

ENVIRONMENTAL AND SOCIAL REVIEW SUMMARY

1. Project Title: Ukraine, Brovary Logistics Centre (38183)

2. **Project Description:** The financing of an international standard logistics centre with a GLA of 49,200 m², located in the town of Brovary, Kiev region.

3. Screening Category and Justification

Screened B/0. Environmental implications associated with the development of a logistics centre is considered to be relatively limited and can be readily identified and adequately mitigated.

4. Due Diligence Undertaken and Outcomes:

The environmental due diligence including a review of the completed Environmental Questionnaire as well as the site visit by the Bank's environmental specialist (November, 2007) confirmed that the site is suitable for the project as well as the official environmental approvals have been granted to the project: the environmental assessment for the project has been carried out in accordance with Ukrainian requirements ("Scope and Contents of the Environmental Impact Assessment(OVOS) for design and construction of buildings and structures"); the State Expertise reviewed it and granted a "Proekt"- construction stage approval; and the project site is located within the area which has been specifically designated for industrial and logistics development by the authorities. An Environmental Action Plan (EAP) has been developed to address issues such as construction worker health, safety and legal protection and overall environmental management.

5. Implementation Requirements:

The Borrower will need to carry out the project in accordance with:

1. National and EU environmental, health and safety standards;
2. Relevant national employment laws and standards and Conventions of the International Labour Organisation (ILO) related to the employment of children and young people, discrimination at work and forced labour and IFC Safeguard Policy on Indigenous People, Involuntary Re-settlement and Cultural Policy;
3. The Borrower needs to implement an Environmental Action Plan (EAP).
4. The Borrower will need to provide an annual environmental, health and safety report, and to notify the Bank on material issues/accidents.

The Bank will monitor the project's environmental performance during the life of the project through a review of the Annual Environmental Report as well as a monitoring visit where necessary and adequate.