European Bank
for Reconstruction and Development

Montenegro: Construction of Bar-Boljare Highway - Environmental and Social Assessment

Gap Analysis & Disclosure Pack section Mateševo – Andrijevica

ENVIRONMENTAL AND SOCIAL MANAGEMENT PLAN

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Abbreviations

AESR	Annual Environmental & Social Report
CESMP	Construction Environmental and Social Management Plan
CFP	Chance Find Procedure
CHMP	Cultural Heritage Management Plan
CFP	Chance Find Procedures
CLO	Community Liaison Officer
CoC	Code of Conduct
DNP	Defect Notification Period
EBRD	European Bank for Reconstruction and Development
EHS	Environment Health and Safety
EPC	Engineering, Procurement and Construction
ESAP	Environmental and Social Action Plan
ESIA	Environmental and Social Impact Assessment
ESMP	Environment and Social Management Plan
ESP	Environmental and Social Policy
EU	European Union
HSS	Health, Safety, Security
GHG	Green House Gas Emission
LARF	Land Acquisition and Livelihood Restoration Framework
LARP	Land Acquisition and Resettlement Plan
LMP	Labor Management Procedure
MNE	Montenegro
MONTEPUT d.o.o.	State owned road operating company also acting as Project Manager
MPR	Monthly Progress Report
OESMP	Operational Environmental and Social Management Plan
PPE	Personal Protective Equipment
PR	Performance Requirement
SEETO	Southeast Europe Transport Observatory
SEP	Stakeholder Engagement Plan

1 INTRODUCTION

The Bar-Boljare Highway (BBH) in its length of 168 km, which the section Mateševo – Andrijevica is a part of, forms the Trans European Motorway (TEM) branch route through Montenegro. This BBH road is part of the E-80 and E-65 routes, comprising SEETO Route 4 [Romanian border/Vatin – Belgrade (SER) – Podgorica (MNE) – Bar (MNE)]. The Highway connects the Adriatic Coast (Port of Bar) to the border of Serbia (Boljare) and with ports on the Danube (Corridor VII and Corridor X) and, ultimately, with the entire so-called Pan-European corridor network and integrate the TEN-T extension in the Western Balkans.

The development phases for the entire BBH are as follows:

- Section I: Smokovac–Mateševo
- Section II: Mateševo–Andrijevica and the Smokovac–Tološi–Farmaci bypass;
- Section III: Andrijevica–Boljare
- Section IV: Podgorica – Đurmani

The intention of Montenegro to construct the Bar – Boljare Highway was initiated back in 2001 by the Parliamentary decision to proceed with the development of the Spatial Plan ("Official Gazette of MNE" no. 45/01). The Spatial Plan of Montenegro up to 2020 was subsequently adopted in 2008 ("Official Gazette of MNE" no. 24/2008) reserving space by defining a dedicated corridor for the Highway BBH. The objective of defining the corridor was to safeguard the space from other spatial demands and use (Spatial Plan, Pg.133). On October 19, 2023 the Government of MNE has determined the Draft Spatial plan of Montenegro up to the year 2040. After the disclosure, public insight, and consultation period, the final draft of the Spatial Plan was adopted and disclosed on January 29, 2024 by the Ministry of Spatial Planning, Urbanism and State Property. The Strategy of transport development in Montenegro (2019-2035) has included the completion of the Section "Mateševo - Andrijevica" part of the Bar - Boljare Highway into the unified list of priority infrastructure projects .

The section Mateševo–Andrijevica, subject to the present ESIA disclosure dossier, is 23.5 km long (14% of the total length of the Bar - Boljare highway).

Figure 1: The Bar-Boljare Highway and Mateševo - Andrijevica section

The start point is after the Mateševo IC (Smokovac – Mateševo section). The end of the exploration area is the area of the Kraštica River, tributary of Lim River, near Andrijevica. Part of the Mateševo-Andrijevica highway section is located within the municipality of Kolašin while the rest is located within the municipality of Andrijevica.

The activities undertaken in preparation of the mandatory documentation for the Mateševo-Andrijevica Section, can be observed through two continuous development phases, without overlapping sequences.

The first phase, started by the General Design (Louis Berger SAS-Paris, Simm Engineering – Podgorica) in 2008, when three alignment alternative solutions were examined. The work continued in 2018 when the Government of Montenegro benefited from Technical assistance services (TA) supported through a Western Balkans Investment Framework (WBIF) Grant. Under the Scope of work of the said TA together with earlier efforts financed by the Government of Montenegro, the following studies were developed:

- Preliminary Design for the Section Mateševo-Andrijevica adopting Variant 3, approved by the State Review Committee (2022)
- National EIA for the Mateševo – Andrijevica section, (2024) for which the consent of the Environmental Protection Agency was given with the Decision 03-UPI-652/28 dated May 14th, 2024, based on the above Preliminary Design.
- Preliminary ESIA for the Mateševo – Andrijevica, drafted under the WBIF, based on the approved Preliminary Design, inclusive of a LARF and SEP, submitted in July 2023, which was not disclosed for consultation.
- Preliminary ESIA prepared as a part of the Feasibility Study for the entire Bar-Boljare highway (2021).
- Strategic environmental impact assessment for Detailed spatial plan of Bar-Boljare highway (2008);

The second phase started during the first half of 2024 and was marked by two determining factors:

(1) the Intention of EBRD to financially support the Government of Montenegro through a loan which required assessment on compliance of the entire project activities with, inter alia, the Environmental and Social Policy of EBRD (2019) and the applicable Performance Requirements, and consequently
(2) the decision of MONTEPUT to address, at that time already raised and known concerns of three out of eight settlements, through formalizing and enhancing stakeholder engagement activities in exploring viable alternatives to the alignment in the areas of concerns (from the exit portal of Tunnel Trešnjevik to interchange Andrijevica).

The overview of the current status of activities and documentation required to continue with development of the Section Mateševo-Andrijevica, and planned schedule is summarized below:

- **Engineering design and Construction schedule**: the Preliminary Design, which includes preliminary routing and layout, was prepared in 2022 and 2024 (for the change in the alignment). The Detailed Design phase is expected to start in 2025 following the award of the Design and Build Contract. MONTEPUT foresees a time for completion of 60 months starting from the Commencement date (with additional 24 months Defect Notification Period). This procurement procedure is guided by EBRD Procurement guidelines utilizing the EBRD Standard Bidding Documents.
- **Supervision over Design and Works:** MONTEPUT has published an invitation for Prequalification for selection of Supervision for preparation of Detailed Design and Construction Works for the Mateševo - Andrijevica Section. The Contract is expected to be awarded beginning of 2025.
- **Technical Assistance -** MONTEPUT has published an invitation for Prequalification for selection of a Consultant to support MONTEPUT in managing the Design and Works Contractor the Mateševo - Andrijevica Section. The Contract is expected to be awarded beginning of 2025.
- **Expropriation:** the Project will require private land rights and assets to be acquired through expropriation. However, the Detailed Design will confirm the exact project land needs and economic and physical displacement impacts after mitigation measures have been considered and operationalized. There are some estimations of the area required, including the number of physical and economic displacement cases. The Route change has also changed the physical footprint, minimized land acquisition and physical displacement. The changes also require changes in the declared and disclosed decision on Public interest.
- **Civil Works:** Preparatory works are expected to commence mid-2025, while the Permanent works will commence after approval of the Detailed Design by the Review Committee, the Road Safety Audit and after the Construction permit is obtained, (expected in late 2026/early 2027). The Detailed Design will be developed in sub-sections each of which will have a separate Construction permit to allow phased construction.

2 OBJECTIVES AND SCOPE OF THE ENVIRONMENTAL AND SOCIAL MANAGEMENT PLAN

The Environmental and Social Management Plan (ESMP) is developed to address the identified environmental and social impacts and other performance improvement measures to meet the Performance Requirements (PRs) of EBRD, in line with EBRD's ESP 2019, taking into account the findings of the Environmental and Social Impact Assessment and the results of the stakeholder engagement.

