Appraisal Environmental and Social Review Summary

Appraisal Stage

(ESRS Appraisal Stage)

Date Prepared/Updated: 12/05/2019 | Report No: ESRSA00371
BASIC INFORMATION

A. Basic Project Data

<table>
<thead>
<tr>
<th>Country</th>
<th>Region</th>
<th>Project ID</th>
<th>Parent Project ID (if any)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moldova</td>
<td>EUROPE AND CENTRAL ASIA</td>
<td>P167790</td>
<td></td>
</tr>
</tbody>
</table>

Project Name: Higher Education Project

Practice Area (Lead): Education

Financing Instrument: Investment Project Financing

Estimated Appraisal Date: 12/2/2019

Estimated Board Date: 3/30/2020

Borrower(s): Republic of Moldova through the Ministry of Finance

Implementing Agency(ies): Ministry of Education, Culture and Research

Proposed Development Objective(s):
The Project Development Objective is to improve the labor market orientation of selected higher education institutions and the quality assurance mechanisms.

Financing (in USD Million)

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Project Cost</td>
</tr>
</tbody>
</table>

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]
The proposed Project would be implemented over a period of five years, organized around three components, which are presented below, and financed by an International Development Association Credit of US$40 million. The Project design includes systemic interventions in higher education quality monitoring capacity, financing and management, as well as a targeted program to be implemented by selected universities and pedagogical colleges to address some of their most pressing needs in labor market orientation. The project components are described below.
Component 1 – Improving the Quality Assurance Mechanisms. This component aims to improve Moldova higher education system’s quality assurance mechanisms, which would also contribute to improve its labor market orientation. It comprises three sub-components that support activities in higher education quality, financing and information systems (management and monitoring), which would benefit all public universities in Moldova. It would also benefit Moldovan citizens, including university graduates, who look for jobs and currently struggle with the lack of reliable information on labor market needs and job offers.

Sub-Component 1.1 – National Qualifications Framework and Quality Assurance. This sub-component would finance relevant activities in higher education quality assurance, including the development and revision of qualification standards in alignment with the National Qualifications Framework, and the improvement of the existing quality assurance mechanisms.

Sub-Component 1.2 – Electronic Admission and Management Systems. This sub-component would finance activities aimed at improving the capacity for the collection of data and the subsequent utilization of information for the monitoring of the higher education system, as well as for a more efficient admission process. It would also finance a system-wide graduates tracer study. This sub-component would help job seekers (including university graduates) and employers through the implementation of the Labor Market Information System.

Sub-component 1.3 - Higher Education Financing. To improve the internal efficiency of Moldova’s higher education system, which would ultimately help to channel more public funds toward the improvement of this system’s quality, this sub-component would support the piloting and implementation of the new financial model, which includes a performance-based component, that was developed in 2018.

Component 2 – Improving the Labor Market Orientation through Targeted Interventions. This component would finance the design and implementation of an institution- and needs-based program aimed to improving and the labor market orientation of Moldova’s higher education institutions. This program would benefit selected public universities in the areas of pedagogy, information technologies, engineering and health (medicine), as well as pedagogical colleges.

Component 3 – Project Management. This component would support the day-to-day management of the proposed Project through the establishment and maintenance of the Project Management Team (PMT). This component would also finance: (i) project monitoring studies or surveys, (ii) the required annual project audits, as well as the (iii) design and implementation of a project-specific Grievance Redress Mechanism. The PMT would provide managerial, fiduciary and technical support to the implementation the proposed Project for its full duration.

D. Environmental and Social Overview

D.1. Project location(s) and salient characteristics relevant to the ES assessment [geographic, environmental, social]
The Project activities will take place nationwide, however, at this stage, the specific project locations have not yet been identified. The Project beneficiary - universities and colleges - would be selected in accordance with some criteria to be developed by the Ministry of Education, Culture and Research (MoECR) Selection criteria will include social considerations among others. Moldova currently has 29 higher education institutions, out of which 19 are
public, with a total number of students around 61,000. Most of these higher education institutions are located in Chisinau. These institutions are located in urban areas, on lands fully belonging to the state. General problems that usually characterize such areas include inadequate water supply, wastewater, solid waste management, high energy consumption, loss of green and natural spaces, air pollution and noise from traffic, poor public services, lack of job opportunities, and need for better healthcare. These issues are exacerbated by the population density and demands for urban environments.

