



Environmental and Social Review Summary

Concept Stage

(ESRS Concept Stage)

Date Prepared/Updated: 05/17/2019 | Report No: ESRSC00423



BASIC INFORMATION

A. Basic Project Data

Country	Region	Project ID	Parent Project ID (if any)
Croatia	EUROPE AND CENTRAL ASIA	P170178	
Project Name	Transforming the Education System in Croatia: Better Schools, Better Learning, Better Life		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Education	Investment Project Financing	9/16/2019	12/19/2019
Borrower(s)	Implementing Agency(ies)		
	Ministry of Science and Education		

Proposed Development Objective(s)

To improve the quality and efficiency of education through increased instructional time and better time on task, school optimization and better school management

Financing (in USD Million)	Amount
Total Project Cost	100.00

B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?

No

C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]

This Project aims to improve education quality and efficiency of the Croatian basic education system. The Project will include the following proposed components: Component 1: Increasing instruction hours and lengthening compulsory schooling Component 2: Optimizing the school network and improvement the learning environment Component 3: Strengthening learning assessments Component 4: Project management, monitoring and evaluation

D. Environmental and Social Overview

D.1. Project location(s) and salient characteristics relevant to the ES assessment [geographic, environmental, social]

Public Disclosure



The Project will support modernization of basic education quality and efficiency in Croatia nationwide through expansion of instruction time, improvements to the school network infrastructure and students learning outcomes thus contributing to a more agile and modern education system in Croatia. Its objectives are aligned with the on-going initiatives under the 2014 National Education, Science and Technology strategy such as curriculum reform, introducing modern learning equipment, and formative assessment. The project will support civil works on the existing schools throughout the country. The Geography of Croatia is defined by its location—it is described as a part of Central Europe and Southeast Europe, a part of the Balkans and Central Europe. Croatia's territory covers 56,594 km² Bordered by Bosnia and Herzegovina and Serbia in the east, Slovenia in the west, Hungary in the north and Montenegro and the Adriatic Sea in the south, it lies mostly between latitudes 42° and 47° N and longitudes 13° and 20° E. Croatia's territorial waters encompass 18,981 square kilometers wide zone, and its internal waters located within the baseline cover an additional 12,498 square kilometers. The Pannonian Basin and the Dinaric Alps, along with the Adriatic Basin, represent major geomorphological parts of Croatia. Lowlands make up the bulk of Croatia, with elevations of less than 200 meters above sea level. Most of the lowlands are found in the northern regions, especially in Slavonia, itself a part of the Pannonian Basin plain. The greatest concentration of ground at relatively high elevations is found in the Lika and Gorski Kotar areas in the Dinaric Alps, but high areas are found in all regions of Croatia to some extent. Croatia's Adriatic Sea mainland coast is 1,777.3 kilometers long, while its 1,246 islands and islets encompass a further 4,058 kilometers (2,522 mi) of coastline—the most indented coastline in the Mediterranean. Karst topography makes up about half of Croatia and is especially prominent in the Dinaric Alps, as well as throughout the coastal areas and the islands. 62% of Croatia's territory is encompassed by the Black Sea drainage basin. The area includes the largest rivers flowing in the country: the Danube, Sava, Drava, Mur and Kupa. The remainder belongs to the Adriatic Sea drainage basin, where the largest river by far is the Neretva. Most of Croatia has a moderately warm and rainy continental climate. Croatia has a number of ecoregions because of its climate and geomorphology, and the country is consequently among the most biodiverse in Europe. There are four types of biogeographical regions in Croatia: Mediterranean along the coast and in its immediate hinterland; Alpine in the elevated Lika and Gorski Kotar; Pannonian along the Drava and Danube; and Continental in the remaining areas. All the planned investments are located in inhabited areas, mainly urban settings and will predominately consist of rehabilitation, reconstruction and in some cases additions within the existing school premises. It is expected that the Project will be mainly positive and beneficial for the country as its aim is to equip Croatian children and youth with the right competencies. The project will also address the equity issues and social inclusion of vulnerable and disadvantaged groups of children.

