

1. **Regulatory Requirements**

In addition to the World Bank Environmental and Social Standard (ESS) 10, national requirements for stakeholder engagement regulations are below.

The Law on Urban Development (2015, Article 17 and 18) states:

* Participatory planning shall be adopted in urban development planning, and consultation with citizens shall be conducted during the implementation of urban planning.
* Decisions pertinent to urban development shall be disseminated and disclosed to the public in a timely manner.
* Utility disruptions are required to be disclosed to residents and entities 24 hours prior to disruptions.

The Law on Environmental Impact Assessment (2012, Article 5 and 18) requires that:

* DEIA process of development plans and programs shall be disclosed to the public through Environmental Authority's website.
* There will be a 30-working day period for submittal of verbal or written public input. The DEIA consultant should organize community consultations that include local government and residents within the area of influence.
* The DEIA should include meeting minutes, comments by local government, and community consultation for local communities in the area of influence.

1. **List of screening and meetings undertaken during project preparation before the appraisal by WBG.**

|  |  |  |  |
| --- | --- | --- | --- |
| **Stakeholder** | **Topics** | **When** | **Conclusion** |
| Executing and Implementation Agencies | ESMF progress | 3/11/2021 | Informed relevant MUB agencies |
| Urban planning and land department of MUB | Resettlement policy framework | 3/15/2021 | Discussed resettlement procedures and potential implementation arrangement for the Project |
| Mongolia: Ulaanbaatar Urban Services and Ger Areas Development Investment Program ADB funded Project | Institutional arrangement and E&S procedures | 3/16/2021 | Institutional arrangements and E&S procedures  Capacity building programs |
| Executing and Implementation Agencies  NGO representatives of people with disabilities and gender | ESMF review and approval | 3/25/2021 | NGO representatives highlighted key issues and potential solutions for people with disabilities  NGO representative highlighted gender and social issues in the road and transport sector and potential strategic and engineering design solutions.  MUB and Implementation Agencies engaged with the NGO representatives commented and endorsed the ESMF. |

1. **Stakeholder Identification and Analysis**

Stakeholder engagement is an inclusive process conducted throughout the project life cycle. The stakeholder engagement aims to support developing strong, constructive, and responsive relationships that are important for successfully managing a project's environmental and social risks. Stakeholder engagement is most effective when initiated at an early stage of the project development process. It is an integral part of early project decisions and the assessment, management, and monitoring of the Project's environmental and social risks and impacts.

Cooperation and negotiation with the stakeholders throughout the Project development often also require the identification of persons within the groups who act as legitimate representatives of their respective stakeholder group, i.e., the individuals who have been entrusted by their fellow group members with advocating the groups' interests in the process of engagement with the Project. Community representatives may provide helpful insight into the local settings and act as main conduits to disseminate the Project-related information and as a primary communication/liaison link between the Project and targeted communities and their established networks. Verification of stakeholder representatives (i.e., confirming that they are legitimate and genuine advocates of the community they represent) remains an essential task in establishing contact with the community stakeholders. The legitimacy of the community representatives can be verified by talking informally to a random sample of community members and heeding their views on representing their interests in the most effective way. With community gatherings limited or forbidden under COVID-19, it may mean that the stakeholder identification will be on a much more individual basis, requiring different media to reach affected individuals.

Table 11. Stakeholder identification

| **Stakeholder** | **Role in the project** | **Interest** | **Influence** |
| --- | --- | --- | --- |
| World Bank | Financing of the project. | High | High |
| Follow up on the fulfilment of the objectives of the project. |  |  |
| Ministry of Road and Transport Development of Mongolia | Technical design, permits, project steering committee member | Medium | High |
| Ministry of Environment and Tourism /Municipal Environmental Department | The MoET will provide environmental clearances and may undertake inspections and monitoring at their discretion. | Medium | Medium |
| Ministry of Finance | Follow up on the fulfilment of the Minister’s Regulation 196 on utilization of proceeds of external | Medium | High |
| debts incurred by the Government of Mongolia; implementation, administration, financing, monitoring and evaluation of projects and programs funded by such proceeds. |  |  |
| Municipality of Ulaanbaatar | Executing and implementation agency. | High | High |
| UB Road Development Department | Project implementing agency. | High | High |
| Participate in the project implementation |  |  |
| Traffic Control Center | Project implementing agency. | High | High |
| Transport Police | Project implementing agency. | High | High |
| Public Transport Agency | Project implementing agency. | High | High |
| Master Planning Agency of Capital City | support, clearance and permission | Medium | Medium |
| Urban Planning, Architecture and Design Institute of Ulaanbaatar City | support | Medium | Medium |
| Municipal and District Land Management Agency | Land management agency and division of related districts will provide clearances for land ownership documents, land certificate, land use agreement and cadastral maps. | Medium | High |
| Municipal Agency for Specialized Inspection | Periodic inspection of construction work | Medium | High |
| Municipal and District Offices | support | High | Medium |
| Project Steering Committee | Chaired by the Municipality of Ulaanbaatar and including the Ministry of Finance (MoF), RDA and other project implementing agencies the Steering Committee will provide overall guidance to the Project implementation as per Regulation 196 on utilization of proceeds of external debts incurred by the Government of Mongolia | High | High |
| Project Management Unit |  | High | High |
| Contractor | Project partners | High | High |
| Participate in the project implementation |  |  |
| Consultants/Advisors | Project partners | Medium | Medium |
| Participate in the project implementation |  |  |
| Local research institutes | Potential project partners | High | Low |
| Participate in the project implementation |  |  |
| Civil society organizations | Potential project partners | High | Low |
| Participate in the project implementation |  |  |
| NGOs | Potential project partners | High | Low |
| Participate in the project implementation |  |  |
| Project-Affected public entities | Participate in the project implementation | High/Affected | Low |
| Project-Affected private entities | Participate in the project implementation | High/Affected | Low |
| Project-Affected residents | Participate in the project implementation | High/Affected | Low |
| Project-Affected vulnerable group | Participate in the project implementation | High/Affected | Low |
| Users (passerby) | Participate in the project implementation | High/Affected | Low |
|  |  |  |  |

1. **Methodology**

To meet best practice approaches, the Project will apply the following principles for stakeholder engagement:

Openness and life-cycle approach: public consultations for the Project (s) will be arranged during the whole life-cycle, carried out openly, free of external manipulation, interference, coercion, or intimidation;

Informed participation and feedback: information will be provided to and widely distributed among all stakeholders in an appropriate format; opportunities are provided for communicating stakeholders' feedback, for analyzing and addressing comments and concerns;

Inclusiveness and sensitivity: The participation process for the projects shall be inclusive. First, PMO shall coordinate equal access to information for all stakeholders. Sensitivity to stakeholders' needs is the fundamental principle underlying the selection of engagement methods. PMO shall also highlight the inclusion of vulnerable groups, particularly the elderly, diverse ethnic groups, and persons with disabilities.

Flexibility: if social distancing inhibits traditional forms of engagement, the methodology should adapt to other forms of engagement with the stakeholders, including individual telephone calls, and various possible forms of internet communication.

Various stakeholder engagement tools are available. One of the methods is the stakeholder-oriented backcasting approach, focusing on identifying future sustainable alternatives for fulfilling stakeholder's needs. (Quist, 2006) The backcasting method[[21]](#footnote-22) allows integrated approaches for involving a broad range of stakeholders and actors of different groups such as government, companies, public interest groups, and knowledge bodies, defining the problem and searching for solutions and conditions, and developing shared visions.

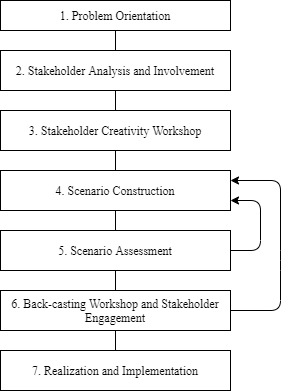


Figure 8. **Stakeholder Engagement Example using Backcasting Approach**

For effective and tailored engagement, stakeholders of the proposed Project (s) can be divided into the following core categories:

Affected Parties – persons, groups and other entities within the project area of influence that are directly influenced (actually or potentially) by the Project and/or have been identified as most susceptible to change associated with the Project and who need to be closely engaged in identifying impacts and their significance, as well as in decision-making on mitigation and management measures.

Other Interested Parties – individuals/groups/entities that may not experience direct impacts from the Project but who consider or perceive their interests as being affected by the Project and/or who could affect the Project and the process of its implementation in some way; and

Vulnerable Groups – persons who may be disproportionately impacted or further disadvantaged by the Project (s) as compared with any other groups due to their vulnerable status, and that may require special engagement efforts to ensure their equal representation in the consultation and decision-making process associated with the Project.

Affected Parties include local communities, community members, and other parties that may directly impact the Project. Specifically, the following individuals and groups fall within this category:

* All road users
* Citizens of all ages living nearby
* Business owners
* Vulnerable groups

Other interested parties: the projects' stakeholders also include parties other than the directly affected communities, including:

* Other vendors or service providers and suppliers
* Knowledge bodies, i.e., research institutes, international and national consultants
* Other national and international organizations
* National and local media companies
* Public at large
* All decision-making bodies (listed in Chapter 7)

Disadvantaged/vulnerable individuals or groups

It is essential to understand whether project impacts may disproportionately fall on disadvantaged or vulnerable individuals or groups.

The vulnerability may stem from a person's origin, gender, age, health condition, economic deficiency and financial insecurity, disadvantaged status in the community (e.g., minorities or fringe groups), dependence on other individuals, or natural resources.

Engagement with vulnerable groups and individuals often requires specific measures and assistance to facilitate their participation in project-related decision-making.

Within the Project, the vulnerable or disadvantaged groups may include and are not limited to the following:

* Children
* Youth
* Women
* Elderly
* Poor
* Low income and single headed households
* Temporary residents (rural migrants) without residency and land ownership registration
* Ethnic minority households
* Persons with disabilities (PWD)
* Small businesses that require direct access

**Engagement with Persons with Disabilities**

Accessible means of communication is different for each group. Following are examples:

* People who are deaf may require sign language interpretation to understand what is going on at the meeting.
* People who use hearing aids may require a loop system. A loop system facilitates hearing at large meetings.
* People with learning disabilities may require easy-to-read (which are simplified) versions of documents to enable their comprehension of technical details.
* People with mental health difficulties may benefit from pre-meeting contact to overcome their fears of being stigmatized within the gathering. Dealing with concerns about stigmatization will assist the inclusion of all marginalized groups in society.
* People with mobility disabilities using a wheelchair will require a ramp or level access to a building, a lift instead of staircases, sufficient room to move inside the building, and accessible toilet facilities.