Whereas the Project would not directly finance activities to generate a significant impact (negative or positive) on the mentioned general urban problems, the sub-component that includes minor civil works to improve the learning environments of the selected pedagogical colleges would consider carefully all these aspects.

D. 2. Borrower’s Institutional Capacity

MoECR will be the Project implementing agency. MoECR has experience with the preparation and implementation of projects supported by the World Bank. Presently, there is an education project under implementation – Moldova Education Reform Project – by MoECR with the WB’s financial support. This will be, however, the first operation supporting higher education.

Even though MoECR has experience in handling safeguards requirements of other World Bank projects, this is the first project in Moldova applying the Bank’s ESF. The client is therefore assumed to have limited capacity to apply the new ESF and to prepare the environmental and social risk management measures and instruments like Environmental and Social Management Plans (ESMPs), Stakeholder Engagement Plan (SEP), and Labor Management Procedures (LMPs).

At the present, MoECR does not have staff knowledgeable about environmental and social risk management procedures, nor in social screening and dealing with the environmental or social impacts of related investments. Thus, the MoECR will have to hire, within three months after World Bank Board approval of the Project, an Environmental and Social Specialist with experience on IFI’s social and environmental standards to conduct social and environmental due diligence for the project, including environmental and social screening of proposed small-scale civil works for colleges. The Project Operations Manual (POM) will detail implementation arrangements, including the roles and responsibilities of the Environmental and Social Specialist. The Bank team will also carry out ESF training of relevant PMT staff.

These specific capacity building measures such as the presence of qualified environmental and social specialist, and training needs will be listed in the ESCP.

II. SUMMARY OF ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

A. Environmental and Social Risk Classification (ESRC)  

<table>
<thead>
<tr>
<th>Environmental Risk Rating</th>
<th>Moderate</th>
</tr>
</thead>
</table>

The proposed Project components are environmentally neutral except for the HEIP Phase 1 (sub-component 2.2), which would support minor civil works for renovation of up to 5 pedagogical colleges. Minor civil works and supply of goods will be required for the expected improvements in research, learning and labor market relevance.

While the proposed Project would not directly finance activities to generate a significant impact (negative or positive) on the mentioned general urban problems, the sub-component that includes minor civil works to improve the learning environments of the selected pedagogical colleges would consider carefully all these aspects and incorporate into the design of works as feasible.
The minor civil works in selected pedagogical colleges would take place within the existing footprint. They would not generate adverse environmental impacts on or substantial risks to the human population. The likely impacts are predictable, and expected to be temporary, reversible, low in magnitude, site specific, limited to the immediate surroundings, and can be managed through the implementation of cost-effective mitigation measures. No adverse impacts such as involuntary land acquisition, as well as impacts on indigenous peoples, biodiversity and habitats are expected.

Adequate adoption of work-related health and safety practices (OHS aspects) during construction both for the construction workers and the education personnel and students would also be a requirement by the Bank. Due to the nature of proposed works and associated environmental risks, and limited capacity of MoECR in the understanding and application of Bank's ESF and relevant Standards, the Project is classified as Moderate risk from environmental perspective and as defined under the Bank's ESF.

**Social Risk Rating**

Low

Social risks related to project activities are generally low at this stage. Issues of social inclusion, especially vulnerable and disadvantaged groups, and inclusive public outreach have been discussed with the counterparts to enable a more equal access to project benefits.

The Project is designed to improve the quality of higher education, improve the labor market relevance of higher education, and promoting lifelong learning opportunities. To address needs in this sector, the Project will aim to support public universities and colleges, and ultimately benefit any students (including from vulnerable and disadvantaged communities) seeking education there. Through the SEP prepared by MoECR, public outreach to vulnerable and disadvantaged communities is considered in the project design to ensure that all stakeholders have equal access to project benefits. Universities/institutes that are undergoing optimization efforts by the government of Moldova will not be eligible for financing under the project, and hence, issues of labor retrenchment do not pose risks to the project.