D. 2. Borrower's Institutional Capacity

The project will build on the Bank's previous and current engagement in education sector in Croatia. The implementing Ministry of Science and Education (MoSE) will lead and coordinate project activities and will be responsible for an overall implementation of environmental and social standards. The MoSE staff is highly educated and has previous experience with WB safeguards but the level of expertise and capacity will not be adequate to implement the Environmental and Social Standards (ESSs) in line with new ESF requirements. Therefore, a full time experienced environmental safeguard specialist and social development specialist will need to be hired for the period of project implementation. Institutional capacity needs to be built to meet the requirements of the ESSs. Since both Bank's environmental and social safeguards specialists are based in Zagreb, capacity building measures for the client will be organized on an ongoing basis and will be further detailed in the ESMF document to be prepared in line with provisions of Environmental and Social Framework (ESF). The MoSE will ensure that the Bank's environmental and social criteria are adequately applied especially for sub-projects related to schools' rehabilitation and renovation works as these will undergo environmental and social screening for eligibility from a safeguards perspective and proper implementation of the Environmental and Social Management Plan (ESMP) and ESMP checklist requirements.



The MoSE will also perform a social due diligence tasks in addressing complaints and feedback from various stakeholders and the public, including grievances regarding the environmental and social impacts of subprojects (this will be further elaborated prior during project preparation). Safeguards implementation through Education Sector Development Program Project was satisfactory.

II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

A. Environmental and Social Risk Classification (ESRC)

Moderate

Environmental Risk Rating

Moderate

The project environmental risk is moderate and is predominately linked to rehabilitation, reconstruction and extension of existing schools. Given that these are general and small-scale construction activities, the potential adverse risks and impacts on human populations and/or the environment are not likely to be significant. This is because the Project activities are not complex nor large, do not involve activities that have a high potential for harming people or the environment, and is located away from environmentally or socially sensitive areas. As such, the potential risks and impacts are (i) predictable and expected to be temporary and/or reversible; (ii) low in magnitude; (iii) site-specific, without likelihood of impacts beyond the actual footprint of the Project; and (iv) low probability of serious adverse effects to human health and/or the environment. The Project's risks and impacts can be easily mitigated in a predictable manner.

No adverse impacts on biodiversity and habitats are expected. The project builds on the Bank's previous and current engagement in education sector in Croatia. The implementation of site specific EMPs for five schools supported under Education Sector Development Program Project, was satisfactory. No significant gap in the implementation of the mitigation measures defined in the EMP and the good construction practice implemented on the field were observed during project implementation. The capacity for managing and implementing construction activities is adequate in MoSE, nonetheless it will be further built through the project preparation and implementation.

Social Risk Rating

Moderate

It is expected that social impacts associated with the project activities will be mainly beneficial for Croatia society at large. Social risk is rated as moderate since the prime focus of the project is to improve quality and efficiency of primary and secondary education in Croatia nationwide. Based on the content of its components focused on introduction of whole day school model; improvement of learning environment and optimization of school network, only positive social outcomes are expected. However, based on the information available at the PCN stage, relevance of many social issues cannot be fully determined, and their potential relevance will be further assessed during project preparation and clarified at the appraisal stage ESRS.

The environmental and social due diligence is being undertaken in-house and included a review of the national legislation primarily focused on employment and labor conditions; occupational health and safety; grievance redress practices; and the MoSE existing capacity and track record in managing environmental and social aspects of the proposed project activities. Moderate risk level is appropriate as with the information available at the concept stage, project activities will be site-specific, without likelihood of impacts beyond the project footprint, low in magnitude and easily mitigated in a predictable manner. The project is expected to achieve its objectives materially consistent with the applicable Standards.



Presently, no land acquisition is expected under the project as only school rehabilitation and renovation work for optimization of school network have been planned. Risk related to labor influx and security force is minimal given the nature of small-scale nature of school rehabilitation works.

In terms of Labor and Working Conditions, ESS2, based on the review findings, it appears that national legislation is compliant with all ESS2 prescriptions and no gaps have been identified. Croatia as a European Union (EU) Member country has harmonized and incorporated EU Directives of labor and employment acts in line with best international practice. Croatia is a member state of ILO since 1992 and all acts and regulations related to social dialogue/tripartite consultations; employment and labor (inclusive of elimination of forced and child labor); equality of opportunity and treatment; collective bargaining; grievance redress and labor dispute settlement; sustainable social security system, freedom of association, etc., are in compliance with International Labor Standards. Whether these laws and regulations are adequately implemented and enforced will be assessed during preparation.

