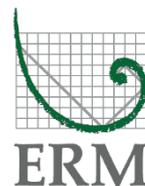


**Kazakhstan Renewable Energy
Financing Facility (KazREFF) - Strategic Environmental
Review**

**Appendix E - Gaps between EBRD PR for ESIA and
Kazakhstan EIA requirements**



European Bank
for Reconstruction and Development



Appendix E: Gaps between EBRD PR for ESIA and Kazakhstan EIA requirements

EBRD Performance Requirement/Issue	Issue	Related Kazakhstan OVOS Requirement	Gap
PR 1: Environmental and Social Appraisal and Management	All EBRD-financed projects undergo environmental and social appraisal	<p>The EIA is obligatory for all sectors of economic and other activities that may directly or indirectly impact the environment and public health.</p> <p>The EIA process is performed on the strength of commitment, integration (magnitude), alternative, adequacy, preservation, compatibility, flexibility, and public participation.</p>	None
	<p>Categorization and EIA magnitude</p> <p>The EBRD categorizes proposed projects as “A”, “B”, and “C”. A project is classified as Category A when it could result in potentially significant and diverse adverse future environmental and/or social impacts and issues which, at the time of categorization, cannot readily be identified or assessed and which require a formalized and participatory assessment process carried out by independent third party specialists in accordance with the PRs (Appendix 1 to the EBRD ESP).</p> <p>A proposed project is classified as Category B when the potential adverse environmental and / or social impacts that it may give rise to are</p>	<p>Economic activities subjected to the EIA procedure are categorized as I, II, III, and IV, of which categories I and II cause major impacts on the environment.</p> <p>According to the requirements, there is the list of projects (economic activities) for which the EIA is recommended to be performed in full (for example, oil industry and crude oil refineries, thermal power stations, chemical installations, pipelines for transport of gas, oil or chemicals, etc.) and the list of projects (economic activities) for which the requirements to carry out a comprehensive assessment are imposed by State review authorities on the basis of a preliminary review or by applying</p>	None

EBRD Performance Requirement/Issue	Issue	Related Kazakhstan OVOS Requirement	Gap
	<p>typically site-specific, and/or readily identified and addressed through mitigation measures. These impacts could be from past, current or future activities. Due diligence requirements may vary depending on the project and will be agreed with the EBRD on a case-by-case basis, in accordance with PR 1.</p> <p>A proposed project is classified as Category C when it is likely to result in minimal or no adverse environmental or social impacts and therefore requires no further environmental and social appraisal beyond categorization.</p> <p>Based on the KazREFF SER, it is anticipated that most funded projects will fall within Categories B or C.</p>	<p>thresholds defined by regulations (agriculture, forestry, mining industry, power industry, wind farms, etc.).</p>	
	<p>EIA stages</p>	<p>The EIA process comprises the following stages:</p> <ol style="list-style-type: none"> 1) preliminary EIA (stage 1); 2) EIA that is performed for a complete and comprehensive analysis of potential effects of the project or further economic and other activities, substantiation of alternatives, and development of an environmental management plan (programme) (stage 2); 3) “Environmental Protection” section that constitutes part of the design documentation and contains engineering solutions aimed at prevention of adverse 	<p>None</p>

EBRD Performance Requirement/Issue	Issue	Related Kazakhstan OVOS Requirement	Gap
		<p>impacts on the environment (stage 3).</p> <p>The EIA format, completeness of studies, scope of used documents, levels and degree of detail of environmental scientific & design surveys depend on the design stage as well as on magnitude and intensity of impacts caused by projected economic and other activities on human health and environment.</p> <p>EIA is an integral part of pre-design and design documents.</p>	
	<p>Preliminary environmental and social assessment (Pre EIA)</p> <p>Through appraisal activities, the client will consider in an integrated manner the potential environmental and social issues and impacts associated with the proposed project. The appraisal process will be based on recent information, including an accurate description and delineation of the client’s business or the project, and social and environmental baseline data at an appropriate level of detail. The appraisal should also identify applicable laws and regulations of the jurisdictions in which the project operates that pertain to environmental and social matters, including those laws implementing host country obligations under international law (for example, commitments</p>	<p>Through Pre-EIA activities, the potential trends of changes in environmental and socioeconomic components as well as impacts on both the society and environment are identified.</p> <p>No need in computations of the pollution level for certain environmental components (air, soils, water, subsoil resources).</p> <p>Pre-EIA documents are disclosed for public by a project initiator.</p> <p>Pre-design appraisal documents (business-plans, feasibility studies) and main pre-design documents such as “Investment substantiation” and Pre-EIA documents are</p>	None