1. **Stakeholder Engagement Activities**

State Emergency Commission (SEC) of Mongolia decided to declare public readiness for disaster protection several times until COVID-19 mitigation measures are effectively enforced. (SEC, 2021)

A precautionary approach will be taken to the consultation process to prevent infection and/or contagion, given the highly infectious nature of COVID-19. The following are some considerations for selecting channels of communication considering the current COVID-19 situation:

* If smaller meetings are permitted/advised, conduct consultations in small-group sessions, such as focus group meetings. If not permitted or advised, make all reasonable efforts to conduct meetings through online channels.
* Diversify means of communication and rely more on social media and online channels. Where possible and appropriate, create dedicated online platforms and chatgroups appropriate for the purpose, based on the type and category of stakeholders.
* Employ traditional channels of communications (TV, newspaper, radio, dedicated phone-lines, and mail) when stakeholders to do not have access to online channels or do not use them frequently. Traditional channels can also be highly effective in conveying relevant information to stakeholders and allow them to provide their feedback and suggestions.
* Where direct engagement with Project affected people or beneficiaries is necessary, identify channels for direct communication with each affected household via a context specific combination of email messages, mail, online platforms, dedicated phone lines with knowledgeable operators.
* For ethnic minority households, their unique stakeholder engagement needs can be considered and facilitated with translation services, use of specific media channels etc.
* Each of the proposed channels of engagement should clearly specify how feedback and suggestions can be provided by stakeholders.

**Strategy for information disclosure**

| **Stakeholders** | **Interest** | **Communication Method** | **Project Stage** |  |  | **Accountability** |
| --- | --- | --- | --- | --- | --- | --- |
| **Pre** | **Con** | **Ops** |
| All stakeholders | Project information disclosure | Regular one-to-one meetings with all stakeholder groups, focusing on vulnerable groups;  Announcements, letters, websites |  |  |  | MUB, PMO, district, Khoroo community groups |
| All stakeholders | Sub-project design requirements | Regular one-to-one meetings with all stakeholder groups, focusing on vulnerable groups;  Announcements, letters, websites |  |  |  | MUB, PMO, district, Khoroo community groups |
| Ministry of Finance | Project approvals | Official letters, meetings |  |  |  | MUB PMO |
| Utility and urban planning authorities | Utility disruption plans, permits, approval | Official letters, meetings |  |  |  | MUB, PMO |
| District and Khoroo Governor's Office | Support and collaboration, stakeholder engagement | Official letters, meetings |  |  |  | MUB, PMO |
| Ministry of Environment and Tourism | Permitting, assessment, approval | Official letters, Publicly available DEIA and EMP |  |  |  | MUB, PMO |
| General Agency for Specialized Inspection | Permits, inspections, approvals | Meetings |  |  |  | MUB, PMO, RDA |
| Business owners/residents in right of way (ROW) | Relocation support | Regular one-to-one meetings |  |  |  | MUB, PMO, RDA |
| Local communities | Traffic disruption, pedestrian access | Public meeting, Construction Notice Board, letters to residents, social media platforms, website, TV, radio, newspaper, UB municipal office website (www.ulaanabaatar.mn) |  |  |  | MUB, PMO, RDA |
| Institute of Archaeology of Mongolian Academy of Science (MAS) | Construction related chance finds of archaeology items | meeting, official letters |  |  |  | PMO, IE |
| Ministry of Education, Culture Science and Sports (MECSS) | Archaeology for ger area expansion | Official letter to inform and invite to project initial meeting |  |  |  | PMO, IE |
| National NGOs | Design inputs, problem identification, knowledge source, Trainings | Regular one-to-one meetings with all stakeholder groups, focusing on vulnerable groups;  Announcements, letters, websites |  |  |  | PMO, IE |
| National Media | Project update | Media releases |  |  |  | MUB, PMO, IE |
| Donor and multilateral agencies | Project locations | Project Announcements, websites, media releases, meetings |  |  |  | MUB, PMO |

1. **Monitoring and Reporting**

The PMO safeguard staff (environmental and social specialists) will continue to conduct stakeholder engagement in accordance with this SEP and will build upon the channels of communication and engagement already established with stakeholders. In particular, the PMO will seek feedback from stakeholders on the environmental and social performance of the Project, and the implementation of the mitigation measures in the Environmental and Social Commitment Plan.

Consultation and disclosure activities will also be summarized and reported in semi-annual project reports to the World Bank. A number of Key Performance Indicators (KPIs) will also be monitored by the PMO on a regular basis, including the following parameters:

* Number of consultation meetings and other public discussions/forums conducted within a reporting period (e.g. monthly, quarterly, or annually);
* Frequency of public engagement activities;
* Number of public grievances received within a reporting period (e.g. monthly, quarterly, or annually) and number of those resolved within the prescribed timeline;
* Type of public grievances received; and
* Number of press materials published/broadcasted in the national media.

1. **Resources & Responsibilities for Stakeholder Engagement Activities**

The Project Management Office (PMO) will be established within the MUB headed by a Project Director. The MUB will provide overall oversight for project activities including project preparation, supervision, and M&E. The PMO will have funds for implementing stakeholder engagement activities, which have been allocated under the Project.

The PMO will include safeguards specialists who will be responsible for implementing the activities of this stakeholder engagement plan. At this stage of project preparation questions can be directed to the Municipality of Ulaanbaatar.

The MUB will arrange necessary training associated with the implementation of this SEP that will be provided to the members of staff who, due to their professional duties, may be involved in interactions with the external public, as well as to the senior management. Specialized training will also be provided to the staff appointed to deal with stakeholder grievances as per the project GRM. Project workers will also receive necessary instructions for the labor GRM under the Labor Management Procedure.

1. **Grievance Mechanism**

Mechanism (GRM) provides an effective approach for resolution of environment related complaints and issues of the affected person/community. PMO formulates the procedures for implementing the GRM and PMO's engineering staff shall undertake GRM's initiatives that include procedures of reviewing and recording complaints and comments, handling of on-the-spot resolution of minor problems, taking care of complaints and provisions of responses to stakeholders at all stages of the Project.

The GRM will be introduced during community consultations and made publicly available in Mongolian language to stakeholders throughout the Project. In the event of a grievance issue, up to four stages will be implemented, as follows.

* Stage 1: Resolution at Local Level and Access to GRM. The GRM system enables affected person (local residents, representatives of local business entities, workers of contractors etc) to issue a complaint and/or comments choosing the most comfortable way out of several options such as hotline, in-person, written within the existing government procedure. The affected person's complaint will directly be recorded in the internal central web server of MUB which is linked to all feedback systems. The complaint record includes details such as the comments/grievance issue, the affected person's name, contact and date of grievance.
* Stage 2: Complaint Eligibility Assessment and Resolution by MUB.Received complaint is assigned to the relevant personnel either in PMO or to the relevant department/division/unit in MUB. The PMO should take steps to investigate and resolve the issue. This may involve instructing the contractor to take corrective actions. The contractor should implement the redress solution and convey the outcome to the PMO and notify WB. Depending on the type and complexity of the grievance issue, PMO/MUB can solve the issue between 1-30 days after receiving the comment/complaint.
* Stage 3: Complaint Resolution by PMO Steering Committee. MUB PMO investigates and organizes multi- stakeholder meeting within 10 days of Stage 3 and then has 10 days to implement solution. A multi-stakeholder group may consist of equal number of government and non-government representatives from local government, implementing agencies, local social services, local community based or civil society organizations, ger area residents, women and disabled communities, private sector and media and should have no conflict of interests with relevant complaint parties.
* Stage 4: Higher Authority Resolution. If complaint not addressed, AP may seek legal redress through court system.

**Stage 2: Complaint Eligibility Assessment and Resolution by MUB**

Complaint submitted to MUB PMO, MUB, and implementing entities either directly by AP or via IEs or local focal points. Complaint eligibility is assessed by relevant IE within 5 days.

If complaint is eligible, MUB system registers it and informs stakeholders, has 10 days to investigate and develop solution, and has 10 days to implement the solution.

**Stage 3**: **Complaint Resolution by PMO Steering Committee**  
EA PMO investigates and organises multi- stakeholder meeting within 10 days of Stage 3 and then has 10 days to implement solution.

days.

**Stage 4:** **Higher Authority Resolution**  
Refer to relevant for solution, which should then be implemented with 10 days.

**Stage 1:** **Resolution at Local Level**   
AP tries to resolve issue directly with the contractor or operator within 10 days.

*If complaint not addressed, AP may seek legal redress through court system, or access WBG’s Grievance Redress Service at* [*www.worldbank.org/grs*](http://www.worldbank.org/grs)

*.*

*Complaint Redressed*

*Complaint Not Redressed or AP wishes to submit directly to relevant IE*

*Complaint Redressed*

*Complaint Not Redressed*

*AP Informed Complaint Not Eligible.*

*Complaint Redressed*

*Complaint Not Redressed*

*Complaint Redressed*

Figure 9. **Proposed Project GRM**

MUB's grievance redress system is regulated by Mayor's Order No. A/1086. All agencies and projects of MUB are required to implement the GRM system (Figure 5). The USUPT project GRM can be effectively managed based on existing system. The PMO GRM regulation can be developed with improvements to facilitate Implementation Agencies' involvement for better engagement with each and individual project-affected or/and other interested parties at all stages of the Project.

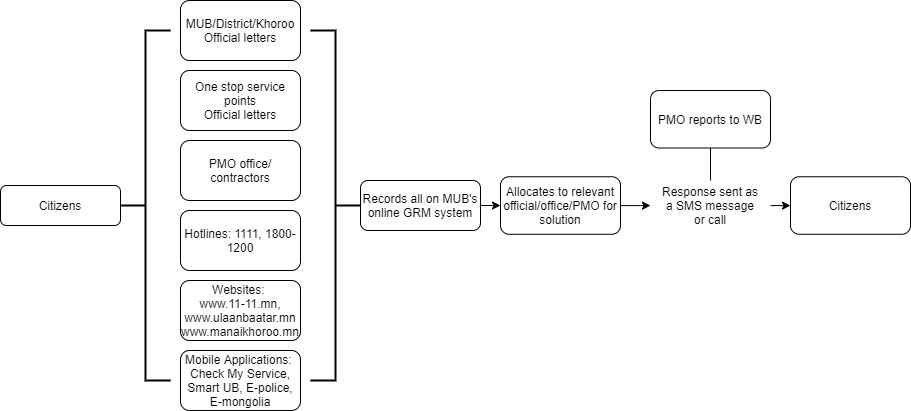


Figure 10. Project Grievance Redress Management integrated with MUB's smart GRM system

Currently utilized engagement channels

1. Government's 1111 Center and Hotline

Citizens either visit the center which is located in front of Government House or call the hotline.