The same applies for occupational health and safety (OHS) issues that are fully in line with the ESS2 requirements.

Stakeholder mapping and analysis has not been done yet, but the risk is assessed as moderate. The implementing Ministry has gained experience in public outreach and stakeholders' consultation for curriculum reform underway as part of the national education strategy, so the lessons learned will be of help in preparation of stakeholder mapping and analysis. It has been agreed that a public awareness campaign on the project activities will be carried out and financed from the loan funds. Given the importance of education quality and teaching practices improvements, it is of critical importance to take the right approach in engaging and conducting stakeholder consultations. Public outreach plan and specificities of the stakeholder consultations with all relevant parties, inter alia, primary and secondary schools' teachers, educators, academia, teachers' association, students, parents, interested parties and Croatian public and others to be identified in the stakeholder analysis will be presented in Stakeholder Engagement Plan (SEP).

B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered

B.1. General Assessment

ESS1 Assessment and Management of Environmental and Social Risks and Impacts

Overview of the relevance of the Standard for the Project:

ESS1 applies to the project due to the environmental risks associated with project activities more specifically planned rehabilitation, reconstruction and extension of schools under component 1.3: Enabling a safe and inclusive learning environment at primary and secondary education. The location of schools to be rehabilitated or reconstructed will not be confirmed prior to the project appraisal. Potential environmental risks and impacts are predictable, expected to be temporary and reversible, low in magnitude, and site specific. These impacts most commonly include: a) dust and noise due to excavation, demolition and construction; b) management of demolition construction wastes and accidental spillage of machine oil, lubricants, etc., c) possible management of small amount of hazardous materials like asbestos or paints and varnishes ; d) traffic disturbance; e) small scale surface or ground water pollution; f) soil pollution or erosion; g) workers safety and h) in some cases, although quite unlikely cultural heritage chance finds. In addition, special attention to safety of students, school workers and visitors will be put as some of the works might go in parallel with the school operation. In most cases such impacts can be mitigated readily through good construction practice, environmental permitting process and through implementation of site-specific ESMPs. Given that location of schools will not be known before the project appraisal, the MoSE will prepare ESMF to guide the preparation of site



specific ESMPs and prepare template ESMP checklists. It will also provide specific guidance on workers OHS measures and safety of students, teachers and visitors during the implementation of works as in some cases rehabilitation and reconstruction of schools might undergo in parallel with the regular school operation activities. Training and capacity building needs and plan will be part of the ESMF. For rehabilitation, renovation and extension a site-specific ESMP checklist are proposed to tackle typical mitigation approaches to common civil works contracts with localized impacts. These sites specific documents will constitute an integral part of bidding documents for contractors. ESMF, and site specific ESMPs will be timely disclosed and discussed with public. Prior to project appraisal following documents will be prepared and disclosed:

- Environmental and Social Management Framework (ESMF) document that includes relevant ESF Standards.
- Labor Management Procedure for project workers
- Stakeholder Engagement Plan (SEP)

Areas where reliance on the Borrower’s E&S Framework may be considered:

Croatia’s Environmental and Social Framework is not being proposed to be applied in whole or in part for this project. This will be further assessed based on the ESMF analysis and findings.

ESS10 Stakeholder Engagement and Information Disclosure

ESS 10 is highly relevant for the Project. Full and continuous participation of all affected groups and interested parties is crucial in developing education policy in Croatia. As indicated, during project preparation, all relevant stakeholders will be identified, mapped and analyzed but key stakeholders appear to be teachers/educators; school principals; teachers' unions/associations; students; academia; evaluators; parents, civil society groups involved in education sector will need to have their voice heard in designing project activities. Croatian public at large and other interested parties will be familiarized with project objectives and benefits through public awareness campaign to be financed under the Project. Stakeholder analysis and mapping will be part of consultancy work the MoSE will hire to prepare Social Assessment under Environmental and Social Management Framework (ESMF) document which will cover all applicable ESF Standards for the Project. A Stakeholder Engagement Plan (SEP) will be developed but at this stage of project preparation it is yet to be defined whether it will be a standalone document or part of the ESMF document. As required, the SEP document will have a Grievance Redress Mechanism (GRM) so the affected groups and interested parties could air their concerns; comments and suggestions related to Project activities. The MoSE will disclose draft version of the SEP document before project appraisal.