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	related to land use planning and protected area management).	<p>submitted to the State Environmental Review (SER).</p> <p>A positive Conclusion issued by the SER in favour of the project initiator, serves as a guide for making decisions to initiate designing of specific facilities and structures in accordance with the most rational option selected in the course of Pre-EIA development.</p>	
Environmental and social appraisal (EIA) mechanism	<p>Environmental and social impacts and issues will be appraised in the context of the project's area of influence. Environmental and social issues and impacts will also be analysed for the relevant stages of the project cycle. These may include preconstruction, construction, operations, and decommissioning or closure and reinstatement. Where relevant, the appraisal will also consider the role and capacity of third parties, such as local and national governments, contractors and suppliers, to the extent that they may influence the project, recognizing that the client's ability to address these risks and impacts will depend on its control and influence over the third party actions. The appraisal will also consider potential trans-boundary and global issues, such as impacts from effluents and emissions, increased use or contamination of international waterways, greenhouse gas emissions, climate change mitigation and adaptation issues, and impacts on endangered species and habitats.</p>	<p>The EIA process comprises an assessment of impacts on:</p> <ul style="list-style-type: none"> • atmospheric air • water resources; • subsoil resources; • industrial and domestic waste; • physical impacts; • lands and soils; • flora; • fauna; • socioeconomic environment; • environmental risks from planned activities in the region <p>A project initiator discloses EIA documents for the public.</p>	None

EBRD Performance Requirement/Issue	Issue	Related Kazakhstan OVOS Requirement	Gap
PR 2: Labour and Working Conditions	At a minimum, the client’s human resources policies, procedures and standards shall be designed to: establish and maintain a sound worker-management relationship; promote the fair treatment, non-discrimination and equal opportunity of workers; promote compliance with any collective agreements to which the client is a party, national labour and employment laws, and the fundamental principles and key regulatory standards embodied in the ILO conventions that are central to this relationship; protect and promote the health of workers, especially by promoting safe and healthy working conditions.	<p>Labor relationship in the Republic of Kazakhstan is regulated by the Labor Code and it does not constitute part of the EIA process.</p> <p>Issues related to labor and working conditions and safety are considered in the “Environmental risk assessment in connection with planned activities in the region” section.</p>	Labor relationship issues are not reflected in typical Kazakh EIA documents. This would be a gap if not addressed in a project-specific ESMP.
PR 3: Pollution Prevention and Abatement	The client will avoid the release of pollutants or, when avoidance is not feasible, minimize or control their release. This applies to the release of pollutants due to routine, non-routine or accidental circumstances with the potential for local, regional, or trans-boundary impacts. In addition, the client should examine and incorporate in its operations energy efficiency measures and measures to conserve water and other resources, consistent with the principles of cleaner production. The client will avoid or minimize the generation of hazardous and non-hazardous waste materials and reduce its harmfulness as far as practicable.	Measures aimed at prevention and abatement of environmental pollution are specified in EIA documents (“Atmospheric Air”, “Water Resources”, and “Waste” sections). These measures provides for introduction of low-waste and waste-free technologies and special measures on i) prevention (abatement) of air emissions; ii) adverse impact mitigation; iii) air quality monitoring; iv) amounts and chemical composition of wastewater discharges; v) substantiation of the introduction of water circulating systems and wastewater reuse systems, recycling of sludge from wastewater treatment facilities; vi)	None

EBRD Performance Requirement/Issue	Issue	Related Kazakhstan OVOS Requirement	Gap
		groundwater protection against pollution and depletion; and vii) recommendations related to recycling, treatment and disposal of all types of waste and waste recycling/waste disposal technologies.	
PR 4: Community Health & Safety and Security	Requirements relating to: infrastructure and equipment safety; hazardous materials safety; community exposure to disease; emergency preparedness and response; and security personnel requirements. These requirements are focused on avoidance or prevention of risks and impacts rather than their minimization and mitigation.	EIA documents comprise a section titled "Assessment of environmental risks for the environment and community health in connection with planned economic activities". This section contains i) recommendations on prevention of and response to emergencies; ii) consideration of emergency probability; sources and kinds of emergencies and frequency of their occurrence as well as forecasts of their impacts on the environment and community.	None
PR 5: Land Acquisition, Involuntary Resettlement and Economic Displacement	The following requirements are considered in the course of project design: carrying out of consultations; grievance mechanism; resettlement planning and implementation; Resettlement Action Plan; livelihood restoration framework; compensation and benefits for displaced persons; displacement; physical displacement; economic displacement; and loss of public amenities.	Issues related to land acquisition and involuntary resettlement are regulated by the Land Code of the Republic of Kazakhstan. But the Pre-EIA documents to be submitted to the SER for reviewing should contain a copy of document for the right of land use in the subject territory.	Kazakhstan EIA regulations do not contain requirements related to land acquisition, involuntary resettlement and economic displacement.
PR 6: Biodiversity Conservation and Sustainable Resource Management	Through the environmental and social appraisal process, the client will identify and characterize the potential impacts on biodiversity likely to be caused by the project. The extent of due diligence should be sufficient to fully characterize the risks	The EIA process also includes an assessment of impacts on vegetation in the project influence area (the presence of medicinal herbs; rare, endemic and Red Data Book-listed plant species), green space	None