To achieve this, the ESMP outlines mitigation measures required to mitigate the risks and adverse impacts on the physical, natural and social environment, and manage health and safety risks and the risk and impact register. It provides an overview of the environmental and social baseline conditions of the Project's Area of Influence, summarizes the potential impacts associated with the proposed development works and sets out the management measures required to mitigate any potential impacts in a series of discipline specific ESMP sections.

The ESMP presents the actions that are envisaged for implementing the environmental and social mitigation measures for the project. Specific objectives of the ESMP are to:

- Provide a structured list of actions to be undertaken during the Project lifecycle (pre-construction, construction and operation) to ensure that the environmental and social risks identified during the ESIA are addressed according to the national requirements and the international good practices and standards
- Provide an institutional mechanism with well-defined roles and responsibilities for ensuring that measures identified in ESIA are implemented.
- Minimizing any adverse environmental, social and health and safety impacts resulting from the Project activities by implementing all suggested mitigation measures and control technologies, safeguards identified through the ESIA process.
- Prevent or compensate for any loss of the affected persons.
- Conducting Project activities in accordance with relevant Montenegrin Laws and the international guidelines.
- Enhance positive environmental and social outcomes.
- Ensure that the ESMP is feasible and cost-efficient.
- Provide a Project monitoring program for effective implementation of the mitigation measures and ascertain efficacy of the environmental management and risk control systems in place.
- Ensure that all stakeholders concerns are addressed.
- Provide assurance to third parties that their requirements regarding environmental and social performance will be met.

The ESMP included in the table below, specifies:

- The potential impacts per environmental and social topic as identified in the ESIA
- Proposed mitigation measures as identified in the ESIA
- Parties responsible for undertaking the proposed E&S actions.
- Cost (where applicable and/or possible to estimate at current stage)

- Indicators that can be used to assess performance of the mitigation measure
- Monitoring procedures

3 IMPACTS AND RISKS ADDRESSED BY THIS ESMP

In order to address anticipated risks and impacts during the Construction phases identified in the 2024 updated ESIA (based on the Preliminary Design), the national EIA, a Construction Environmental and Social Management Plan (CESMP) will be developed by the EPC Contractor and will include the following sub-plans:

Table 1: Construction Environmental and Social Management Plan & sub-plans

Sub plan	Scope, Impacts/risks to be addressed
Workers' Accommodation Management Plan	This plan is included on a precautionary basis as the establishment of Workers' accommodations is not certain and will The scope is to describe camp structure and functions during construction period aiming at avoiding inadequate construction site organization. It will cover: ▪ Camp layout ▪ Camp Access and Security ▪ Accommodation and Camp facilities ▪ Conditions and rules for health, safety and security ▪ Waste Management, and Pollution prevention ▪ Camp conduct ▪ Decommissioning
Labour Management Plan	The LMP includes mandatory clauses and requirements to comply with the labor and working condition standards on the Project. The Contractor will adopt the LMP as appended to the ESIA or develop and adopt an LMP of its own materially compliant with the ESIA LMP.
Construction Environmental and Social Monitoring Plan	Monitoring activities as described in the ESIA (Section 9) and required by the national legislation.
Infrastructure and Utilities Management Plan	The plan is designed with the aim to minimize disturbance to infrastructure's utilities and enhance the existing situation. The objectives of the Infrastructure and Utilities Plan include: ▪ Minimize the damage to infrastructure utilities from construction activities; ▪ Ensure that losses of infrastructure or services are temporary and insignificant; ▪ Ensure the availability of the infrastructure's services to the local communities through alternative temporary ways; and

Sub plan	Scope, Impacts/risks to be addressed
	▪ Ensure that the new infrastructures will enhance the life conditions in the study area. The Plan shall include Public Utilities Assessment, requirements for road closure for construction/upgrade activity and measures to minimize traffic interruption, proposed approach by the Contractor to minimise losses of infrastructure or services, approach and activities to notify and consult with stakeholders, monitoring procedures.
Construction Occupational Health and Safety Management Plan (ISO 45001:2023)	The plan is designed to ensure the provision of a safe environment to all construction personnel. It shall ▪ Implement the Hierarchy of Controls – Elimination, Substitution, Engineering Controls, Administrative Controls and PPE ▪ Provide a safe and healthy workplace(s) ▪ Prevent work related injury and / or ill health ▪ Proactively monitor and improve OH&S performance ▪ Eliminate hazards and minimise OH&S risks (including system deficiencies) ▪ Take advantage of OH&S opportunities and address management system non-conformities associated with its activities ▪ Fulfil legal and other requirements ▪ Achieve OH&S objectives ▪ Integrate other aspects of health and safety including worker wellness / wellbeing ▪ Health and Safety responsibilities ▪ Identification and hierarchisation of hazards with special emphasis on the high-risk construction works ▪ Procedures and Safe Work Guidelines (such as high-risk works, Work in vicinity or on High Voltage Equipment, handling of hazardous materials, work in confined spaces, work on heights etc) ▪ Workers' training ▪ Communication - internal and external ▪ Document management
Construction Emergency Response and Incident Management Plan	The Plan is designed to prevent potential adverse impacts to human health and safety, property, and the environment that could potentially result from the construction of the project. The Plan shall cover: ▪ Weather events like floods, wildfires, torrential floods, winter storms ▪ Other natural hazards such as earthquake, etc. ▪ Fires and explosions ▪ Chemical spills, toxic gas releases,

Sub plan	Scope, Impacts/risks to be addressed
	▪ Civil disturbances, and workplace violence ▪ Serious accidents on a jobsite
Construction Spill Prevention and Response Plan	The Plan outlines the project scope of work to prevent, respond, and report oil spills and releases to the environment during the construction. It shall include procedures to prevent releases to the environment, emergency procedures, location and use of spill kits, training.
Construction Biodiversity Management Plan	The Construction Biodiversity Management Plan aims to: ▪ Avoid / minimise the of adverse impacts on biodiversity ▪ To protect and conserve biodiversity Promote sustainable management and use of natural resources through the adoption of practices that integrate conservation needs with the project.
Construction Air Quality and Dust Management Plan	The CAQDMP is designed to address dust and air pollutant emissions during construction, ensure the adoption of the adequate mitigation measures to avoid risks to workers' and community health and to natural environment (habitats, flora and fauna)
Construction Noise and Vibration Management Plan	The plan is design to address the noise, and vibration impacts during construction and ensure the adoption of the adequate mitigation measures to avoid adverse impacts to Workers' and community health and disturbance to fauna
Construction Water Management Plan	The purpose of the plan is to improve the efficiency of water use on construction sites through better planning and management of water and to encourage consideration of environmental risks associated with construction activities.
Construction Soil Erosion, Reinstatement and Landscape Management Plan;	The purpose of this plan is to provide a clear framework of the tools and processes in place to manage and guide reinstatement, soil erosion and sediment control to achieve the physical reinstatement of all Project-disturbed sites to their original condition, as far as possible, upon completion of construction.
Construction Waste and wastewater Management Plan	The Plan covers all activities associated with the production of wastes and wastewater during construction. The aim is to minimise pollution risks from inadequate handling of waste and wastewater The plan shall cover non-hazardous and hazardous solid waste and wastewater.,
Construction Hazardous Materials Management Plan	The purpose of this Construction Hazardous Materials Management Plan is to identify all hazardous materials,