**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:*

Except for the proposed minor civil works for the renovation of existing pedagogical colleges’ learning spaces and purchasing of equipment, activities proposed under the Project are environmentally neutral. The associated environmental impacts would be limited and typically include: dust, noise, on-site safety and waste management. The expected environmental impacts may include also health impacts related with inadequate handling and disposal of asbestos containing material. Since the use of asbestos is not sufficiently regulated in Moldova, the World Bank will also require application of adequate occupational health and safety (OHS) practices for this hazardous material. In addition, considering that the envisioned civil works would be mainly undertaken in education institutions, it is critical to maintaining the health and safety of students, teachers, non-teaching staff, vendors, visitors and nearby communities throughout the implementation of the works.

The Project will not support construction of new buildings, but only interventions to the existing ones under the same footprint. The selected pedagogical colleges are located in build-up areas and are not in proximity to areas of biodiversity significance or cultural heritage.
Towards addressing these issues, the client prepared, before appraisal, an environmental and social management framework (ESMF) and disclosed it in country. The ESMF provides the necessary environmental and social conditions, safety measures for workers, guidelines and measures to be taken by the small works contractors to ensure that health, safety and environmental norms are met. During the project implementation, when the exact locations of selected beneficiaries (colleges) will be established, site-specific ESMPs will be prepared for individual investments using ESMP Checklists for minor rehabilitation or small-scale civil works will be prepared in accordance with the ESMF provisions aiming to mitigate any environmental impacts. The ESMP Checklist-type format will cover typical core mitigation approaches to civil works contracts with small, localized impacts. The intention of EMP Checklist is that it would be applicable as guidelines for the small works contractors and constitute an integral part of bidding documents for contractors carrying out small civil works under the Project.

Access to higher education among vulnerable/disadvantaged populations in Moldova is low. ESMF prepared by MoECR takes these issues into the account, including the fact that socially disadvantaged and marginalized groups, (i.e. youth from rural areas, poor households and Roma minorities, people with disabilities) face certain barriers in accessing education at all levels, including higher education. Formal and informal school payments, language barriers, and physical location of education institutions are identified as some of the barriers that may constrain their access to higher education. For the Roma population and persons with disabilities, barriers may also include stigma and discrimination. SEP and ESMF take these issues into account, and contain measures (including through active gender-sensitive outreach) to decrease barriers to higher education provided in Project-selected universities for rural low income and urban low income populations, as well as Romas, persons with disabilities, and other categories of vulnerable groups. As part of the development of the SEP, socially disadvantaged and marginalized groups (along with candidate universities and other stakeholders) have been consulted to assess barriers that restrict access to higher education. As envisioned in the SEP, such consultations will be periodic throughout lifetime of the project.

ESS10 Stakeholder Engagement and Information Disclosure
In order to ensure that a consistent, comprehensive, coordinated and culturally appropriate approach is taken to stakeholder engagement and project disclosure, MoECR prepared the SEP. The SEP will be implemented to ensure that stakeholder engagement is conducted on the basis of timely, relevant, understandable and accessible information. The SEP lays out a strategy to identify and map key stakeholders, including representatives from vulnerable and disadvantaged groups. MoECR also received guidance about ensuring that consultations that were done at preparation, and those that may be done during implementation, are inclusive and accessible (both format and location). The SEP will be disclosed prior to appraisal and will be updated, as necessary, throughout the project cycle. A stakeholder grievance redress mechanism (GRM), as part of SEP, is already operationalized for the project to allow for feedback and complaints. Notably, MoECR has an existing GRM for the ongoing education project supported by the World Bank, and the proposed project would build upon this existing feedback procedures.

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
The Project supports only small-scale works and does not entail a significant amount of labor as the project aims at refurbishing the existing buildings only. The majority of labor will be hired locally with the exception of a few skilled workers who may not be found in the project location. Labor camps are not anticipated. The Project will involve direct workers and contracted workers as well. Community workers are not planned to be involved in the Project. The MoECR developed LMP to be followed during the Project implementation. The LMP identified the main labor requirements and risks associated with the project, and will help MoECR to determine the resources necessary to address project labor issues. The LMP include descriptions about (i) procedures relevant to each category of workers involved; (ii) overview of key potential labor risks; (iii) overview of Moldova’s labor legislation; (iv) description of grievance redress mechanism available for all direct workers and contracted workers organizations.