The Office of the President, Parliament Office, Cabinet Secretariat and Government Agencies all receive information through the center and hotline. Each has one officer in charge of collecting information and delegate to relevant authorities, as well as follow-up on its resolving process. Period to reply back to citizens and solve the requests, complaints are within 30 days.

Reports are registered and posted at the website [11-11.mn](https://11-11.mn/) .

2. Website

a) Municipality of Ulaanbaatar

At their official website www.ulaanbaatar.mn there is a button "Requests, complaints", when you press it directly it connects to the city's portal eservice, where citizens can register with an account and leave information. Upon receiving information, an officer who is in charge will assort their relevance and delegate to relevant authorities. When the requests, complaints received by a relevant official, he/she must solve and reply back within the given period (usually 30 days).

b) Office of the President

At their official website www.president.mn there is a section where citizens/entities can leave their comments only. Upon receiving comments, an officer who is in charge will assort the relevance and delegate to relevant authorities accordingly.

When filling the form citizens must include their full name, ID number, address and phone number.

c) [www.manaikhoroo.mn](http://www.manaikhoroo.mn)

The City Governor's Office established the "Manai Khoroo" website for citizens and civil servants. That website's one module is included citizens complain system to receive and resolve complaints and petitions addressed to Ulaanbaatar city’s local administration organizations and officials.

This will allow citizens to quickly make their complaints and petitions addressed to Ulaanbaatar city's local administration organizations and officials.

A response regarding the complaint or petition will be given to the person, contacting through phone after relevant organization makes a decision.

3. An official letter (organization) and written complaint/request (citizen)

This is a paper-based option where citizens or entities can also reach relevant government organizations, they want to deliver their complaint, request or feedback. Once a letter is received by an officer, he/she gives reports to executive level officials (director).

\*All procedures of any forms of complaint or requests must be pursuant to Law of Mongolia on "Solving Complaints and Requests addressed to Public servants or Government Organization from citizens or entities".

4. The City Mayor is listening 1800-1200 Call Center

Citizens either visit the center which is located inside of the Dunjingarav center or call the hotline.

The Mayor and City Governor's Office all receive information through the center and hotline. Eight officers in charge of receiving phone calls and information and delegate to relevant authorities, as well as follow-up on its resolving process. Period to reply back to citizens and solve the requests, complaints are within 30 days.

5. Mobile Application

a) Check My Service

City Governor's Office and Democracy Education Center has jointly introduced "CHECK MY SERVICE" new mobile application for citizens that is intended to receive and resolve complaints and petitions addressed to Ulaanbaatar city's local administration organizations and officials and also to evaluate activities of the organizations by citizens in Jan 31, 2018.

To use the application citizens should install "CHECK MY SERVICE" application to their mobile phones and register their personal information on the UB1200.mn website. A response regarding the complaint or petition will be given to the person, contacting through phone after relevant organization makes a decision.

b) Smart UB

This is a Municipality of Ulaanbaatar's official smartphone application. Citizens should install "SmartUB'' application to their mobile phones and register their personal information on the UB1200.mn website. A response regarding the complaint or petition will be given to the person, contacting through phone after the relevant organization makes a decision. But since 2019 this "complaint" module has been stopped.

c) E-police

Traffic violation fines will be charged with the information from citizens. People will be able to report traffic violations to relevant officials via 'E Police' application.

The app developed by Ulaanbaatar city Traffic Control Center and Transport Police Department is aimed at reducing traffic violations, increasing citizens' participation and hazard prevention. To use the application citizens should install an "E-police" application to their mobile phones.

d) E-Mongolia

E-Mongolia is a digital platform that enables public services to the citizens, entities, and organizations. One of 180 services available out of planned 592 services, is request of road entrance permit for citizens, entities, and organizations.

|  |  |  |  |
| --- | --- | --- | --- |
| **Complaint Request and Comment Form** | | | |
| Affected Persons Information | | | |
| Date |  | | |
| Name |  | | |
| Phone |  | Gender |  |
| What are your suggestions, comments, and requests? | | | |
|  | | | |
|  | | | |
|  | | | |
|  | | | |
|  | | | |
|  | | | |
|  | | | |
|  | | | |
| If you wish to deliver this GRM form in person, please bring it to the following address | | | |
| Contact info | *(PMO/Subproject GRM focal point/Contractor Phone Number)* | | |
| Email | *(PMO/Subproject GRM focal point/Contractor Email address)* | | |
| PMO Address |  | | |

Thank you for the feedback!

**Receipt for Affected Person:**

On 202.... /year/ ....../month/ ....../date/ your complaint, request, comment form has been accepted by ........................................................................................./title/............................................................................/name/.

# ANNEX 4: Environmental and Social Screening and Risk Rating For Subprojects

This form will be filled out by the Implementing Entities, reviewed and confirmed by the MUB PMO with the supports of environmental and social specialists. All filled E&S screening forms should be filed for records and spot check.

**Name of Subproject: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Type[[22]](#footnote-23) (tick): Type I corridor repair and maintenance / Type II corridor upgrading / TA1 / TA2 / TA3 / other, please specify: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Name of Implementing Entity: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

| **Question** | **Y** | **N** | **Remarks / recommended action** |
| --- | --- | --- | --- |
|
| **A. E&S exclusion list (excluding activities with high E&S risks)** |  |  |  |
| 1. Would the activity have any potential significant negative impacts on legally protected nature reserves, critical natural habitat, valuable scenic areas or cultural heritage? |  |  | Not supported if yes |
| 1. Would the activity cause critical degradation of local environment and ecosystem, including ecosystem and biodiversity, air quality, toxic soil, earth displaced without adequate closure and rehabilitation? |  |  | Not supported if yes |
| 1. Will the activity ignore and disregard the interest of the general public, vulnerable, disadvantaged groups and women? |  |  | Not supported if yes |
| 1. Will the activity involve use of forced labor or child labor, discrimination, sexual exploitation and abuse, sexual harassment, or increase of gender disparity? |  |  | Not supported if yes |
| 1. Will the activity involve negative impacts on ethnic minorities land or requiring relocation for which free, prior and informed consent cannot be ascertained? |  |  | Not supported if yes |
| 1. Is the activity identified associated with the activities included in the IFC Exclusion List ([www.ifc.org](http://www.ifc.org)), particularly the followings:  * Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans. * Production or trade in weapons and munitions. * Production or trade in alcoholic beverages * Production or trade in tobacco. * Gambling, casinos and equivalent enterprises. * Production or trade in radioactive materials. This does not apply to the purchase of approved medical equipment, quality control (measurement) equipment. * Illegal fishing in the nearby river (Tuul) for example, ProDrift net fishing or blast fishing. |  |  | Not supported if yes |
| **B. E&S risks rating and classification** |  |  |  |
| 1. Does the project activity involve any significant E&S impact (e.g., involving potential impacts on natural habitat or a small amount of LAR), but with effective mitigation measures available for risk management? |  |  | If yes, E&S risk of this subproject is deemed “Substantial”, and it is necessary to prepare applicable E&S documents as appropriate (ESIA, ESMP, RAP, LMP, etc.) per the Bank’s ESF. |
| 1. Does the project activity only involve minimal or negligible adverse risk or impacts on human populations and/or the environment? |  |  | If yes, E&S risk of this subproject is deemed “Low”, and no E&S document is needed other than existing SEP. |
| 1. Are E&S risks of the project activity between the description of Questions 7 and 8? |  |  | If yes, E&S risk of the subproject is deemed “Moderate”, and it is necessary to prepare applicable E&S documents as appropriate (ESIA, ESMP, RAP, LMP, etc.) per the Bank’s ESF. |
| 1. If the project activity belongs to TA1, please answer the following questions: |  |  |  |
| * 1. Does the TA activity plan to support the detailed design or any other equivalent technical document of any specific physical investment? |  |  | If yes, applicable E&S documents complying with the Bank’s ESF should be prepared as part of TA outputs, which may include, but not limited to specific ESIA, ESMP, RAP, LMP, etc. |
| * 1. Does the TA activity plan to support the feasibility study or any other equivalent technical document of any specific physical investment? |  |  | If yes, necessary E&S consideration should be included into the ToRs and subsequently part of TA deliveries. For example, a special chapter should be included in the FSR report to analyze the Project’s E&S risks and impacts, and mitigation measures per ESF requirements. |
| 1. Does the subproject involve any identified ‘Associated Facilities’? (An ‘Associated Facility’ means a facility or activity which is not funded as a part of the project, and judged by the Bank as: (a) Directly and significantly related to the project; (b) Simultaneously implemented or planned with the project; and (c) Constructed for the project and is necessary for the project.) |  |  | If so, then the relevant E&S requirements of the subproject are applicable to the ‘Associated Facilities’. |
| 1. Has any land acquisition or restriction on land use occurred due to the project activity before this E&S screening (usually in the last two years)? |  |  | If yes, resettlement due diligence should be conducted according to ESS5. |
| 1. Does the project activity belong to TA2? |  |  | If yes, the consideration of relevant E&S risks should be included in the ToRs and submitted to the Bank for review before such study is conducted; for any subproject involving strategy, plan or regulation development, the TA deliveries should include preliminary analysis on cumulative E&S impacts along with proposed mitigation strategy. |
| 1. Does the project activity belong to TA3? |  |  | If yes, it is not necessary to prepare additional E&S documents. However, before such activity is conducted, the adequate and effective engagement of stakeholders (including vulnerable groups) should be considered based on the SEP and the specific activity when the relevant ToRs are prepared. |
| 1. Does the project activity belong to Type I corridor repair and maintenance (including the associated infrastructure facilities)? |  |  | If yes, the Generic Environmental and Social Management Plan (Generic ESMP, Annex 5 of ESMF), Traffic Management Plan (TMP, Annex 7 of ESMF) and Safeguard Code of Conduct (Annex 8 of ESMF) should be implemented by the IEs and their contractors as part of contractual obligations. |
| **Overall conclusion** (please tick appropriate items)**:**  **1. The proposed activity is (eligible / ineligible) for project financing based on the E&S exclusion list of the ESMF.**  **2. The proposed subproject is of (Substantial / Medium / Low) E&S risks.**  **3. During the preparation of the proposed subproject, the following E&S documents should be prepared:**  **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  Filled out by (IE representative): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_; Reviewed by (PMO representative/E&S specialist): **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** | | | |