Public Disclosure

B.2. Specific Risks and Impacts

A brief description of the potential environmental and social risks and impacts relevant to the Project.

ESS2 Labor and Working Conditions

ESS2 is relevant to the project. The project footprint is relatively small and does not entail a significant amount of labor as the project construction works will be small scale. Project workers will include MoSE staff, consultants and contracted /subcontracted workers. Project activities will not require hiring of community workers. Most of the labor will be locally hired except for a few skilled workers who may not be found in the project location. Labor camps are not anticipated. Based on the screening, national legislation meets objectives, requirements and prescriptions of ESS2 on Working Conditions and Management of Workers Relationships; Protecting the Workforce and Occupational Health and Safety (OHS issues and grievance mechanism. As currently envisioned, the project will be implemented by the MoSE staff who are civil servants who will remain subject to the terms and conditions of their existing public



sector employment agreement. As already stated, there are no gaps between national legislation and ESS2 prescriptions. No instances of child or forced labor are likely to happen under the Project as legislation on employment and labor are fully harmonized with ILO conventions and EU Directives inclusive of convention on forced labor and convention on elimination of child labor and protection of children and young persons. Whether these laws and regulations are adequately implemented and enforced will be assessed during preparation. Potential institutional capacity strengthening may be required through hiring of a few consultants to perform specialized tasks such as environmental and social safeguards functions. These consultants would be part of project implementing unit and paid through the loan funds. The project will also deploy contractors and subcontractors for school rehabilitation and renovation works but the number of workers to be contracted/subcontracted and their locations is not known yet as prioritization of schools to be rehabilitated has not been made. Once selected, civil works contractors will prepare contractors' labor management procedures (C-LMP) to meet the ESS2 requirements. Based on the screening, no gaps have been identified in national labor legislation with regards to occupational health and safety issues stipulated in ESS2. In 2014 a new Act on Occupational Safety (OG 71/14) entered into force. The Act introduces for the first time measures to protect workers from psychosocial risks (stress) and psychophysiological effort at work, with the aim of prevention and education of all stakeholders. The Act sets out the general principles of risk prevention at work and protection of health, rules to eliminate risk factors, procedures of training of workers and procedures of information and consultation of employees and their representative with employers and their authorized persons. The intention is to raise awareness and encourage preventive action not only by employers but also by employees. The employer is obliged to implement occupational health and safety measures based on the general principles of prevention. These include: risk avoidance, risk assessment, prevention of risks at their source, adjustment of work to the employees in relation to the design of the workplace, the choice of work equipment and the mode of operation and work processes to relieve monotonous work. Employers must consider issues such as adaptation to technical progress, replacing hazardous substances or processes with the non-hazardous or less hazardous. They are also required to develop a consistent comprehensive prevention policy by connecting technology, organization of work, working conditions, human relationships and the influence of work environment. They must give preference to collective protective measures over individual ones, appropriately train and inform employees, and make all protective equipment available free of charge. Notwithstanding the alignment with the ESS2 provisions, the MoSE will prepare labor management procedures (LMP) for direct, contracted and subcontracted workers who will be deployed on the project in line with the LMP template. Special emphasis will be placed on grievance redress mechanism (GRM) for project workers and training program. As part of the ESMF, the OHS measures will be identified, tailored according to WBG EHS guidelines, to minimize potential hazards to project workers, particularly those that may be life threatening. Preventive and protective measures will be defined and manner and timeline of training of project workers. Maintenance of training records; documentation and reporting of occupational accidents and incidents will be set. Ministry of the Labor and Pension System is the main administrative body for labor, safety and health at work in the Republic of Croatia. Its Labor Inspectorate publishes annual report of its work (the 2018 report was issued in March 2019 at the Ministry site: <http://www.mrms.hr/wp-content/uploads/2014/03/lzvješće-o-radu-Inspektorata-rada-u-2018.-s-prilozima.pdf>)

ESS3 Resource Efficiency and Pollution Prevention and Management

The ESS3 is relevant to the project. Project activities will contribute to better resource efficiency as the rehabilitation and or reconstruction of schools will include energy efficiency measures like improved insulation and heating efficiency. The project will not be significant user of water or material resources. The ESMF, and particularly site



specific ESMPs, MoSE will identify mitigation measures avoid or minimize the release of pollutants like asbestos, lubricants, paints, etc. These would especially relate to air pollution like dust suppression, noise management related to works and equipment, organized waste management (predominately construction waste), management of hazardous substances like paint and varnishes, all typically associated with small scale construction.