GRM: A GRM will be established and maintained for the Project proportionate to its potential risks and impacts. In addition, construction contractors will be required to provide a GRM for their personnel. The GRM will be designed at an early stage and will be formally established by project effectiveness and before any disbursements. Complaints received and resolved will be reviewed during the implementation support missions.

ESS3 Resource Efficiency and Pollution Prevention and Management

The overall level of environmental risks associated with the Project is considered moderate. Project’s physical activities are limited to improvement/rehabilitation of high education infrastructure within existing colleges. The expected environmental risks will be typical for small-scale construction works and include on-site storage of construction material, on-site storage and disposal of construction waste, holding small amounts of hazardous waste (asbestos-containing materials used in the old buildings), generation of noise and dust and ensuring health and safety at work site. If rehabilitation works are undertaken in education facilities in parallel with the schooling process, nuisance and safety risks for students and teachers would also require careful management. However, construction works will be scheduled to take place mainly during school vacations to limit the impact on students and persons in the respective buildings. Mitigation measures such as dust suppression, vehicle maintenance etc. will be applied to minimize the impacts and residual impacts are expected to be limited in scope and duration. Noise: Noise will likely be generated from use of construction machinery and vehicle movements. The relatively short-term and small-scale nature of the works suggest that noise levels will not be excessive. Waste management: Liquid and solid waste will mainly include excavated soil, oils from construction machinery, concrete blocks, metal and glass pieces from demolished walls etc. Waste will be segregated, stored and disposed at approved sites. Water: Due to the nature of proposed renovation works, it is not expected that the project will have significant water and energy use. The improvement/rehabilitation of high education infrastructure within existing colleges will also consider the energy and heating savings by the provision of insulation solutions that will be incorporated into work designs as feasible. In addition, the upgrading of college premises will include provisions of universal access (i.e. access for disabled people). All measures required for mitigation risks of pollution through waste disposal, emissions, discharges and littering will be included in site-specific ESMPs.

ESS4 Community Health and Safety

Since the Project’s civil works will mainly be undertaken in education (colleges) premises, 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. Education infrastructure must also ensure unimpeded access to all including persons with disabilities. The Project will ensure safety of office workers during the rehabilitation works by adopting adequate OHS protocols following WBG EHS Guidelines. 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 including robust mitigation and monitoring measures into the site specific ESMPs.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement
The Project’s minor works relate to only financing minor repairs (painting, installing new doors, etc.) of the existing public buildings that are all located on public lands. There are no resettlement impacts or risks. The Project will not finance activities that would require land acquisition, access rights such as for easement (short-term or long-term), or physical or economic displacement. There are no specific target locations of the Project activities as institutions benefitting from the project activities will be nationwide, but located on lands owned by the state or local municipalities. ESMF prepared by MoECR includes social screening checklist to ensure that no investments requiring any form of involuntary resettlement are supported by the Project.

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 the location of its activities only in the urban areas, with no direct or indirect connection with protected areas or natural habitats.

ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities
Republic of Moldova does not have distinct social and cultural groups as covered by ESS7. Thus, this standard is not applicable.

ESS8 Cultural Heritage
Although very little interaction with possible cultural heritage issues is expected, the proposed sub-projects will be screened for potential cultural heritage impacts. Any identified cultural heritage impacts or chance finds will be dealt with in line with national legal requirements that are fully consistent with the Bank’s requirements and good international practice.