# ANNEX 5: Generic Environmental and Social Management Plan

| **Item** | **Potential Impacts and Issues** | **Mitigation Measures and/or Safeguards** | **Responsibility** | | |
| --- | --- | --- | --- | --- | --- |
| **Implemented By** | **Supervised By** | |
| * + 1. **Preconstruction Phase** | | | | |
| **Detail**  **Design**  **Stage** | Environmental Management Readiness | * This sub-ESMP will be updated as required and incorporated into the detailed design. * The updated sub-ESMP requirements will be incorporated into tender and contract documents. * The subproject contractor will develop a subproject ESMP that outline the manner by which they will comply with the requirements of the ESMF, ESIA, GEIA, DEIA and sub-ESMP. * In accordance with the GRM presented in ESMF of the project, the EA PMO will be assigned overall responsibility for the GRM; GRM training will be provided for the contractors, EA PMO, subproject IE, and GRM access points; and the GRM access point phone numbers, fax numbers, addresses and emails will be disseminated at the rehabilitation and construction site. * Residents and key stakeholders will be informed and consulted. | EA PMO and subproject IA | EA and WBG | |
| * + 1. **Construction Phase** | | | | |
| **Topography and Soils** | Erosion, borrow and spoil | * Good soil maintenance practices (where applicable): * Minimize the area of soil clearance. * Maintain slope stability at cut faces by implementing erosion protection measures. * Use temporary berms or other appropriate temporary drainage provisions to prevent stormwater runoff from entering adjacent water bodies. * Ensure that borrow areas are located away from residential areas, water bodies, dry river beds and valuable land. * Dispose of spoil (if any) at spoil disposal sites identified in consultation with district authorities. * After use, grade borrow and spoil areas to ensure drainage and visual uniformity. | Subproject Contractor |  | |
| **Ambient Air** | Fugitive dust generated by rehabilitation and construction  activities, gaseous air pollution (SO2, CO, NOx) from  rehabilitation and construction  machinery | * Good site maintenance practices implemented: * Stockpiles will be managed to reduce problematic fugitive dust emissions, including covering if necessary. Water spraying is to be used only if other techniques are unsuccessful. * The locations of the stockpiles will be downwind of sensitive receptors (if applicable). * Rehabilitation and construction site management: Water will be sprayed on rehabilitation and construction sites and material handling routes if monitoring indicates fugitive dust is impacting residents. * Transport of materials: Trucks carrying earth, sand or stone will be covered with tarpaulins or other suitable cover. Construction vehicles and machinery will be maintained to a high standard to minimize emissions; and * Manufacturing plants: Site any plants for the production of concrete at least 500 m downwind from the nearest dwelling. | Subproject Contractor | Implementing Agency | |
| **Surface and Ground Water** | Construction and domestic wastewater | * Good wastewater practices implemented: * Temporary drainage provision will be provided during rehabilitation and construction to ensure that any storm water running off rehabilitation and construction areas will be controlled. * Rehabilitation and construction sites will be equipped with adequate potable water and temporary sanitation facilities. | Subproject Contractor | Implementing Agency | |
| **Flooding** | Flood damage | * Avoid works during high precipitation periods. | Subproject contractor | IA | |
| **Waste** | Waste management and resource use | * Good waste management practices and the adoption of the waste hierarchy: * The preference is for prevention of waste at source. Procurement options will play a role in waste prevention as the procurement of materials which have less packaging for example, would be preferable. Excavated soil will be used for backfilling to the maximum extent. Waste minimization is the second preferred option. This means the effective management of materials on site through good house-keeping and work planning, in order to generate less waste. Reuse or recycling options should be considered prior to disposal, separate containers for recyclables shall be used if there is a market for the materials. Disposal of waste which cannot be reused or recycled shall take place at sites authorized by authorities. * Storage and containment: Provide appropriate waste storage containers for worker’s construction wastes, regularly haul to an approved disposal facility. * General Management: Prohibit burning of waste at all times. | Subproject Contractor | Implementing Agency | |
|  | Hazardous and polluting materials | * Good waste management practices implemented: * Storage facilities for fuels, oil, chemicals and other hazardous materials will be within secured areas on impermeable surfaces provided with dikes, and at least 300 m from drainage structures, important water bodies and other sensitive receptors. * Storage facilities for hazardous materials will be placed on impermeable surfaces with a storage capacity of at least 110% of the capacity of the hazardous materials stored. * Signs will be placed at chemicals and hazardous materials storage sites to provide information on type and name of chemicals and hazardous materials. * Spill response procedures will be developed (including provision of absorbents at hazardous materials storage facilities), and all spills will be cleaned immediately. * Providers of hazardous materials will be responsible for removing and/or recycling them if they become wastes, either in Mongolia in licensed facilities, or through transport to a licensed facility in another country in the region. All exports of hazardous wastes must be with the review and approval of the MoET, and all necessary export licenses must be obtained. * Vehicles and equipment will be properly maintained and refueled either off-site in local garages or other similar facilities. Washing or repair of machinery in or near surface waters is prohibited. | Subproject Contractor and Suppliers | Implementing Agency | |
| **Socio-economic Resources** | Traffic Impacts | * Good traffic and road management practices: * Transportation routes and delivery schedules planned in consultation with relevant road management authorities. * Any damage caused by construction traffic will be repaired by the subproject contractor. * Vehicles transporting construction materials or wastes will be required to slow down when passing through or nearby sensitive receptors. | Subproject Contractor | Implementing Agency | |
|  | Worker Occupational Health and Safety (OHS) | * Good construction OHS practices implemented as per the EHS Guidelines: * All relevant Mongolian safety regulations will be strictly enforced. * All workers will be equipped with appropriate personal protective equipment (PPE), such as hard hats, insulating and/or fire-resistant clothes, appropriate grounding, hot line and uninsulated tools, safety gloves, safety goggles, fall protection system including safety belts and other climbing gear (for work at heights), ear protection, etc. PPE will be maintained and replaced as necessary. * All work at height will be prohibited during non-daylight hours, during periods of fog, and during periods of strong wind. * Rehabilitation and construction sites will be equipped with adequate potable water and temporary sanitation facilities. * Contractors will prepare a H&S plan, which will be aligned with relevant government’s regulations and guidelines on COVID-19 prevention and control, or with international good practice guidelines as updated in the future. The H&S plan shall be consultated with relevant local public health inspectors, local medical officers, or other relevant health specialists. The Plan will include COVID-19 prevention and control measures, including disinfection/cleaning of rehabilitation and construction sites and labor camps, on-site temperature checks, social distancing measures, mandatory use of personal protective equipment such as facemasks, provision of handwashing stations and hand sanitizers etc., and procedures to be adopted in the event any worker is infected with COVID-19. * Training will be provided to workers in all aspects of OHS, including prevention of communicable diseases (including HIV/AIDS) prior to the start of construction and on a regular basis (e.g. monthly briefings).   Emergency Response Procedures (ERP):   * Emergency response procedures will be developed, including communication protocols for interaction with local and regional emergency response providers, protocols for shutting down power, firefighting response procedures, provision of appropriate firefighting equipment, training for workers on fire response, and record keeping. * Medical emergency response procedures will be developed covering both workers and community members (when affected by project related activities), including communication protocols for interaction with local and regional emergency response providers, first aid equipment on site, contact information for the nearest ambulance and medical facilities, training for workers on initial on-site emerge response, protocols for informing and transferring injured workers to local or provincial health centers, and record keeping. At least one trained first-aid worker will be available at the rehabilitation and construction site. * Training will be provided to workers in all aspects of the ERP. | Subproject Contractor | Implementing Agency | |
|  | Noise impacts | Noise reduction measures:   * Selecting equipment with lower sound power levels. * Installing silencers for fans, suitable mufflers on engine exhausts and compressor components, acoustic enclosures for equipment casing radiating noise and acoustic barriers * Limiting the hours of operation for specific pieces of equipment or operations, especially mobile sources operating through community areas. | Subproject Contractor | Implementing Agency | |
|  | Community health and safety risks | * Traffic Management Plan and temporary traffic safety measures * Resettlement plan * Gender based violence mitigation measure * Sexual Exploitation or Abuse mitigation measure * Good community health and safety practices, including: * Outreach to local communities to disseminate knowledge about safety at or near the rehabilitation and construction sites, installation of site safety fencing and warning signs in Mongolian language and accessible format for vulnerable group. * On site supervision personal (including night guards), as determined by the risk, to prevent unauthorized access to rehabilitation and construction areas. * Signs will be placed at rehabilitation and construction site in clear view of the public and made secure to avoid public access to the rehabilitation and construction site. | Subproject Contractor | Implementing Agency | |
|  | PCRs | * If any chance finds of PCRs are encountered: * rehabilitation and construction activities will be immediately suspended; * destroying, damaging, defacing, or concealing PCRs will be strictly prohibited in accordance with Mongolian regulations; * the local Cultural Heritage Bureau will be promptly informed and consulted; and, * rehabilitation and rehabilitation and construction and rehabilitation activities will resume only after thorough investigation and with the permission of the local Cultural Heritage Bureau. | Subproject Contractor | Implementing Agency, local Cultural Heritage Bureau | |
|  |  |  |  |  | |

# ANNEX 6: ToR for Environmental and Social Management Plan (ESMP)

1. General

* The ESMP should be based on the Environmental and Social Framework (ESF) and the Environment, Health and Safety Guidelines (EHSGs[[23]](#footnote-24)) of the World Bank and the relevant requirements of Mongolia;
* The ESMP is a co-product from the environmental and social sides, and should be worked out by the joint effort of the environmental and social experts of the client;
* The ESMP is subject to the Stakeholder Engagement Plan (SEP) for which a Template SEP is enclosed. Per the SEP, the stakeholders, especially the stakeholders to be directly affected and those having direct interests should be engaged, and the results of the engagement should be used to inform the preparation of the ESMP;
* In case that the specific locations or alignments of the project activities are not clear, a stand-alone Environmental and Social Management Framework (ESMF) should be prepared to provide guidance on the preparation of the environmental and social documents for these works;

1. Specific Requirements

The ESMP should contain the generic environmental mitigation measures described as the Code of Environmental Practice (ECOP) and the site-specific mitigation measures for the sensitive receptors, and the due diligence review for the USUT project activities.

In addition, the country system of Mongolia regarding the environment, health and safety; as well as the social part, e.g. gender, vulnerable, etc., if any, should be analyzed against the relevant Environmental and Social Standards (ESSs) of the ESF in terms of objectives, to identify and analyze any gaps and seek to improve the country system of Mongolia, especially its performance.