Sub plan	Scope, Impacts/risks to be addressed
	including goods and/or substances, to be used during construction so as to prevent adverse environmental impact and to minimise risk to public health due to handling, use, storing and transporting of such substances. The main aim of this Plan is to ensure hazardous materials are handled, used, stored, transported and removed from the site in an appropriate manner that minimizes environmental impact generated on workers and, especially, on the surrounding communities, sensitive habitants, terrestrial fauna and vegetation.
Construction Traffic Management Plan	This Traffic Management Plan (TMP) sets out the methods and processes the EPC Contractor will employ to control traffic. This includes project vehicle operations and road transportation which fall under the Project's responsibility whether on or off the site. The scope of the Plan is to describe how the potential transport and traffic impacts during construction will be managed in order to avoid: ▪ Road traffic disruptions and safety ▪ Risks of restriction to access to community infrastructure, roads and cemeteries in the Project area ▪ Risks of damages to public local roads ▪ Risks to Community Health
Quarry / borrow pit management plan	The purpose is to set out the approach to manage and mitigate the impacts associated with the extraction of aggregates required for construction of the Project
Blast Management Plan	The Plan sets out key national and EU policies, laws and standards related to blasting activities, defines roles and responsibilities, identifies and classifies potential risk in construction phase, defines expected blasting area, as well as blasting patterns and specifications, blasting procedure (including measures for environmental protection, as well as protection of population and workers' safety)
Construction Security Management Plan (supported by a security risk assessment);	The plan outlining security protective measures that will be applied to each phase of the construction project. The plan includes measures such as establishing a safe and secure work environment, providing appropriate safety and security equipment, installing security cameras and lighting, establishing access control systems, training and educating employees on safety and security protocols, and posting warning signs and notices

Sub plan	Scope, Impacts/risks to be addressed
Construction Cultural Heritage Management Plan	▪ Manage the cultural heritage resource by setting out roles and responsibilities, procedures, methods and programmes required by the project cultural heritage mitigation strategy ▪ CFPs are designed to ensure that unexpected tangible cultural heritage remains that were encountered during construction are recorded and, where appropriate, recovered.
Construction Community Health & Safety Risk Management Plan **cross-referencing to supporting plans);**	This Community Health & Safety Plan (CHSP) describes how the EPC Contractor and its Subcontractors will either avoid, minimize, or mitigate potential negative effects on the local community during the design, procurement and construction of the Project. This plan also depicts how the EPC Contractor will look for, encourage and promote positive effects towards the local community. Besides this approach towards the local community, this plan also envisages actions and mitigation measures related to labor and working conditions. Those requirements are supplemented and specified in a narrower manner in all HR and labor relations policies, plans and procedures and particularly in the HR General Procedure. The purpose of the SMP is to: ▪ Ensure that the Project is compliant with relevant current Montenegrin legal and regulatory requirements. ▪ Detail the prevention measures required by the Environmental & Social Impact Assessment (ESIA) and the Environmental Impact Assessment (EIA) The scope of the CHSP applies to all activities performed by and its subcontractors during the site mobilization, design, pre-construction, construction, handover and demobilization phases of the Project.

4 ORGANIZATIONAL STRUCTURE

To ensure the efficacy of the Environmental and Social Management Plan certain institutional mechanisms with well-defined roles and responsibilities are essential for effective implementation of identified mitigation and control measures both during the construction and operation phases.

4.1 MONTEPUT D.O.O Management

MONTEPUT d.o.o will have ultimate responsibility for implementing the provisions of the ESMP. This role will include the on-going management of environmental and social impacts, control of HSS risks, monitoring of contractor performance through the Supervision Consultant – Engineer (To be appointed) and assisted by the Implementation support Consultant (TA to be appointed) as well as development of mechanisms for dealing with environmental and social and safety concerns i.e. the Grievance Mechanism.

4.2 EPC CONTRACTOR – To be Determined

This ESMP is to be implemented by the selected **Engineering, Procurement and Construction (EPC) Contractor** to be commissioned by **MONTEPUT d.o.o.** for the Project. Implementation and management of certain plans, i.e. the Stakeholder Engagement Plan and Grievance Mechanism, will remain the responsibility of MONTEPUT d.o.o. As such, this ESMP represents the minimum requirements for environmental, social, and health safety and security management. Conformance with the ESMP roles and responsibilities, policies, procedures and requirements will be the responsibility of the EPC Contractor as articulated in the respective Construction ESMP (CESMP). MONTEPUT will also ensure that the activities of its Engineering, Procurement and Construction (EPC) Contractor and any Sub-Contractor are conducted in accordance with good practice measures, implementation of which will be required through contractual documentation.

Engineering design and Construction schedule: the Preliminary Design, which includes preliminary routing and layout, has been prepared for the Project as detailed in the previous chapter, and the Detailed Design is expected to start in 2025 following the award of the Design and Build Contract. MONTEPUT intends to commence construction in late 2025 or early 2026 with a time for completion of 60 months starting from the Commencement date (plus 24 months DNP). The Design and Build Contractor will likely be a foreign company or a Joint Venture of foreign and domestic companies. The procurement procedure is guided by EBRD Procurement guidelines utilizing the EBRD Standard Bidding Documents.

4.3 Roles and responsibilities of selected EPC EHS Department

MONTEPUT will oversee the Project performance pertaining to environment, health, safety and social issues. The selected EPC Contractor will provide a dedicated HSE Department to support the Project. The EPC Contractor's HSE Department will have overall responsibility for the coordination of the actions required for environment and social management and mitigation, control of HSS risks, and for monitoring the progress of the proposed ESMP for the Project.

However, ultimate responsibility for implementing the provisions of the ESMP will lie with MONTEPUT.

In general, the EPC Contractor's EHS Department shall perform, inter alia, the following activities:

- Ensuring availability of resources and appropriate institutional arrangements for implementation of the ESMP.

- Preparation of required documents on environmental, social and health and safety management.
- Effective implementation of the health, safety and security management system.
- Confirming the competence and assessing the past performance of any sub-contractor engaged on the Project and monitoring their performance ensuring compliance with the HSS and overall ES management system.
- Implementation and Reporting in line with the Projects Labour Management Procedures (Appended to the ESIA)
- Collection and monitoring of data on personnel.
- Management of on and off-site health and safety.
- Awareness-raising and implementing safety programs.
- Providing job specific induction training.
- Providing induction HS trainings for any non-employee person accessing the construction site.
- Compliance with regulatory requirements.
- Carrying out environmental, health and safety and security audits.
- Identify unsafe acts & conditions and suggest remedies.
- Develop safety culture and comply with the company's HSE policy and standards requirements.
- Encourage and enforce the use of PPE.
- Educate all employees in the use of PPE and safe practices.
- Direct, coordinate and orient the HSS activities.
- Promulgate the spread of policy, objectives, rules and/or regulations.
- Perform a thorough investigation of all accidents and review the recommendations to avoid any recurrence and report in line with the reporting requirements
- Monitoring the progress of implementation of the CESMP.
- Reviewing and updating the CESMP as and when required for its effective implementation.

5 ENVIRONMENTAL AND SOCIAL IMPACTS ASSESSMENT OUTCOMES AND REQUIREMENTS

The Environmental and Social Impact Assessment conducted for the Project identified all of the potential environmental and social impacts of this Project at the level of the Preliminary Design. Potential health, safety and security risks have been identified in the risk register prepared for the Project. The required mitigation measures for each of the potential adverse environmental and socio-economic impacts, and health and safety risks that may arise have been considered and are detailed herein. Furthermore, a complete monitoring and auditing system has been suggested in order to sustain the social and environmental situation in the Project area. These measures should significantly reduce the identified potential environmental and social impacts. The effective implementation of the Environmental and

Social Management System (ESMS), will control the potential Environmental and Social risks associated with the Project.

6 MONITORING, AUDITING, DOCUMENTATION AND REPORTING

Documentation is an important element linked to the implementation of the ESMP. The EPC Contractor will establish a documentation and record keeping system materially compliant with the Project`s ESMS and will include the commitments within this ESMP. Responsibilities will be assigned to relevant personnel for ensuring that the ESMP documentation system is maintained, document controlled and distributed to the identified personnel.

The Contractor will provide timely submissions of reports with the agreed level of detail. In addition to the commercial contract requirements the Contractor's Construction Log and Construction Diary will include other observations that support the implementation of the ESMP, such as community relations grievances.