EBRD Performance Requirement/Issue	Issue	Related Kazakhstan OVOS Requirement	Gap
	<p>and impacts, consistent with a precautionary approach and reflecting the concerns of relevant stakeholders. The client will seek to avoid adverse impacts on biodiversity.</p>	<p>condition; forecasted changes of the vegetation cover in the project implementation area and impacts of these changes on life and health of local communities; recommendations for conservation of vegetation communities, improvement of their condition, flora conservation and revegetation; recommendation for vegetation monitoring, etc.</p> <p>Furthermore, the EIA documents contain a baseline assessment of aquatic and terrestrial fauna (the presence of rare, endangered and Red Data Book-listed fauna species); measure to conserve and reproduce the integrity of natural communities and species diversity of aquatic and terrestrial fauna; food potential improvement; a wildlife monitoring programme. In addition, the presence of natural territories and landmarks under special protection in the territory of potential construction operations is considered.</p>	
PR 7: Indigenous Peoples	<p>In projects where Indigenous Peoples are likely to be affected, the client is required to carry out an assessment of impacts on Indigenous Peoples. Depending upon the outcome of this, the client is expected to first avoid adverse effects and where this is not feasible, to prepare and Indigenous</p>	<p>The Kazakhstan legislation does not specify requirements related to Indigenous Peoples</p>	<p>The Kazakhstan EIA procedure does not consider issues related to Indigenous People. However, this is not typically an issue in</p>

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	<p>Peoples' Development Plan so as to minimize and/or mitigate any potential adverse impacts. The client is also expected to implement a specific grievance mechanism and determine appropriate modalities for compensation and benefit-sharing.</p>		Kazakhstan, where there is no indigenous population.
PR 8: Cultural Heritage	<p>At an early stage of the environmental and social appraisal, the client should identify if any cultural heritage is likely to be adversely affected by the project, and assess the likelihood of any chance finds. The client will ensure that provisions for managing chance finds, defined as physical cultural heritage encountered unexpectedly during project implementation, are in place. Such provisions shall include notification of relevant competent bodies of found objects or sites; alerting project personnel to the possibility of chance finds being discovered; and fencing-off the area of finds to avoid any further disturbance or destruction.</p>	<p>EIA documents contain a section devoted to territories, landmarks and sites under special protection. Cultural heritage is regulated by the RK Law "On Protection and Use of Historical and Cultural Heritage Sites and Objects" dated July 2, 1992. Companies, institutions, organizations, educational institutions, public organizations and individuals will support an authorized relevant body in implementation of measures aimed at protection, preservation and use of historical and cultural heritage sites.</p>	None
PR 9: Financial Intermediaries (FI)	Not applicable	Not applicable	Not applicable
PR 10: Information Disclosure and Stakeholder Engagement	<p>"Information Disclosure and Stakeholder Engagement" specifies requirements relating to stakeholder identification, development of a Stakeholder Engagement Plan, information disclosure, meaningful consultations, and grievance mechanism.</p>	<p>Public opinion is given proper weight in the process of EIA development. Public opinion consideration format depends on the significance of planned economic activities and the extent of project influence on the environment and community health; much</p>	Kazakhstan requirements do not specify a detailed procedure for stakeholders identification and engagement or the grievance mechanism

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		<p>depends on stakeholders. The procedure and dates of public consultations is regulated by environmental supervisory authorities.</p> <p>Public opinion is mainly considered through public consultations. The results of public consultations are recorded in the form of a report where all key issues and disagreements between stakeholders and a client are recorded. Stakeholders' comments and proposals are considered in design documents. Written proposals and comments from stakeholders (as an independent form of public opinion consideration) are collected for individual less significant projects of economic activities. At subsequent stages of project design, the procedure of public opinion consideration can be carried out through collection of written proposals and comments in respect of EIA findings for a certain industrial operation.</p>	<p>procedure.</p>