Following are the specific content of the ESMP to be developed:

|  |  |  |
| --- | --- | --- |
| **Chapter/Section** | **Content** | **Description** |
| Chapter 1 | Project Description | 1. Provide the background and context of the project; 2. Describe the project activities, including both the physical and non-physical activities (Technical Assistance); 3. Provide the environmental and social baseline for the assessment area, e.g. noise, vibration, air, surface water, groundwater, meteorology, social, demography, local epidemics, etc. |
| Chapter 2 | Environmental and Social Assessment |  |
| 2.1 | Screening and Scoping of environmental and social risks and impacts | 1. Identify the potential environmental and social impacts in the construction and operation stages, by analyzing the physical and non-physical activities; 2. Scope the environmental and social impacts to be further assessed, in terms of the assessment scope, the degree of assessment, method for assessment (modeling); 3. For any key issues, the SEP should be used to help identify with stakeholders. |
| 2.2 | Laws and Regulations | 1. Describe any applicable laws and regulations of Mongolia, and provide summary of their objectives and main content; 2. Describe any applicable technical guidelines for environmental and social assessment for this project |
| 2.3 | Applicable Standards | 1. Identify any applicable environmental and social standards of Mongolia to be used for assessment; 2. Compare the Mongolia’s standards with the standards provided in the EHSGs, and more stringent will be used[[24]](#footnote-25). |
| 2.4 | Assessment of Potential Environmental and Social Impacts | 1. use the environmental management hierarchy[[25]](#footnote-26), to avoid the legally protected cultural heritages or any cultural heritages; to avoid the critical natural habitats or any natural habitats; to avoid or minimize sensitive receptors to the best extent; 2. provide concise conclusion of the analysis of the environmental and social impacts, if they are significant or not, nor can be mitigated to the acceptable level 3. take conclusions directly from the social impact assessment |
| 2.5 | Due Diligence Review | 1. review the legal status; 2. review the environmental performance of the subprojects, flood management, water use efficiency, etc. under the Mongolia’s system 3. provide concise conclusion and suggestions |
| Chapter 3 | Institutional Arrangement | 1. provide concise information on the institutional arrangement for environmental and social management in the design, construction and operation stages; 2. provide information on the roles and responsibilities for the coordination, monitoring, supervision, implementation of the mitigation measures, training and reporting; 3. analyze the capacities of the institutions and identify the training requirements |
| Chapter 4 | Mitigation | 1. describe, with technical details, the environmental mitigation measures for each type of impacts; 2. describe the ECOP using a separate table; 3. describe the site-specific mitigations; 4. Develop spill management plan, erosion management plan and Occupational Health Safety Plan. 5. list the institutions responsible for executing, supervising and monitoring for each mitigation measure; 6. list the actions, if any; 7. list the measures and actions suggested by the SIA; 8. list the actions for improving the country system, particularly the training to improve the performance. |
| Chapter 5 | Monitoring | 1. provide, with technical details, the type of monitoring and the methods, and the applicable standards; 2. provide the items for monitoring, for example, the PM10, PM2.5 and TSP, for air pollution; 3. provide the monitoring plan for both the construction and operation stages, and the frequency of monitoring, and the qualification requirements for the monitoring institutions; 4. list the monitoring plan for the subprojects, the results should be provided and incorporated into the ESMP implementation report[[26]](#footnote-27). |
| Chapter 6 | Capacity Development and Training | 1. develop the training sessions necessary to strengthen the institutions identified under the Chapter 3 based on the analysis of their capacity; 2. identify the demand for equipment procurement; 3. identify the qualification and requirements for the institutions to provide the training sessions |
| Chapter 7 | Cost Estimate | 1. estimate the cost for each type of activities for institutional strengthening and training, monitoring, reporting, and mitigation measures (water spray, noise fences, etc.); 2. list the capital and recurrent cost estimated and sources of funds. These figures are also integrated into the total project cost tables. |
| Chapter 8 | Grievance Redress Mechanism (GRM) | 1. describe the mechanism on dealing with the public complaints in terms of the procedure, staffing, and resources[[27]](#footnote-28) 2. describe the GRM under the ESS 2 for labor and working conditions. |
| Chapter 9 | File Keeping and Reporting | 1. describe the procedure and staff for file keeping; 2. describe the reporting system, including to the World Bank |
| Annex | Annex 1 | Provide evidence and records on implementation of the SEP, including photos, signatures and minutes |
|  | Annex 3 Traffic management plan | 1. Develop the traffic coordination and relief measures for the project activities and the transportation of the materials; 2. Develop the traffic safety measures for drivers and the communities; 3. Specific measures should be developed for schools, hospitals, kindergartens. |
|  | Annex 4 Labor Management Procedure[[28]](#footnote-29) |  |

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# ANNEX 7: Guideline for Traffic Management Plan and Temporary Measures

The general traffic management plan guidelines for the Project is developed for the purpose of guiding the preparation of site-specific Traffic Management Plan and ensuring traffic safety in the local communities and the construction sites during the construction of the Project. These guidelines are developed based on the local requirements of UB, and the WB EHSGs and Good Practice Note on Road Safety of the WB, ESF including (i) Safe Workplaces at Construction site, (ii) Safe Vehicle at Construction site, (iii) Safe Driver and Driver-related practices, (iv) Traffic safety, (v) Emergency Preparedness and response.

1. **Purposes**

This guideline aims to ensure the traffic safety in the local communities and at the repair, reconfiguration and construction of new road sites of the Project, in particular, to protect the pedestrians, bicyclists, and workers including the materials supply workers, construction workers, and transport vehicle drivers.

1. **Preparation of site specific TMP**

As part of its bid the successful Contractor is required to submit a preliminary TMP, which will ultimately form part of the contractor ESMP. Before work commencement, updated TMP approved by local authority will be submitted to PMO. It will be presented to the workers on regular basis.

The site-specific traffic management plan will provide for:

* 1. the safety of the workers at the worksite and the public passing through or adjacent to the worksite;
  2. overall strategy for the management of traffic, including traffic staging methodology during various stages of the work;
  3. temporary traffic management arrangement for each stage of the works including scheduling of the transportation of construction, repair work waste, and resourcing materials;
  4. arrangement and number of traffic controllers required for each stage of the works;
  5. emergency access – for both workers and any emergency services vehicles travelling through the worksite any unusual hazards or job specific requirements e.g. nearby school or access to shops;
  6. use of alternative routes or detours as required;
  7. provision for over-dimensional vehicles;
  8. provision of safe passage for pedestrians, cyclists and people with disabilities;
  9. provision for, and impact on, public transport (e.g. delay to buses/trams, restrictions on passenger access to bus or tram stops, potential for traffic to queue across an adjacent railway crossing), including where possible, priority for public transport;
  10. provision for access to abutting properties;
  11. duration and times for conducting the works (e.g. day or night operation);
  12. traffic management arrangements at the worksite outside normal working hours or when workers are not present at the site (after-care);
  13. arrangements to address and monitor the risk of end-of-queue collisions due to a build-up of traffic at worksites;
  14. emergency response procedures and contact details;
  15. the actions to be taken to address crashes – including the requirement for root-cause analyses as a means to understand if further traffic management needs to be put in place to mitigate the risks and to help prevent that situation re-occurring; and,
  16. communication arrangements.

**III. Measures to be included in the TMP**

1. **General Measures**

* Warning signs and night warning lights shall be erected at road intersections, crowded areas, and places with traffic safety hazards such as hospitals, schools, kindergartens and other spaces of public activities;
* Warning signs and speed limit signs shall be provided, and full-time traffic command personnel shall be assigned at sensitive receptors such as sites of pipeline construction in the community affecting road traffic or involving vehicles entering the community.
* Passages to emergency exits should be unobstructed at all times. Exits should be clearly marked to be visible in total darkness. The number and capacity of emergency exits should be sufficient for safe and orderly evacuation of the greatest number of people present at any time, and there should be a minimum two exits from any work area.
* Constant contact shall be kept with the traffic management department during the construction period to coordinate matters concerning transportation vehicles entering the construction sites.
* Traffic signs and facilities shall be erected at obvious positions in the construction sites of the construction works and on both sides of main passages, road intersections and temporary roads; special personnel shall be assigned for proper maintenance of such signs. The requirements of traffic organization in the construction stage shall be consistent with the respective requirements and regulations of the UB.

1. **Traffic measures for construction activities near communities**

* Obstacles with impacts on traffic shall be removed and then sidewalks are properly dealt with to provide space for pedestrian according to the relevant regulations;
* Visible signs shall be erected at road intersections to remind vehicles intending to enter the closed construction sections to bypass; traffic signs and traffic guidance facilities shall be provided on site;
* A full-time traffic coordinator shall be assigned to keep timely contact the traffic police department;
* Special personnel shall be assigned for traffic diversion during the construction period.
* The road surface shall be kept clean and tidy to ensure that no construction dust is raised;
* A traffic coordination office shall be established as a special body of traffic management;
* Signs shall be erected according to the national standards, and fences at the road intersections shall be well aligned and rounded;
* No materials shall be stockpiled on traffic lanes;
* No traffic changes shall be made until at the consent of the traffic police in the event of any special circumstances in the construction stage;
* Stronger efforts shall be made in safety education at the community level as well as for drivers of the transportation vehicles engaged in the implementation of the Project;
* Emphasizing safety aspects among drivers;
* Improving driving skills and requiring licensing of drivers;
* Adopting limits for trip duration and arranging driver rosters to avoid overtiredness;
* Avoiding dangerous routes and times of day to reduce the risk of accidents;
* Use of speed control devices (governors) on trucks, and remote monitoring of driver actions;
* Regular maintenance of vehicles and use of manufacturer approved parts to minimize potentially serious accidents caused by equipment malfunction or premature failure;
* Minimizing pedestrian interaction with construction vehicles;
* Collaboration with local communities and responsible authorities to improve signage, visibility and overall safety of roads, particularly along stretches located near schools or other locations where children may be present. Collaborating with local communities on education about traffic and pedestrian safety (e.g. school education campaigns);
* Coordination with emergency responders to ensure that appropriate first aid is provided in the event of accidents;
* Using locally sourced materials, whenever possible, to minimize transport distances. Locating associated facilities such as worker camps close to project sites and arranging worker bus transport to minimizing external traffic.

1. **Industrial Vehicle Driving and Site Traffic**

Poorly trained or inexperienced industrial vehicle drivers have increased risk of accident with other vehicles, pedestrians, and equipment. Industrial vehicles and delivery vehicles, as well as private vehicles on-site, also represent potential collision scenarios. Industrial vehicle driving and site traffic safety practices include:

* The space provided for each worker, and in total, should be adequate for safe execution of all activities, including transport and interim storage of materials and products;
* Training and licensing industrial vehicle operators in the safe operation of specialized vehicles such as forklifts, including safe loading/unloading, load limits;
* Ensuring drivers undergo medical surveillance;
* Ensuring moving equipment with restricted rear visibility is outfitted with audible back-up alarms;
* Establishing rights-of-way, site speed limits, vehicle inspection requirements, operating rules and procedures (e.g. prohibiting operation of forklifts with forks in down position), and control of traffic patterns or direction;
* Restricting the circulation of delivery and private vehicles to defined routes and areas, giving preference to ‘one-way’ circulation, where appropriate.