6.1 External Reporting

All external reporting will be managed by the MONTEPUT as the Project Manager within their obligations to the national government entities under the national legislation and to EBRD as required by the finance and project agreement.

6.2 Internal Reporting

Internal reporting with regards to the EPC Contractor's commitments within the ESMP will be managed jointly by the Community Relations Officer, Environmental Officer and Occupational Health and Safety Officer. The Project will share, as appropriate, inspection and audit findings with their suggested measures regularly with the Project management, the ESMP Implementation Committee and employees. To maintain an open communication between the employees and management on occupational health, safety, environmental and social issues the following tools will be used:

- Team Briefings,
- On-site work group meetings,
- Work Specific Instructions.

6.3 ESMP Review

The ESMP and C-ESMP will be periodically reviewed to address changes in the responsible parties' organization, design, process or regulatory requirements and updates communicated to all responsible parties and employees on the Project.

6.4 Monitoring and Auditing

A monitoring, auditing and reporting procedure has been established to ensure proper implementation of mitigation measures and maintain or improve the environmental and the socio-economic characteristics of the area during the construction and operation phases of the Project, and manage Health, Safety and Security risks. The monitoring procedure will focus

on transport, noise, safety, visual impact, air quality, and any emerging socio-economic adverse effects, and the effective implementation of the HSS management system. The monitoring activity will monitor the application of environmental and social mitigation measures and the result of monitoring activities shall be reflected in monthly reports. Inspection and monitoring of the environmental, social and health and safety impacts of the Project activities will increase the effectiveness of the ESMP. Through the process of inspection and auditing, MONTEPUT will ensure that the conditions stipulated in various permits are complied with.

6.5 Training

The Project will implement a training and awareness program covering ESMP expectations and commitments of the Project. As a minimum, this should be implemented as an induction for all employees and sub-contractors engaged during pre-construction, design, construction and operation phases, with further training to be implemented depending on the level of responsibility for implementing the ESMP. The training program will cover the following aspects:

- Purpose of ESMP in relation to the Project activities,
- Requirements of the management and monitoring plans,
- Understanding of the sensitive environmental and social receptors within and surrounding the Project areas, and
- Aware of the potential risks from the Project activities.

The Project will ensure that all personnel responsible for the implementation of this ESMP are competent on the basis of education, training and experience. All Project personnel will be provided with environmental and social training appropriate to their scope of activity and level of responsibility.

6.6 MONITORING

A monitoring, review and auditing program will be implemented during construction to monitor implementation of the ESMP requirements and environment and social commitments. The Project Owner/Employer will be responsible for ensuring that the Contractor and its sub-EPC Contractor are complying with the applicable national regulations as well as lenders requirements. In line with the commercial contract, the Contractor will develop its own monitoring plan in conjunction with the Supervision Consultant – The Engineer and relevant Project documents (EIA Studies, Preconditions of relevant authorities and ESIA). Responsibilities and cost of Implementation of monitoring activities should be harmonized with EIA Studies requirements.

7 ESMP IMPLEMENTATION COSTS

The nature of Project is such that it entails standard construction activities, all mitigation measures refer to good construction practices and will be implemented into the design. Therefore, the associated costs will be included in the cost of overall Project implementation. Potential bidders are to prepare their bids incorporating all costs for implementing the ESMP as transposed into the CESMP.

The EPC Contractor will be required to provide a statement that confirms that:

- the ESMP conditions have been costed into the bid price (excluding cost related to permanent land and assets acquisition),
- the Contractor has a qualified and experienced person on the Contractor's team who will be responsible for the environmental compliance requirements of the ESMP, and
- The Contractor and its sub-EPC Contractor will comply with the laws of Montenegro and EBRD requirements.

8 ENVIRONMENTAL AND SOCIAL MANAGEMENT PLAN

8.1 Pre-Construction and Construction Environmental and Social Management Plan

Item	Topic / Potential Impact	Mitigation measure`	Responsibility	Cost	Indicator	Monitoring
PR1	**Assessment and Management of Environmental and Social Risks and Impacts**					
1.1	Environmental &Social Policy	Develop Environmental &Social Policy	Monteput	Within construction cost	▪ Policy is in place and has been officially approved by the Project Developer's management. ▪ All employees and EPC Contractor are aware of it	Policy included in the ESMS
1.2	Environmental and Social Management System (ESMS)	▪ Development and implementation of an ESMS ▪ Ensure that EPC Contractor has acceptable systems to manage environmental and social matters	Monteput	Within construction cost	▪ ESMS in place and approved by the Developer's management ▪ Requirements on E&S management included in the tender documents ▪ Annual Environmental and Social Performance Report in the format approved by the Lenders	▪ Quarterly internal monitoring ▪ Annual auditing by Lenders
1.3	E&S management capacity of Project Developer	Maintain qualified EHS staff for construction and operation phases of the Project to support Project ESAP implementation, management system development and EHS reporting.	Monteput	Within construction cost	▪ Organisational structure of the Project Company has EHS Specialist, Community Liaison Officer, HR Specialist on board	Organisational structure in the ESMS
1.4	Management of Change Procedure	The EPC Contractor will establish a Management of Change Procedure for the design finalisation, any design changes required during construction or other changes during construction, including any additional land which is required outside of the expropriation corridor. Where relevant, this will include the methodology for the assessment and identification of any additional mitigation measures that are required to manage the E&S impacts and ensure continued compliance with the Project's requirements.	Implementation – Contractor Approval - Supervision Engineer	Within construction cost	▪ Procedure in place ▪ Management of design change report produced, and assessment of changes undertaken	▪ Supervision Engineer ▪ Any significant design changes shall be notified to EBRD
1.5	Design standards and considerations	During the development of design documents, Monteput shall ensure that the design of the highway, all structures, associated facilities and electromechanical installations complies with applicable national and EU design standards.	EPC Contractor / designers	Within construction cost	▪ Design complies with national design standards, Location Conditions, EU and national standards ▪ E&S impacts meet national and EU legislative limits.	▪ Supervision Engineer to check the Project design and report to the PIU
1.6	Design of access roads	The Contractor shall plan new access roads or realignment of existing roads with considerations to minimize impacts, taking into account the requirements of the Location Conditions.	EPC Contractor	Within construction cost	▪ Access road design complies with the requirements of Location Conditions with consideration to minimizing access	▪ Supervision Engineer to check the Project design and report to the PIU
1.7	Development of a Construction Environmental and Social Management Plan (CESMP)	The EPC Contractor will elaborate the ESMP to prepare a CESMP and submit it to the Supervision Engineer and MONTEPUT for approval prior to commencement of works. The CESMP will include the Management of Change Procedure established during the development of the Detailed design. The EPC Contractor will ensure that adequate resources are mobilised to implement the CESMP, including input from any specialist resources necessary to ensure effective planning and implementation of measures. The CESMP will include the relevant subplans (see item 1.8 below). The Contractor will also be required to implement the relevant provisions of the LARF and LARP respectively and SEP, which is to be reflected in the CESMP as well	Preparation and implementation – EPC Contractor Approval – Supervision Engineer and MONTEPUT	Within construction cost	▪ CESMP developed and approved by the Supervision Engineer	▪ Contractor and Supervision Engineer to prepare monthly reports for MONTEPUT on status of CESMP performance which shall inform the reporting requirements toward EBRD
1.8	Development of sub plans	As part of the CESMP, the Contractor will prepare the following sub	▪ Preparation and	Within construction cost	▪ Subplans developed and approved as	▪ Supervision Engineer to prepare