ESS4 Community Health and Safety

ESS4 is relevant to the project. Since the project's civil works will mainly be undertaken in or around schools, maintaining the health and safety of students, teachers and school staff, vendors, visitors and nearby communities throughout the construction phase is critical. Movement of heavy goods vehicles can lead to accidents. Construction in such premises can also disrupt learning process through dust emission, noise, increased generation of solid waste, etc. Potential threats to people and communities may be posed by uncovered or barricaded or not signage spots such as excavated sites, trenches, open holes, open electric cables, etc. The project will ensure safety of students, staff and other visitors during the rehabilitation works by identifying relevant measures in ESMF and adopting adequate OHS protocols following WBG EHS Guidelines. Those will be reflected in site specific environmental due diligence documents. Partition of construction area by putting in place fences, signaling, mitigation measures to control excessive noise and dust levels, and secure access to the area in the building for the office workers and public use will be ensured through a robust mitigation and management plan in the proposed ESMPs or site-specific EMP Checklists. Given a small-scale nature of civil works primarily focused on school's rehabilitation / reconstruction the impact and risk on community's health and safety is expected to be minor and manageable. No risk with labor influx, gender-based violence (GBV) or security forces are expected under the project activities because the scale of civil works is very small and most workers will be hired locally.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

Based on the information to date, no land acquisition is expected to take place under the Project. For school rehabilitation subprojects, ESMP screening checklist will be incorporated to exclude schools which might require land acquisition.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

Potential environmental risks and impacts associated with this ESS have been screened and determined to be not currently relevant given the project's context and timing. Relevance of this ESS will be further reviewed during project preparation.

ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities

No indigenous people reside in Croatia.

ESS8 Cultural Heritage

ESS8 might be relevant to the project. Initial screening suggests that no cultural heritage has been identified and linked with the proposed school rehabilitation / renovation and relevance of ESS8 will be further assessed during



Project preparation as part of the environmental and social assessment process. Given that Croatia is archaeologically rich country, chance finds procedures will be reflected in ESMF and site specific ESMP checklists.

ESS9 Financial Intermediaries

The ESS 9 is not relevant since no financial intermediaries will be party in the project implementation.

C. Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways

No

The project is not relates to an International Waterway as defined in OP 7.50, including ground waters. The project is educational project and it is not hydroelectric, irrigation, flood control, navigation, drainage, water and sewerage, industrial. The project does not involve the use or potential of an international water way.

OP 7.60 Projects in Disputed Areas

No

III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE

A. Is a common approach being considered?

No

Financing Partners

No common approach has been considered and the World Bank will be the only financing partner for the Project.

B. Proposed Measures, Actions and Timing (Borrower’s commitments)

Actions to be completed prior to Bank Board Approval:

Development of Environmental and Social Management Framework (ESMF) document that includes relevant ESF Standards.

Preparation of Labor Management Procedure for project workers

Preparation and consultation of Stakeholder Engagement Plan (SEP)

Establishing Grievance Redress Mechanism at Project Level and/or Grievance Mechanism for all Direct and Contracted Workers.

Preparation of Environmental and Social Commitment Plan (ESCP).

Possible issues to be addressed in the Borrower Environmental and Social Commitment Plan (ESCP):

- SEP Implementation throughout project implementation and reporting on SEP implementation shared with the Bank biannually.

- Implementation of Environmental and Social Management Framework (ESMF) and related site-specific ESMPs or EMP Checklists as may be required after sub-projects screening.

- Project level Grievance Redress Mechanism established and operationalized.

- Implementation of the agreed capacity building plans for MoES staff and appointment of E&S specialists.

Public Disclosure



- Timing and scope of OHS training including measure related to students, staff and visitors of schools during the works.

C. Timing

Tentative target date for preparing the Appraisal Stage ESRS

30-Sep-2019

IV. CONTACT POINTS

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Borrower/Client/Recipient

Implementing Agency(ies)

Implementing Agency: Ministry of Science and Education

V. FOR MORE INFORMATION CONTACT

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VI. APPROVAL

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Safeguards Advisor ESSA Nina Chee (SAESSA) Cleared on 16-May-2019 at 09:08:29

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Public Disclosure