1. **key traffic signs and facilities**

* The construction sites shall be separated from the carriageways with enclosure of no less than 1.8m in height and made of zinc-iron corrugated boards (green) with a thickness of not less than 2mm. Slogans about construction safety and civilized construction shall be erected and unrelated persons shall not be allowed to enter the construction sites.
* Signs on the construction sites shall be conspicuous. Road signs shall be set up at a certain distance in front of and behind the construction sections indicating "Bypass Here, Construction Works Ahead" or “Slow Down; Construction Works Ahead”. Full warning lights shall be provided at night.
* Obvious signs shall be set up at the entrance and exit of the construction sites, and special personnel shall be assigned for traffic maintenance to reduce the interference and avoid accidents between road construction machinery and dump trucks entering and leaving the construction site and non-constructional vehicles.
* Temporary traffic guidance signs and prohibition signs shall be set up at the various intersections and temporary roads in cooperation with the traffic management authority and assistance shall be provided to the traffic management authority in proper traffic management for temporary roads.

**IV. Emergency preparedness and response plan**

Emergency preparedness and response plan shall be developed based on traffic risks during construction, mainly including:

* The contractors shall make a contact list, to include all the internal and external supporting organizations and personnel, as well as the name, profile, address and contact information (telephone and e-mail) of each organization. The list shall be updated on a yearly basis. The emergency preparedness and handling plan shall be adjusted, checked and updated as per the equipment, personnel and facilities;
* Emergency staff shall be coordinated with to ensure proper emergency treatment in case of an accident;
* Traffic control measures shall be adopted to warn the pedestrians and vehicles about the dangers by road signs or signalmen;
* An emergency shall be handled in the shortest time to ensure proper treatment of an emergency (traffic accident or traffic safety);
* Contractors shall establish the accident reporting mechanisms and submit the report when finish treating an emergency;

Employees shall be provided with trainings and drills of related procedures to improve their emergency response capabilities.

**TEMPORARY TRAFFIC MANAGEMENT (TTM)**

**Scope of Temporary Traffic Management (TTM)**

Temporary Traffic Management (TTM) is the term used for a range of measures to safeguard citizens and minimize the impact of construction during roadworks. Roadworks comprise the upgrading and extension of the road network and the installation of Intelligent Transport Systems (ITS) equipment on-street. Often these roadworkses have to take place while roads remain open for vehicles and pedestrians who require access and safe passage past the roadworks.

TTM measures are required:

* During installation of Intelligent Transport Systems (ITS) equipment including ducting and trenching, traffic signal controllers, traffic signal poles and gantries, gantries for cameras and Variable Message Signs (VMS);
* During road corridor rehabilitation and upgrades;
* During level crossing works when the roadway crosses railway tracks at-grade, or crossed tram or Light Rail Transit (LRT) tracks;
* During new construction of the roadway and other streetscapes such as pedestrianisation.

The key objective of TTM is to ensure the safety of all road users, especially pedestrians who can easily be neglected during on-street works involving digging up the carriageway and sidewalk, and blocking off access to properties.

Safety is the key objective but a balance has to be achieved between deploying extensive and inconvenient diversions for road users which could lead them to make unsafe decisions around the roadwork sites.

**Temporary Traffic Management Plans (TTMPs)**

Temporary Traffic Management Plans (TTMPs) comprise a range of measures to minimize the impact of construction and ensure safety of all road users. Typically, there is a hierarchy of TTMPs – Site-Specific plans, Local Area Plans and Strategic Route Wide Plans.

TTM plans will aim to minimize delays and reduce detours, ensure safe access, and protect road and other assets such as railway assets and buildings. The TTMPs would also address access to and from the construction zones by minimizing road crossings by heavy plant, managing truck queuing, managing truck haul routes between construction sites, dump sites, quarries and equipment/material storage sites, and ensuring that construction timing and sequences do not adversely affect the road network and its environs.

The TTMPs should:

* use standardised base plans because local plans may not be local enough and strategic plans may not be strategic enough;
* present data on estimated truck numbers – per hour and/or per day;
* show on plan where truck holding areas are;
* show that Non-Motorised Transport (NMT) – pedestrians, cyclists, carts, animal-drawn vehicles - are properly catered for and protected.

It is assumed that trucks and other construction vehicles such as diggers and cranes are of normal size. If there is a need for any special provision for abnormal truck loads – extra wide, long or high – then this should be catered for and included in the TTMP.

The institutional arrangements for the development and implementation of the TTMPs should be presented. Usually this is a top-down approach but with room for flexibility at a local level to meet contingencies. A typical institutional arrangement could be:

1. The main contractor prepares the TTMPs for: (1) the whole route or route section of a corridor improvement; (2) each site; (3) access for ducting and trenching; (4) other pedestrian/vehicle crossing sites including railway level crossings and; (5) designated truck routes to/from dump sites and quarries and warehouse storage sites for equipment and materials;
2. Local contractors give their feedback including a forecast of truck volumes;
3. Road Agency/Traffic Agency/Traffic Police reviews the TTMPs, fleshes out details and define the worksites;
4. The Governor/Mayor/Head of Relevant Department gives approval;
5. The contractors are informed and implement the TTMPs.

The issue of hiring of trucks and recruitment of truck drivers should be examined. As can sometime be the case worldwide, trucks are typically individually owned or form part of a small fleet under a small contractor. If this is the case, contractors will need to be able to manage this myriad of trucks and truck drivers in an efficient way. Truck management can be improved with the use of Global Positioning Systems (GPS), Radio Frequency Identification (RFID) or mobile phone applications. The city could also consider the development of a Drivers’ Information Pack on road safety to be handed out to all truck and construction plant drivers.

The use of Traffic Agents such as the Traffic Police should be examined. Such personnel can provide in-situ supervision of the TTMPs at construction and road work sites and be on-hand 24/7 to direct traffic, direct residents and answer their questions.

Learning Legacy: There is scope to showcase this project and provide a learning archive by uploading a Learning Legacy online as other major construction projects such as the Crossrail project in the UK have done[[29]](#endnote-2).

**Principles of TTM**

Like many major cities, London, UK, has to manage numerous regular roadworks on its road network. For example, in 2017/2018, there were 355,000 roadwork sites in London that required TTM[[30]](#endnote-3) ranging from underground utility upgrades and repairs, changes to streetscapes, and major construction for new developments and railways. The transport agency for the city, Transport for London (TfL), set out principles for the deployment of TTM measures which are useful for other cities to consider and adopt[[31]](#endnote-4).

TTM measures should:

* Not deter people from travelling, especially from taking a bus, walking or cycling;
* Be safe – they need to minimise collision risk with a sensible balance between practicality and risk mitigation;
* Ensure that diversions for road users are comfortable, convenient and safe to use at all times of day;
* Be inclusive and allow comfortable passage for people of all abilities; prioritising those for whom a barrier or diversion could compel them to take uncomfortable, risky or significantly more physically demanding alternatives;
* Be practical, providing realistic ways of enabling movement that minimise disruption for people;
* Be clearly signed and legible; they should be easily understood and unambiguous for all users.

**Hierarchy of TTM**

Typically, there is a hierarchy of TTM – Site-Specific Plans, Local Area Plans and Strategic Route Wide Traffic Management Plans. Temporary Traffic Management Plans (TTMPs) will aim to minimize delays and reduce detours, ensure safe access for workers, ensure safety for pedestrians and other road users, and protect road and other assets.

Site-Specific Plans: These are detailed plans configured for each site and focused on the correct deployment of protective equipment and signs for pedestrians and vehicles. Figure 1 shows a good example of a site-specific plan from London, UK, for a closed sidewalk; Figure 2 shows details of TTM equipment such as ramps and barriers; and Figure 3 shows good TTM in Edinburgh, UK.

Figure 11. Site-Specific Plan for a Closed Sidewalk in London

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| --- |
|  |
| London, UK: TTM around a sidewalk opening with a temporary walkway in the roadway showing a yellow ramp at the curb[[32]](#endnote-5) |

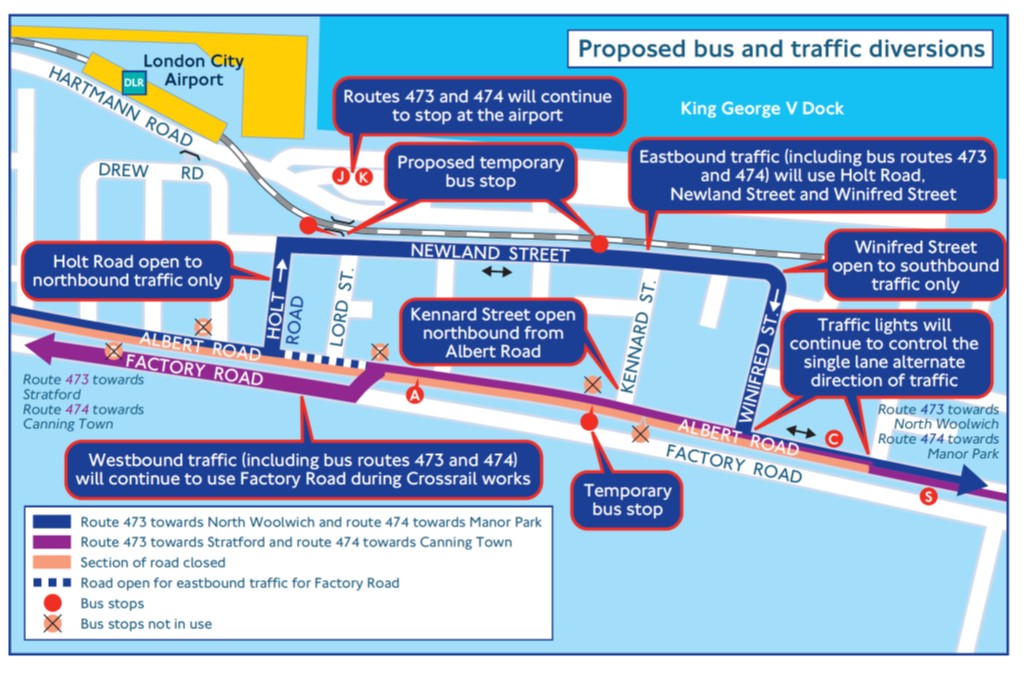
Figure 12. Well-Designed TTM Equipment for a Site-Specific Plan

|  |  |
| --- | --- |
|  |  |
| London, UK: Typical sidewalk ramp to enable accessibility for wheelchair users, people pushing buggies/prams, vulnerable pedestrians[[33]](#endnote-6) | London, UK: Vehicle and Pedestrian Barriers with small gaps to protect children and suitable for the visually impaired[[34]](#endnote-7) |