Item	Topic / Potential Impact	Mitigation measure`	Responsibility	Cost	Indicator	Monitoring
	of the CESMP	plans: i. Environmental and Social Monitoring Plan, including monitoring locations, frequencies and standard operating procedures; ii. Occupational Health and Safety Management Plan; iii. Emergency Response and Incident Management Plan; iv. Infrastructure and Utilities Management Plan v. Spill Prevention and Response Plan; vi. Water Quality Management Plan vii. Soil Erosion, Reinstatement and Landscape Management Plan; viii. Waste Management Plan; ix. Wastewater Management Plan; x. Hazardous Materials Management Plan; xi. Construction Community Health & Safety Risk Management Plan including cross-referencing to supporting plans); xii. Traffic Management Plan; xiii. Security Management Plan (supported by a security risk assessment); xiv. Workers' Accommodation Management Plan; xv. Labor Management Plan xvi. Blasting management plan xvii. Stakeholder Engagement Plan; xviii. Cultural Heritage Management Plan xix. Quarry/Borrow pits Management Plan.	▪ implementation – Contractor ▪ Approval – Supervision Engineer		part of the Contractor's CESM ▪ Number of non-compliance / deviations of the provisions of the plans ▪ Number of complaints regarding issues covered by the plants	monthly reports for MONTEPUT on status of CESMP sub-plans performance which shall inform the reporting requirements toward EBRD
PR2:Labour and Working Conditions						
2.1	**Labour conditions during construction /** Employment terms	▪ Adopt the Labour Management Plan (LMP) compliant to the LMP (2024) part of the ESIA ▪ Develop the Workers' Code of Conduct (CoC) including this requirement in the tender documentation and contractual commitments for the EPC Contractor materially compliant to the CoC provided in the LMP ▪ Arrange that individual labour contracts are provided to all workers, migrant or local in line with Montenegrin law. Update contracts when material changes occur. ▪ Workers Grievance Mechanism ▪ During the construction phase, the Contractor's HSE plans and procedures include requirements for induction and training on expected behaviours and on disciplinary procedures (including dismissal procedures for unacceptable conduct). ▪ In case of a collective dismissal required (which is highly unlikely but transition from Construction to Operation will induce changes in employment), Retrenchment Plan will be developed by the Contractor to mitigate adverse effects of job losses on the workers concerned. Retrenchment of workers will be undertaken in line with national law and international best practices and will include providing skills to enable individuals to secure alternative employment. The effectiveness of all retrenchment should be monitored including the timely close out of retrenchment-related	EPC Contractor and any sub- Contractor	Included in the Contract	▪ Documented HR Policy. ▪ Provisions to implement the Project HR Policy included in the tender documentation and contracts with the EPC Contractor and any sub-EPC Contractor. ▪ Requirement of Workers' Code of Conduct included in the tender documents ▪ Individual labour contracts signed with each worker. ▪ Addenda to individual labour contracts.	▪ Final approval of tender documents ▪ Quarterly labour audit of Contactors' (including all sub-EPC Contractor) procedures ▪ Monitor labour grievance log of the EPC Contractor and any sub-EPC Contractor ▪ Monitor the retrenchment process within the EPC Contractor organisation (should any collective redundancies of the workers involved in the Project take place).

Item	Topic / Potential Impact	Mitigation measure`	Responsibility	Cost	Indicator	Monitoring
		grievances				
2.2	**Labour conditions during construction /** Accommodation of workers	▪ Develop a detailed Workers' Accommodation Management Plan (in case accommodation is provided by the EPC Contractor materially compliant with the 'Workers' accommodation: processes and standards, a guidance note by IFC and the EBRD' (2009) ▪ Design of the accommodation camp will include measures for managing the camp to ensure adherence to international standard for providing a safe environment that is clean, and adequate sanitary. Measures will include: - waste management - provision of potable water, - provisions of minimum amount of space for each worker - laundry facilities - cooking facilities (separate area for the foreign personnel, if necessary) ▪ provision of first aid and medical facilities ▪ provision of heating, cooling and internet access ▪ Provisions of recreational facilities ▪ National requirements and permits (e.g., environmental, water supply, wastewater discharge, electricity, access roads, etc.).	EPC Contractor	Within construction cost	▪ Workers' Accommodation Management Plan drafted by EPC Contractor and approved by the Engineer and MONTEPUT	Monthly audit during construction
2.3	**Influx of Workers**	▪ A Code of Conduct for all workers to be developed and included as part of the employment contract. This should cover norms related to interactions with the local community as well as expectations regarding occupational behaviour ▪ Cultural awareness training for workers;	EPC Contractor	Within construction cost	▪ Code of Conduct developed and communicated to all EPC Contractor' staff ▪ No of awareness activities ▪ No of grievances	▪ Quarterly audit and monitoring records. ▪ Awareness activities records ▪ Medical checks records ▪ Grievances log
2.4	**OHS risks during construction general**	▪ Integrity of workplace structures shall be ensured ▪ Workplace should be managed to ensure severe weather conditions are accounted for ▪ Enforcement of Montenegrin Laws and by-laws in the area of OHS especially the ▪ Implementation of an appropriate HSS management system prior to start of construction/operational phases (as described in the HSS plan)	EPC Contractor	Within construction cost	▪ OHS Plans adopted ▪ Reporting on recordable injuries and illnesses	▪ Monthly
2.5	**Training on OHS**	▪ Prepare a Training Plan for personnel and workers on the Project detailing training programs OHS and Labor risks of the Project including: - Applicable HR policy provisions and procedures, - Project-level and Worker Grievance Mechanisms, - Construction Workers' Code of Conduct, with emphasis on provisions intended to combat gender-based violence and harassment, - health and safety recommendations regarding poisonous, venomous or otherwise dangerous flora and fauna. - Remote sites should have written emergency procedures in place for dealing with cases of trauma or serious illness up to the point at which patient care can be transferred to	EPC Contractor	Within construction cost	▪ Training Plan adopted	▪ Monthly

Item	Topic / Potential Impact	Mitigation measure`	Responsibility	Cost	Indicator	Monitoring
		an appropriate medical facility - Provisions should be made to provide OHS orientation training to all new employees to ensure they are apprised of the basic site rules of work at / on the site and of personal protection and preventing injury to fellow employees. - Training should consist of basic hazard awareness, site specific hazards, safe work practices, and emergency procedures for fire, evacuation, and natural disaster, as appropriate. Any site-specific hazard or colour coding in use should be thoroughly reviewed as part of orientation training - If visitors to the site can gain access to areas where hazardous conditions or substances may be present, a visitor orientation and control program should be established to ensure visitors do not enter hazard areas unescorted. - The employer should ensure that workers and contractors, prior to commencement of new assignments, have received adequate training and information enabling them to Environmental, Health, and understand work hazards and to protect their health from hazardous ambient factors that may be present. - Regular toolbox talks will be delivered covering single environmental, health or safety aspect applicable to the Project, or stage of construction, via a brief presentation. In accordance with the roles and responsibilities defined in the Construction Emergency Preparedness and Response Plan, the EPC Contractor is obliged to provide training for employees regarding emergency responding, before the start of construction phase. In case of and after the emergency situation, the EPC Contractor is obliged to repeat the training in order to update the applicable practices and improve them, if necessary. Refresher training will be provided by the EPC Contractor periodically to ensure all workers are up to date on best site practices.				
2.6	Construction Health, Safety and Security Plan as part of the ESMS and Construction Community Health & Safety Risk Management Plan	▪ developing and implementing a Health, Safety and Security Plan which sets out the measures to manage occupational and health and safety risks, and a Construction Community Health & Safety risk Management Plan cross referencing the following sub plans of the CESMP: - Construction Air Quality and Dust Management Plan - Construction Noise and Vibration Management Plan - Construction Water and Soil Management Plan - Construction Waste Management Plan - Construction Traffic Management Plan - Construction Emergency Preparedness and Response Plan The Plan will set out measures for the prevention of unauthorised access to construction sites, construction	EPC Contractor	Within construction cost	▪ Construction Health, Safety and Security Plan developed and approved by the Engineer ▪ Number of community and worker grievances raised during construction phase ▪ Number of workers injuries	▪ EPC Contractor and Engineer will review health risks and update in response to changes. ▪ Supervision Engineer to prepare monthly progress reports ▪ Regular AESR sent to EBRD