ESS9 Financial Intermediaries
No FI involvement is envisaged in the project.
### C. Legal Operational Policies that Apply

**OP 7.50 Projects on International Waterways**  
No

**OP 7.60 Projects in Disputed Areas**  
No

### III. BORROWER’S ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN (ESCP)

<table>
<thead>
<tr>
<th>DELIVERABLES against MEASURES AND ACTIONS IDENTIFIED</th>
<th>TIMELINE</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESS 1 Assessment and Management of Environmental and Social Risks and Impacts</td>
<td></td>
</tr>
<tr>
<td>ORGANIZATIONAL STRUCTURE: Establish an organizational structure (PMT) with qualified staff to support management of risks including environmental and social specialist responsible for ensuring full compliance with the ESF and relevant instruments.</td>
<td>06/2020</td>
</tr>
<tr>
<td>Maintain Organizational Structure as necessary throughout Project implementation.</td>
<td>08/2025</td>
</tr>
<tr>
<td>ENVIRONMENTAL AND SOCIAL ASSESSMENT: Undertake environmental and social screening of all proposed subprojects following guidance of the ESMF. Reflect identified site-specific environmental and social risks and impacts in the ESMPs of individual subprojects and formulate adequate mitigation measures.</td>
<td>08/2025</td>
</tr>
<tr>
<td>MANAGEMENT TOOLS AND INSTRUMENTS: Prepare according to the ESMF, disclose, discuss with stakeholders, finalize to the World Bank’s satisfaction and prior to tendering of works, and cause implementation of site-specific ESMPs.</td>
<td>08/2025</td>
</tr>
<tr>
<td>ESS 10 Stakeholder Engagement and Information Disclosure</td>
<td></td>
</tr>
<tr>
<td>SEP IMPLEMENTATION: Update, adopt, and implement Stakeholder Engagement Plan (SEP). Report on the implementation of all activities in the SEP. PROJECT GRIEVANCE MECHANISM: Establish and maintain a Project-level Grievance Mechanisms (GM).</td>
<td>08/2025</td>
</tr>
<tr>
<td>ESS 2 Labor and Working Conditions</td>
<td></td>
</tr>
<tr>
<td>LABOR MANAGEMENT PROCEDURES: Implement the Labor Management Procedures (LMP) that have been developed for the Project.</td>
<td>08/2025</td>
</tr>
<tr>
<td>Ensure that all Contractors adopt and implement OHS measures as detailed in ESMF/ESMPs.</td>
<td></td>
</tr>
<tr>
<td>ESS 3 Resource Efficiency and Pollution Prevention and Management</td>
<td></td>
</tr>
</tbody>
</table>
RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT: Develop/implement measures, actions to manage water, waste, hazardous materials and energy efficiency by including them in site-specific ESMPs and enforcing contractors’ adherence to ESMPs. 08/2025

ESS 4 Community Health and Safety

COMMUNITY HEALTH AND SAFETY: Develop and implement measures and action to assess and manage specific risks and impacts to the community arising from Project activities, which shall be set out in the ESMF. 08/2025

ESS 5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

ESS 6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

ESS 7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities

ESS 8 Cultural Heritage

ESS 9 Financial Intermediaries

B.3. Reliance on Borrower’s policy, legal and institutional framework, relevant to the Project risks and impacts

Is this project being prepared for use of Borrower Framework? No

Areas where “Use of Borrower Framework” is being considered:
Moldova's Environmental and Social Framework is not being proposed to be applied in whole or in part for this project.

IV. CONTACT POINTS

World Bank
Contact: Janssen Edelweiss Nunes Teixeira  Title: Senior Education Specialist
Telephone No: 473-0365  Email: jteixeira@worldbank.org

Contact: Denis Nikolaev  Title: Education Spec.
Telephone No: 5738+2071  Email: dnikolaev@worldbank.org

Borrower/Client/Recipient
Borrower: Republic of Moldova through the Ministry of Finance

Implementing Agency(ies)
V. FOR MORE INFORMATION CONTACT

The World Bank
1818 H Street, NW
Washington, D.C. 20433
Telephone: (202) 473-1000
Web: http://www.worldbank.org/projects

VI. APPROVAL

Task Team Leader(s): Janssen Edelweiss Nunes Teixeira, Denis Nikolaev
Practice Manager (ENR/Social) Esma Kreso Beslagic Cleared on 03-Dec-2019 at 16:46:0 EST
Safeguards Advisor ESSA Esma Kreso (SAESSA) Concurred on 05-Dec-2019 at 05:58:56 EST