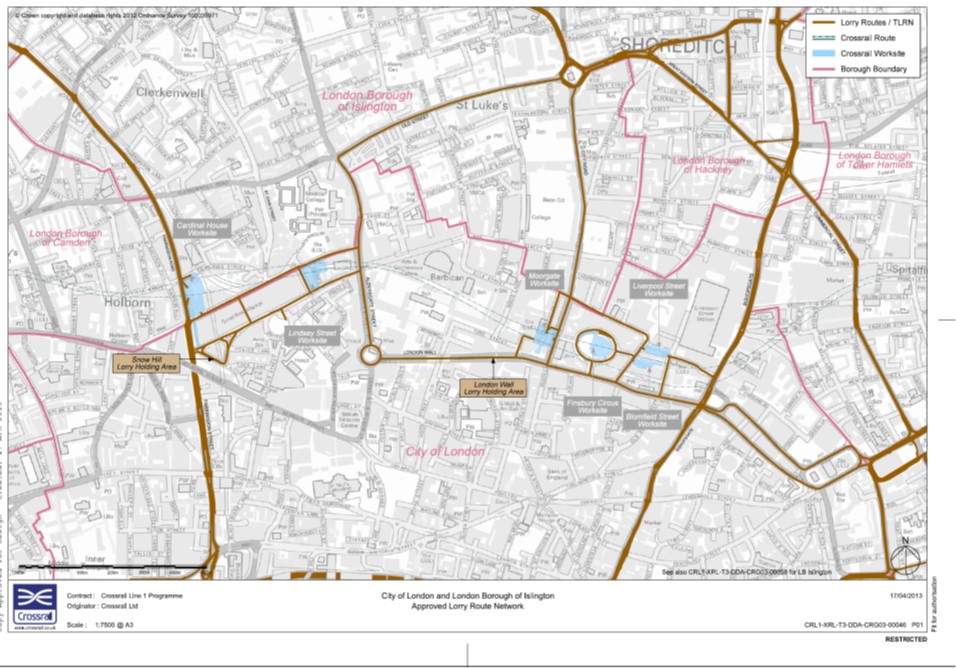
Figure 13. Site-Specific TTM from Edinburgh, UK[[35]](#endnote-8)

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Local Area Plans: These plans review the impact of construction on the local area and focus on the vehicle diversions required. Figure 4 shows a typical template for local road closure diversions. Such plans should be displayed on-street locally and online so that citizens are aware of the temporary changes to the road network.

Figure 14. Template for Local Road Closure Diversions[[36]](#endnote-9)

Strategic Route Wide Plans: TTM also addresses the access to and from the construction zones by minimizing road crossings by heavy plant, managing truck queuing, managing truck haul routes between construction sites and depots and any dump sites for spoil. TTM measures ensures that construction timing and sequences do not adversely affect the road network and its environs. Figure 5 shows a template for truck routes to and from major construction sites.

Figure 15. Template for Strategic Truck Routes[[37]](#endnote-10)

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# ANNEX 8: Sample of Safeguard Code of Conduct

**Preventing Gender Based Violence and Violence Against Children**

Managers at all levels have particular responsibilities to uphold the company’s commitment to preventing and addressing GBV and VAC. This means that managers have an acute responsibility to create and maintain an environment that prevents GBV and VAC. Managers need to support and promote the implementation of the Company Code of Conduct. To that end, managers must adhere this Manager’s Code of Conduct and also sign the Individual Code of Conduct. This commits them to supporting and developing systems that facilitate the implementation of the Action Plan and maintain a GBV-free and VAC-free environment at the workplace and in the local community. These responsibilities include but are not limited to:

**Implementation**

1. To ensure maximum effectiveness of the Company and Individual Codes of Conduct:

* Prominently displaying the Company and Individual Codes of Conduct in clear view at workers’ camps, offices, and in in public areas of the work space. Examples of areas include waiting, rest and lobby areas of sites, canteen areas, health clinics.
* Ensuring all posted and distributed copies of the Company and Individual Codes of Conduct are translated into Mongolian and English language of use in the work site areas as well as for any international staff in their native language.

1. Verbally and in writing explain the Company and Individual Codes of Conduct to all staff.

Ensure that:

* All direct reports sign the ‘Individual Code of Conduct’, including acknowledgment that they have read and agree with the Code of Conduct.
* Staff lists and signed copies of the Individual Code of Conduct are provided to the GCCT and the client.
* Participate in training and ensure that staff also participate as outlined below.
* Staff are familiar with the Grievance Redress Mechanism (GRM) and that they can use it to anonymously report concerns of GBV or VAC incidents.
* Staff are encouraged to report suspected or actual GBV or VAC through the GRM by raising awareness about GBV and VAC issues, emphasizing the staff’s responsibility to the Company and the country hosting their employment, and emphasizing the respect for confidentiality.
* In compliance with applicable laws and to the best of your abilities, prevent perpetrators of sexual exploitation and abuse from being hired, re-hired or deployed. Use background and criminal reference checks for all employees.

1. Ensure that when engaging in partnership, sub-contractor or similar agreements, these agreements:

* Incorporate the GBV and VAC Codes of Conduct as an attachment.
* Include the appropriate language requiring such contracting entities and individuals, and their employees and volunteers, to comply with the Individual Codes of Conduct.
* expressly state that the failure of those entities or individuals, as appropriate, to take preventive measures against GBV and VAC, to investigate allegations thereof, or to take corrective actions when GBV or VAC has occurred, shall constitute grounds for sanctions and penalties in accordance with the Individual Codes of Conduct.
* Provide support and resources to the GCCT to create and disseminate internal sensitization initiatives through the awareness-raising strategy under the Action Plan.

1. Ensure that any GBV or VAC issue warranting police action is reported to the client and the World Bank immediately.

**Training**

* All managers are required to attend an induction manager training course prior to commencing work on site to ensure that they are familiar with their roles and responsibilities in upholding the GBV and VAC Codes of Conduct. This training will be separate from the induction training course required of all employees and will provide managers with the necessary understanding and technical support needed to begin to develop the Action Plan for addressing GBV and VAC issues.
* Ensure that time is provided during work hours and that staff attend the mandatory project facilitated induction training on GBV and VAC required of all employees prior to commencing work on site.
* Ensure that staff attend the monthly mandatory refresher training course required of all employees to combat increased risk of GBV and VAC during civil works.
* Managers are required to attend and assist with the project facilitated monthly training courses for all employees. Managers will be required to introduce the trainings and announce the self-evaluations.
* Collect satisfaction surveys to evaluate training experiences and provide advice on improving the effectiveness of training.

**Response**

Managers will be required to provide input to the GBV and VAC Allegation Procedures and Response Protocol developed by the GCCT as part of the final cleared Action Plan.

Once adopted by the Company, managers will uphold the Accountability Measures set forth in the Action Plan to maintain the confidentiality of all employees who report or (allegedly) perpetrate incidences of GBV and VAC (unless a breach of confidentiality is required to protect persons or property from serious harm or where required by law).

If a manager develops concerns or suspicions regarding any form of GBV or VAC by one of his/her direct reports, or by an employee working for another contractor on the same work site, s/he is required to report the case using the GRM.

Once a sanction has been determined, the relevant manager(s) is/are expected to be personally responsible for ensuring that the measure is effectively enforced, within a maximum timeframe of 14 days from the date on which the decision to sanction was made.

1. Managers failing to report or comply with such provision can in turn be subject to disciplinary measures, to be determined and enacted by the company’s CEO, Managing Director or equivalent highest-ranking manager. Those measures may include:
   1. Informal warning.
   2. Formal warning.
   3. Additional Training.
   4. Loss of up to one week's salary.
   5. Suspension of employment (without payment of salary), for a minimum period of 1 month up to a maximum of 6 months.
   6. Termination of employment.

Ultimately, failure to effectively respond to GBV and VAC cases on the work site by the company’s managers or CEO may provide grounds for legal actions by authorities.

*I do hereby acknowledge that I have read the foregoing Manager’s Code of Conduct, do agree to comply with the standards contained therein and understand my roles and responsibilities to prevent and respond to GBV and VAC. I understand that any action inconsistent with this Manager’s Code of Conduct or failure to take action mandated by this Manager’s Code of Conduct may result in disciplinary action.*

Signature: Printed Name: Title:

Date:

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**Individual Code of Conduct**

Preventing Gender Based Violence and Violence Against Children

I, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, acknowledge that preventing gender-based violence (GBV) and violence against children (VAC) is important. The company considers that GBV or VAC activities constitute acts of gross misconduct and are therefore grounds for sanctions, penalties or potential termination of employment. All forms of GBV or VAC are unacceptable be it on the work site, the work site surroundings, or at worker’s camps. Prosecution of those who commit GBV or VAC may be pursued if appropriate.

I agree that while working on the project I will:

* Consent to police background check.
* Treat women, children (persons under the age of 18), and men with respect regardless of race, color, language, religion, political or other opinion, national, ethnic or social origin, property, disability, birth or other status.
* Not use language or behavior towards women, children or men that is inappropriate, harassing, abusive, sexually provocative, demeaning or culturally inappropriate.
* Not participate in sexual contact or activity with children—including grooming, or contact through digital media. Mistaken belief regarding the age of a child is not a defense. Consent from the child is also not a defense or excuse.
* Not engage in sexual favors—for instance, making promises or favorable treatment dependent on sexual acts—or other forms of humiliating, degrading or exploitative behavior.
* Unless there is the full consent6 by all parties involved, I will not have sexual interactions with members of the surrounding communities.
* **Consent** is defined as the informed choice underlying an individual’s free and voluntary intention, acceptance or agreement to do something. No consent can be found when such acceptance or agreement is obtained through promise of actual provision of benefit (monetary or non-monetary) to community members in exchange for sex—such sexual activity is considered “non-consensual” within the scope of this Code.
* Attend and actively partake in training courses related to HIV/AIDS, GBV and VAC as requested by my employer.
* Consider reporting through the GRM or to my manager any suspected or actual GBV or VAC by a fellow worker, whether employed by my company or not, or any breaches of this Code of Conduct.