Item	Topic / Potential Impact	Mitigation measure`	Responsibility	Cost	Indicator	Monitoring
		compounds and construction workers' accommodation. ▪ Organize regular tool-box talks focusing on a single environment, health or safety matter applicable to the current site activities or stage of construction. ▪ Take all necessary precautions to maintain the safety of construction activities, construction plant, construction facilities, the construction workforce and the local communities. This includes provision of appropriate lighting, providing appropriate safety signage and barriers, and providing a first aid department to manage workplace accidents. ▪ Set out measures to manage potential occupational health and safety hazards including, but not limited to: - Working in proximity to the existing operational roads and live traffic; - Exposure to chemicals; - Welding hazards; - Excavations; - Confined spaces; - Landslides; - Dust, noise, fall hazards; - Traffic accidents; - Lifting of heavy materials; - Ergonomic hazards during construction; - Explosion hazards; - Environmental hazards (snakes, insects, wasps, bees, etc.); - Electrical works, - Tunnelling works, ▪ Provide medical facilities provided on-site. It will also identify the medical facilities in the local area that may be required for more severe incidents, and how to access them, when required. This provision will have been agreed with these facilities in advance. Regular health checks of construction workers will be undertaken.				
2.7	**OHS considerations in underground works - tunnelling**	▪ Develop Blasting management plan prior to construction works to eliminate hazards and reduce potential negative impacts. The Blasting Management Plan should: - Set out key national and EU policies, laws and standards related to blasting activities; - Define roles and responsibilities; - Identify and classify potential risk in construction phase; - Define expected blasting area, as well as blasting patterns and specifications; - Define blasting process procedure (including measures for environmental protection, as well as protection of population and workers' safety); - Define auditing and reporting procedure; - Define the maintenance and control of this plan.	EPC Contractor	Within construction cost	▪ Blasting Management Plan developed ▪ Training plan for tunnelling works adopted ▪ Trainings conducted ▪ Number of staff undergone training ▪ Records	▪ Engineer daily

Item	Topic / Potential Impact	Mitigation measure`	Responsibility	Cost	Indicator	Monitoring
		▪ All employees involved in underground construction must be trained to recognize and respond to hazards associated with this type of work. The following topics should be part of an underground construction employee training program: - Air monitoring and ventilation - Illumination - Communications - Flood control - Personal protective equipment - Emergency procedures, including evacuation plans - Check-in/check-out procedures - Explosives - Fire prevention and protection - Mechanical equipment ▪ Any time a notification of a hazardous condition, all oncoming shifts must be notified of occurrences or conditions that either have affected or might affect their safety. Examples of this type of situation include equipment failures, earth or rockslides, cave-ins, flooding, fires, explosions, or release of gas. ▪ maintain a check-in/check-out procedure to ensure that above ground personnel maintain an accurate accounting of the number of persons underground and to prevent unauthorized persons from gaining access to the site ▪ Portal openings and access areas must be guarded by shoring, fencing, head walls, shotcreting or equivalent protection to ensure that employees and equipment have a safe means to access these areas. ▪ Shafts and wells more than 5 feet in depth (1.53 m) entered by employees must be supported by steel casing, concrete pipe, timber, solid rock, or other suitable material. ▪ Open flames and fires are prohibited in underground construction areas except as permitted for welding, cutting, or other hot work operations. Smoking is prohibited unless an area is free of fire and 10 explosion hazards. Signage prohibiting smoking and open flames should be placed throughout work areas. Fire extinguishers extinguishing means must be available at the head and tail pulleys of underground belt conveyers. ▪ Gasoline may not be underground at any time for any purpose due to its volatile qualities while Oil, grease, and diesel fuel stored underground must be kept in tightly sealed containers in fire-resistant areas ▪ Fresh air must be supplied to all underground work areas in sufficient amounts to prevent any dangerous or harmful accumulation of dusts, fumes, mists, vapours, or gases. ▪ assign a “competent person” to perform air monitoring. The competent person charged with air monitoring must test for oxygen content before testing for air contaminants. The competent person must also test all underground work areas for methane and other flammable gases to determine whether				

Item	Topic / Potential Impact	Mitigation measure`	Responsibility	Cost	Indicator	Monitoring
		the operation must be classified as potentially gassy or gassy. ▪ Records of all air quality tests must be maintained above ground at the worksite and be available on request t ▪ Keep blasting log ▪ Training on blasting ▪ Engage certified and skilled personnel on blasting activities ▪ Adopt misfire procedures are adopted				
PR3: Resource Efficiency and Pollution Prevention and Control						
3.1	**Soil, groundwater and erosion** / Impacts during construction – Destruction of topsoil – Contamination – Erosion	▪ Construction Environmental & Social Management Plan (CESMP) and relevant sub-plans: - Construction Water Management Plan - Construction Soil Erosion, Reinstatement and Landscape Management Plan; - Construction Waste and wastewater Management Plan - Construction Emergency Response and Incident Management Plan - Construction Spill Prevention and Response Plan	EPC Contractor	Within construction cost	▪ CESMP and sub-plans drafted by Contractor and approved by the Supervision Engineer	Reporting according to CEMP
3.2	**Air quality** / Dust emissions during construction	Develop an Air Quality & Dust Management Plan, including mitigation measures such as: ▪ Hoardings around the construction sites to minimize the spread of dust; ▪ Accesses and construction sites kept moist to reduce dust formation. Water sprays during drilling and excavation activities. ▪ Dust-generating activities slowed down (or stopped) in days of strong wind. ▪ In windy and dry conditions, earth stockpiles moistened to prevent the lifting of dust particles. ▪ Ground moistened during loading and unloading of aggregates in trucks. ▪ Truck dumpers carrying spoil or other dusty materials covered with tarps.	EPC Contractor	Within construction cost	▪ PM ambient concentrations - Comparison with the limit values set by legislation ▪ No of exceedances	Regular measurements during construction period (according to the Environmental & Social Monitoring Plan of the ESIA)
3.3	**Air quality /** Air pollution due to construction equipment and vehicles	Develop a Construction Traffic Management Plan and Construction Air Quality & Dust Management Plan. Apply mitigation measures: ▪ Vehicles and construction machinery properly maintained to comply with relevant emission standards. ▪ No unnecessary idling of construction vehicles at the construction sites. ▪ Construction truck traffic optimised. ▪ Truck routes planned appropriately to avoid peak traffic hours or routes with heavy traffic.	EPC Contractor	Within construction cost	▪ Ambient concentrations of air pollutants (CO, SO2, NOx, Benzene, PM) – Comparison with the limit values set by legislation ▪ No of exceedances	Regular measurements during construction period (according to the Environmental & Social Monitoring Plan of the ESIA)
3.4	**Noise & vibrations /** Increased noise levels due to construction equipment and operations	▪ Develop and adopt Construction Noise and Vibration Management Plan. ▪ Adopt mitigation measures such as: ▪ Good maintenance of vehicles and machinery ▪ Wherever possible compliance of construction equipment with the requirements of EU Directive 2000/14/EC on noise emission in the environment by equipment for use outdoors.	EPC Contractor	Within construction cost	L_{day}, $L_{evening}$ and L_{night} Comparison with the limit values set by legislation No of Complaints	Regular measurements during construction period (according to the Environmental & Social Monitoring Plan of the ESIA) Complaints Log

Item	Topic / Potential Impact	Mitigation measure`	Responsibility	Cost	Indicator	Monitoring
		▪ All the equipment shall bear the CE marking and the indication of the guaranteed sound power level and shall be accompanied by an EC declaration of conformity; ▪ Construction works should generally not be permitted during night. In case of carrying out noisy works at night or during a period longer than one day at a given site, temporary noise barriers shall be erected around the working area; ▪ Location of noisy equipment shall be chosen as far as possible from sensitive receptors. When near sensitive receptors, construction works shall be scheduled and provided with the necessary resources so that the time of exposure is as short as possible; ▪ Good management practice shall be followed to distribute heavy noise equipment along the route so as to avoid the cumulative effects of noise				
3.5	**Surface waters /** Contamination of surface waters during construction due to precipitation runoff, leaks and spills from machinery and material storage sites, waste disposal	▪ Construction of bridges in watercourses will be carried out during the dry season ▪ Drainage for the construction of bridges and culverts should not result in the entry of turbid water into natural watercourses. ▪ suspended particles in water pumped into natural watercourses do not exceed the appropriate water quality standard. ▪ It will not be allowed to occupy streambeds or riverbanks, unless there is no alternative to perform construction work. ▪ No discharge of municipal wastewater d into natural watercourses without prior adequate treatment.	EPC Contractor	Within construction cost	Compliance with the provisions of national legislation	▪ Monitoring records (according to the Environmental & Social Monitoring Plan of the ESIA)
3.6	**Climate change – GHG emissions** GHG emissions due to construction equipment and vehicles	▪ Proper maintenance of vehicles and construction machinery - compliance with relevant emission standards. ▪ No unnecessary idling of construction vehicles at the construction sites shall be allowed. ▪ Optimisation of construction truck traffic. ▪ Planning of truck routes to avoid peak traffic hours or routes with heavy traffic. ▪ Use of electric equipment where possible	Contractor	Within construction cost	▪ Fuel consumption	▪ Fuel consumption records ▪ Maintenance records
3.7	**Climate change – Vulnerability & adaptation**	▪ Develop Emergency Response Plan for extreme weather events (as part of the Construction Emergency Response Plan)	EPC Contractor	Within construction cost	▪ No of incidents	▪ records
3.8	**Waste** Waste generation during construction	▪ Prohibition of disposal of any waste to the environment ▪ Segregation of waste with priority given to waste reuse/recycling ▪ Adequate management of construction & demolition waste ▪ Adequate management of hazardous waste ▪ Contractor to prepare Contractor's Waste Management Plan	EPC Contractor	Within construction cost	▪ Contractor's Waste Management Plan drafted and approved by the Developer ▪ Quantities of waste per type ▪ Contractual arrangements with waste collectors	▪ Waste quantities records ▪ Authorisations for waste disposal
3.9	**Wastewater** Wastewater generation during construction	Sanitary facilities provided to the workers	Contractor	Within construction cost	Clauses in the tender documents	▪ Quarterly audit and monitoring records.
PR 4: Health, Safety and Security						
4.1	**Community health and safety risks during construction**	Develop and implement a Community Health and Safety, Plan including the list of hazards, community safety control measures	EPC Contractor	Within construction cost	Approved and disclosed Community Health and Safety Plan.	▪ Quarterly audit and monitoring records.

Item	Topic / Potential Impact	Mitigation measure`	Responsibility	Cost	Indicator	Monitoring
	–	near the construction sites, road safety, fire and blasting safety, safety signs, emergency procedures etc.				
4.2	Construction Traffic Management Plan	▪ The Contractor will prepare a Construction Traffic Management Plan to ensure all construction works, logistics and travel movements are planned to enable them to be delivered safely and in a manner that minimises congestion, road safety risks and disruption to all road users and local access. The Plan will set out mitigation measures to control the logistics of construction traffic, including criteria to ensure the Contractor selects suitable access and construction access routes for the site traffic. ▪ The Contractor will: ▪ Ensure access to all community infrastructure, roads and cemeteries in the Project area – in case of any unavoidable temporary access restrictions, the Contractor will inform the Municipalities Kolašin and Andrijevica in advance of works commencing; ▪ Coordinate with the Municipalities of Kolašin and Andrijevica and communities on the development and location of temporary access roads and routes, including those to be used by construction vehicles; ▪ Limit works on the road network to not occupy more than one single lane, therefore always enabling one-way traffic, where practicable; ▪ The timing of large-scale vehicles movements should avoid peak hours on the local road network; ▪ Disclose the timetable for movement of any large construction vehicles, particularly any wide or long loads that may require additional road space; ▪ Provide temporary road access around the construction areas, where necessary; ▪ Should temporary road access be necessary, roadblocks will be provided to prevent access to the areas where construction activities are taking place; ▪ Provide illuminated and non-illuminated signals and guardrails; ▪ Immediately clean all public roads and surfaces in the event of contamination/ spillage caused by the Contractor or sub-contractors; ▪ Ensure that all public roads used for the Project are cleaned, removing any debris caused by the movement of vehicles and materials for the Project; ▪ Limit speed on public roads and the Construction site ▪ Repair any damage caused by construction vehicles to public roads in a timely manner; and ▪ Carry out maintenance of construction vehicles regularly and avoid unnecessary use of the vehicles	▪ Implementation – EPC Contractor ▪ Liaison with affected communities – Contractor ▪ Approval – PIU / Supervision Engineer and relevant authorities as required under Montenegrin laws	Within construction cost	▪ Plan approved by Supervision Engineer and relevant authorities ▪ Plan implemented by Contractor ▪ Number of traffic accidents ▪ Number of local roads damaged and repaired	▪ Supervision Engineer to prepare monthly progress reports, signed off by the PIU
4.3	Road closure management plan part of Traffic Management Plan	▪ When blasting occurs within 500 m of a public road implement road closure management plan	▪ EPC Contractor ▪ Engineer	Within construction cost	▪ Number of road closures relevant to blasting activities within the 500 of public roads	▪ Engineer during each blasting

Item	Topic / Potential Impact	Mitigation measure`	Responsibility	Cost	Indicator	Monitoring
4.4	Public Health	▪ Traffic Management Plan (TMP) and construction Method Statements will include any agreed noise and vibration mitigation measures. ▪ Planning of transport routes including temporary access roads, haul roads and construction work sites should be determined to avoid populated areas and away from sensitive receptors and villages as much as possible. ▪ The Project should consider the construction of a newly allocated access road instead of using the existing road network. ▪ As Project construction progresses, buildings that may be potentially affected will be identified prior to construction, including assessing whether buildings are sensitive to night-time disturbance. • Motorway alignment will be used for the transport of construction materials and equipment wherever possible. • Internal haul routes will be well designed and maintained and steep gradients should be avoided where possible. • Empty vehicles will not have loose chains or other noise “generating parts on the loading platform. • During off-loading, materials will dropped from an appropriate height to avoid noise disturbance to the surrounding receptors or to minimize noise from the site in general. • All construction equipment and vehicles will be regularly checked and maintained. This should particularly include the regular inspection of diesel powered equipment and, if necessary, replacement of intake and exhaust silencers. Any change in the noise emission characteristics of equipment should serve as trigger for withdrawing it for maintenance. • Position of all auxiliary plant (e.g. generators, compressors) should be determined to cause minimal noise disturbance. • In case of noise exceedance, silencers or acoustic enclosures on machines as well as portable sound barriers around stationary equipment, should be installed where applicable. • 20kph speed limit will be applied on unpaved roads to reduce noise and vibration, limit fugitive dust generation, reduce emission and reduce the risk of accidents (vehicles, pedestrians, cyclist, and fauna). • Speed exceedances will be notified to the site administration and handled according to H&S Management Plan. • Additional driver training, temporary speed restrictions, improved driving monitoring, etc., will be provided as necessary or required. • Movement of construction traffic through sensitive receptor community areas will be prevented or limited, wherever possible. If this cannot be avoided, additional measures defined in the Traffic Management Plan (TMP) such as slower driving rules, physical speed restrictions) will be applied. • Noise mitigation measures specifically related to equipment and vehicle traffic through sensitive receptors should be directed at: ➢ Minimizing individual vehicle engine, transmission, and body noise/vibration. This is achieved through the implementation of an equipment maintenance program. ➢ Maintain road surface regularly. ➢ Avoid unnecessary idling times. ➢ Minimizing the need for trucks/equipment to reverse movement. This will reduce the frequency of reverse warnings will occur.	▪ EPC Contractor ▪ Engineer	Within construction cost	▪ Noise monitoring results ▪ TMP Adopted ▪ Method Statement approved ▪ Warnings/penalties given by public authorities ▪ Complaint records	▪ Engineer