With regard to children under the age of 18:

* Wherever possible, ensure that another adult is present when working in the proximity of children.
* Not invite unaccompanied children unrelated to my family into my home, unless they are at immediate risk of injury or in physical danger.
* Not sleep close to unsupervised children unless absolutely necessary, in which case I must obtain my supervisor's permission, and ensure that another adult is present if possible.
* Use any computers, mobile phones, or video and digital cameras appropriately, and never to exploit or harass children or to access child pornography through any medium (see also “Use of children's images for work related purposes” below).
* Refrain from physical punishment or discipline of children.
* Refrain from hiring children for domestic or other labor which is inappropriate given their age or developmental stage, which interferes with their time available for education and recreational activities, or which places them at significant risk of injury.
* Comply with all relevant local legislation, including labor laws in relation to child labor.

**Use of children's images for work related purposes**

When photographing or filming a child for work related purposes, I must:

* Before photographing or filming a child, assess and endeavor to comply with local traditions or restrictions for reproducing personal images.
* Before photographing or filming a child, obtain informed consent from the child and a parent or guardian of the child. As part of this I must explain how the photograph or film will be used.
* Ensure photographs, films, videos and DVDs present children in a dignified and respectful manner and not in a vulnerable or submissive manner. Children should be adequately clothed and not in poses that could be seen as sexually suggestive.
* Ensure images are honest representations of the context and the facts.
* Ensure file labels do not reveal identifying information about a child when sending images electronically.

**Sanctions**

I understand that if I breach this Individual Code of Conduct, my employer will take disciplinary action which could include:

* Informal warning.
* Formal warning.
* Additional Training.
* Loss of up to one week’s salary.
* Suspension of employment (without payment of salary), for a minimum period of 1 month up to a maximum of 6 months.
* Termination of employment.
* Report to the police if warranted.

*I understand that it is my responsibility to avoid actions or behaviors that could be construed as GBV or VAC or breach this Individual Code of Conduct. I do hereby acknowledge that I have read the foregoing Individual Code of Conduct, do agree to comply with the standards contained therein and understand my roles and responsibilities to prevent and respond to GBV and VAC. I understand that any action inconsistent with this*

the use of threats, force or other forms of coercion, abduction, fraud, deception, or misrepresentation. In accordance with the United Nations Convention on the Rights of the Child, the World Bank considers that consent cannot be given by children under the age of 18, even in the event that national legislation of the country into which the Code of Conduct is introduced has a lower age. Mistaken belief regarding the age of the child and consent from the child is not a defense.

*Individual Code of Conduct or failure to take action mandated by this Individual Code of Conduct may result in disciplinary action and may affect my ongoing employment.*

Signature: Printed Name: Title: Date:

1. Order No. 4, the Minister of Finance, dated January 11, 2021, “Guidance to Use of Government's Foreign Loan Funds, and its Procedures for Organizing, Financing, Monitoring and Evaluating Implementation of the Projects and Activities financed with the Funds” [↑](#footnote-ref-2)
2. Defined as the exercise of professional skill, diligence, prudence, and foresight that would be reasonably expected from skilled and experienced professionals engaged in the same type of undertaking under the same or similar circumstances globally. The circumstances that skilled and experienced professionals may find when evaluating the range of pollution prevention and control techniques available to a project may include, but are not limited to, varying levels of environmental degradation and environmental assimilative capacity as well as varying levels of financial and technical feasibility. [↑](#footnote-ref-3)
3. **Kastanozem**, one of the 30 [soil](https://www.britannica.com/science/soil) groups in the classification system of the [Food and Agriculture Organization (FAO)](https://www.britannica.com/science/soil/FAO-soil-groups#ref214853). Kastanozems are [humus](https://www.britannica.com/science/humus-soil-component)-rich soils that were originally covered with early-maturing native grassland vegetation, which produces a characteristic brown surface layer. They are found in relatively dry climatic zones (200–400 mm [8–16 inches] of rainfall per year), usually bordering arid regions such as southern and central Asia, northern Argentina, the western United States, and Mexico. Kastanozems are principally used for irrigated agriculture and grazing. They occupy about 3.7 percent of the continental land area on [Earth](https://www.britannica.com/place/Earth). [↑](#footnote-ref-4)
4. Air quality guideline is an annual mean concentration guideline for particulate matter from the World Health Organization. The guideline stipulates that PM2.5 not exceed 10 μg/m³ annual mean, or 25 μg/m³ 24-hour mean. [↑](#footnote-ref-5)
5. Purev-Ochir et al. (2016). Ulaanbaatar city wastewater treatment plant pond, bird species and issues. Accessed on March 30, 2021, (https://www.researchgate.net/publication/325005961\_ULAANBAATAR\_HOTYN\_CEVERSLEH\_BAJGUULAMZIJN\_NUUR\_TNIJ\_ORCMYN\_SUVUUDYN\_ZJLIJN\_BRDEL\_BA\_TULGAMDAZ\_BUJ\_ASUUDAL) [↑](#footnote-ref-6)
6. Mongolia was under Soviet control, as a Soviet satellite state, from 1924 to 1990. Soviet city planning concepts dictated Ulaanbaatar’s development during the 1960s, 1970s and 1980s. [↑](#footnote-ref-7)
7. Singh, Gayatri. (2017:16). Urban Poverty in Ulaanbaatar: Understanding the Dimensions and Addressing the Challenges. World Bank. Washington DC. [↑](#footnote-ref-8)
8. Singh, Gayatri. (2017:29). Urban Poverty in Ulaanbaatar: Understanding the Dimensions and Addressing the Challenges. World Bank. Washington DC. [↑](#footnote-ref-9)
9. From combining 2 or 3 MNT 500 fares in formal services, or adding an MNT 1000 informal microbus, or taking the even costlier shared informal cab. [↑](#footnote-ref-10)
10. All analysis in this paragraph based on MAD Investment Solutions. 2014. *Service Delivery in Ulaanbaatar*. Ulaanbaatar. [↑](#footnote-ref-11)
11. UNICEF (2018), Situation of Child Road Safety and Road Traffic Injuries in Mongolia, Assessment Report,

    Ulaanbaatar. [↑](#footnote-ref-12)
12. World Health Organization, 2018, Global Status Report on Road Safety [↑](#footnote-ref-13)
13. World Bank 2020 [↑](#footnote-ref-14)
14. <https://www.unfpa.org/news/mongolian-women-get-help-escape-violence-even-amid-pandemic> (retrieved: 15 Jan 2021) [↑](#footnote-ref-15)
15. IFC Exclusion List, [www.ifc.org](http://www.ifc.org) [↑](#footnote-ref-16)
16. PMO to utilize the ESIRT for project implementation. Refer to: https://openknowledge.worldbank.org/handle/10986/26033 [↑](#footnote-ref-17)
17. Terminology such as ‘displaced’ can refer to social and/or economic as well as physical displacement of an affected person. In this document, to avoid confusion, the word ‘affected’ will be used to mean a person suffering any adverse impact. They may have formal legal rights to land and assets, have a claim to land or assets recognizable under law, or have no legal rights to claim land and assets. [↑](#footnote-ref-18)
18. Replacement cost” is defined as a method of valuation yielding compensation sufficient to replace assets, plus necessary transaction costs associated with asset replacement. Where functioning markets exist, replacement cost is the market value as established through independent and competent real estate valuation, plus transaction costs. Where functioning markets do not exist, replacement cost may be determined through alternative means, such as calculation of output value for land or productive assets, or the undepreciated value of replacement material and labor for construction of structures or other fixed assets, plus transaction costs. In all instances where physical displacement results in loss of shelter, replacement cost must at least be sufficient to enable purchase or construction of housing that meets acceptable minimum community standards of quality and safety. The valuation method for determining replacement cost should be documented and included in relevant resettlement planning documents. Transaction costs include administrative charges, registration or title fees, reasonable moving expenses, and any similar costs imposed on affected persons. To ensure compensation at replacement cost, planned compensation rates may require updating in project areas where inflation is high or the period of time between calculation of compensation rates and delivery of compensation is extensive. [↑](#footnote-ref-19)
19. A "Stakeholder" refers to individuals or groups who: (a) are affected or likely to be affected by the Project (project-affected parties); and (b) may have an interest in the Project (other interested parties). [↑](#footnote-ref-20)
20. Environmental and Social Framework for IPF Operations. *ESS10: Stakeholder Engagement and Information Disclosure,* 2018. [↑](#footnote-ref-21)
21. Holmberg J (1998) Backcasting: a natural step in operationalizing sustainable development. GreenerManag Int 23:30–51 [↑](#footnote-ref-22)
22. *According to the Bank’s Guidelines on Technical Assistance, and Environmental and Social Framework, “Type I”—supporting preparation for future investment activities, such as preparing for feasibility study, design, E&S documents or other activities with potential E&S risks; “Type II”—supporting the development of policies, plans, programs and legal frameworks; “Type III”—borrower capacity building activities.* [↑](#footnote-ref-23)
23. The EHSGs contain the performance levels and measures that are normally acceptable to the World Bank and are generally considered to be achievable in new facilities at reasonable costs by existing technology. [↑](#footnote-ref-24)
24. If less stringent levels or measures are appropriate in view of specific project circumstances, a full and detailed justification for any proposed alternatives is needed as part of the site-specific environmental assessment. This justification should demonstrate that the choice for any alternate performance levels is protective of human health and the environment. [↑](#footnote-ref-25)
25. 27, Page 19, ESF [↑](#footnote-ref-26)
26. In the implementation stage of the project, the ESMP implementation report should be provided to the World Bank annually or bi-annually. [↑](#footnote-ref-27)
27. This GRM is to be established under the ESS10; [↑](#footnote-ref-28)
28. Labor management procedure should be developed on the temple attached. [↑](#footnote-ref-29)
29. https://learninglegacy.crossrail.co.uk/learning-legacy-themes/authorisation-and-consents/traffic-and-highways-consents/ accessed 3 March 2021. [↑](#endnote-ref-2)
30. Transport for London (TfL)/Mayor of London, *Temporary Traffic Management handbook: Keeping people safe at roadwork*s, London, 2020. [↑](#endnote-ref-3)
31. Ibid. [↑](#endnote-ref-4)
32. Ibid. [↑](#endnote-ref-5)
33. Ibid. [↑](#endnote-ref-6)
34. Ibid. [↑](#endnote-ref-7)
35. Source: Edinburgh photographs by Gladys Frame, 7 February 2021. [↑](#endnote-ref-8)
36. Source: [↑](#endnote-ref-9)
37. Source: https://www.crossrail.co.uk/route/road-safety-information/approved-crossrail-lorry-routes accessed 3 February 2021 [↑](#endnote-ref-10)