Item	Topic / Potential Impact	Mitigation measure`	Responsibility	Cost	Indicator	Monitoring
		Alternatives to the traditional reverse 'beeper' alarm such as a 'self-adjusting' or 'smart' alarm could be considered. These alarms include a mechanism to detect the local noise level and automatically adjust the output of the alarm is so that it is 5 to 10 dB above the noise level near the moving equipment. ➢ Where possible, noisy activities such as, decommissioning and maintenance, should be limited to day-time hours. • Noise levels will not exceed WHO Environmental Noise Limits, national limits or result in a maximum increase in background levels of 3 dB at the nearest receptor location off-site. • Noise level limits for construction activities are stated in the national EIA. If limits are exceeded, then appropriate mitigation measures will be implemented in accordance with the Montenegrin regulations. These may include: ➢ Night-time operation and transport should be minimized as much as possible, near to villages or where a transport road passes. ➢ Distance between construction site and sensitive receptors (e.g. hospitals, nursing homes, schools) should be maximized. If this is not possible, then temporary noise barriers (e.g. portable sound walls, soil berm) should be installed between the construction site and sensitive receptors. ➢ Construction equipment used in intermittent periods will be shut down at intervals between works. ▪ Working hours for some construction equipment or operations with greater noise and vibration impact will be limited to core daytime hours or routes where the area is less susceptible to noise				
4.5	**Impacts on local infrastructure**	<u>Design and Pre-construction</u> ▪ Emergency Preparedness and Response Plan (EPRP) will be developed that considers the capacity of communities and current situation of the community infrastructure to respond to emergency events efficiently. ▪ Infrastructure and Utilities Management Plan (IUMP) will be developed. ▪ Workers' Accommodation Management Plan) will be developed that considers infrastructure and utility needs for construction sites, accommodation, workshops and warehouses. ▪ During the preparation of all plans, engagement with local authorities and utilities companies will be undertaken to ensure continuity of supply to communities. <u>Construction</u> • The Project will implement a Grievance Mechanism and address infrastructure related grievances in line with the Stakeholder Engagement Plan (SEP) of the Project. ▪ Training construction workers regarding good practices on resource efficiency.	▪ EPC Contractor ▪ Engineer	Within construction cost	Emergency Preparedness and Response Plan (EPRP adopted IUMP adopted Workers' Accommodation Management Plan (as needed) adopted and approved Grievance mechanism in place	▪ Engineer ▪ Monthly
4.6	**Disturbance to environmental health, quality of life and wellbeing during construction phase**	<u>Design</u> • Project Construction Environmental and Social Management Plan (CESMP) will include Noise and Vibration and Management Plan that will be define the sensitive receptor locations, monitoring program and specific mitigation measures to be implemented. • The Project Construction Environmental and Social Management Plan (CESMP) will include Air Quality Management procedures that	▪ EPC Contractor ▪ Engineer	Within construction cost		▪

Item	Topic / Potential Impact	Mitigation measure`	Responsibility	Cost	Indicator	Monitoring
		will be implemented. • Planning of transport routes including temporary access roads, haul roads and construction work sites should be determined to avoid populated areas and away from sensitive receptors and villages as much as possible. • As Project construction progresses, buildings that may be potentially affected will be identified prior to construction, including assessing whether buildings are sensitive to night-time disturbance. • Traffic Management Plan of the Project will include measures on accessibility for local community. <u>Pre-construction</u> • OH&S Management Plan will include awareness of community health and safety issues. OH&S Management Plan will include the Pandemic Preparedness Plan within its scope with respect to Covid – 19 and/or any other diseases present in the region. • Construction work schedule will be distributed to the affected settlements in a timely manner to inform any road closures and construction related cautions. • Air and noise monitoring will be undertaken in accordance with local regulations. Establish in advance a relationship with municipal environmental department. <u>Construction</u> • Operational area in borrow pits, access roads, work sites, construction camp sites, batch and asphalt plants etc. will be regularly monitored for air quality parameters such as PM10, PM2.5, SO2, NOx, HC, CO etc. • Construction work schedule will be distributed to the affected settlements in a timely manner to inform any road closures and construction related cautions. • Washing system will be implemented to prevent mud on roads. • Dust suppression mitigation measures such water sprinkling will be implemented in sensitive locations. • Operational areas in in borrow areas, access roads, work sites, construction camp sites, batch and asphalt plants etc. will be regularly monitored for noise levels representing all hours of a typical work shift. • In case of noise exceedance, silencers or acoustic enclosures on machines as well as portable sound barriers around stationary equipment, should be installed where applicable. • Movement of construction traffic through sensitive receptor community areas will be prevented or limited, wherever possible. If this cannot be avoided, additional measures defined in the Traffic Management Plan (TMP) such as slower driving rules, physical speed restrictions) will be applied. • Movement of construction traffic through sensitive receptor community areas will be prevented or limited, wherever possible. If this cannot be avoided, additional measures defined in the Traffic Management Plan (TMP) such as slower driving rules, physical speed restrictions) will be applied. • Sensitive receptors (e.g. hospitals, nursing homes, schools) will be provided with advanced notification of noisy works and project specific additional mitigation measures. • Special acoustic insulation and related mitigation measures will be				

Item	Topic / Potential Impact	Mitigation measure`	Responsibility	Cost	Indicator	Monitoring
		evaluated on a case-by-case basis. • 20kph speed limit will be applied on unpaved surfaces close to settlements. • Wind breaks or dust protection systems (including sprinklers) should be built around the main construction activities where necessary and, if possible, near potentially dusty works to minimize the impact of nearby residential receptors. • Air pollution control equipment (e.g. baghouse) should be installed and operated for the asphalt plants. • During transportation on public roads, the excavated materials will be covered with nylon canvas or suitable materials with a grain size greater than 10 mm in public roads as good practice. • To reduce fugitive dust emission during vehicle operation on public roads and at construction sites, service roads and quarry/material borrow/storage sites, dust suppression methods (i.e. watering with water trucks, applying nontoxic chemicals, speed limits for mobile vehicles, using well-maintained vehicles/equipment) should be used. In case of a Grievance, additional measurements will be implemented, and the results will be shared with the complainant. If the results of the measurements will not fit with the commitments given in the relevant environmental Chapters of the report, additional mitigation measures will be implemented.				
4.7	**Increased traffic and rise in accidents**	<u>Pre-Construction</u> • Traffic Management Plan (TMP) will be developed and implemented include good practice and specific mitigations for sensitive areas. • Traffic Management Plan (TMP) will be shared with the local authorities for their approval. • Local authorities will be informed regarding the date, time and route of the transportation activity. • Traffic signals and signs will be set up and will be clear and visible • Traffic flagmen will be appointed where necessary. • Temporary traffic control methods will be applied at intersections and connections that hold higher risk for accidents. • All drivers will obey the national speed limits and the drivers will be trained on the all Montenegrin traffic rules. • Contractor to ensure construction area provides measures and signage for safe pedestrian crossing. Crossing locations should take into account community preferences, including those related to convenience or personal safety. • Installation of barriers (e.g. fencing, plantings) to deter pedestrian access to the Project except at designated crossing points. <u>Construction</u> • Supervision and escort for heavy machinery (which requires escort and permit in line with Montenegrin Legislation) will be provided. • Supervision for vehicles carrying construction materials and equipment that pass over public or private roads and railway crossings will be provided. • Project related traffic will be regulated during certain dates and times where local community will require to commute (to/from schools, commercial areas etc.) or take on any agricultural activity (animal grazing or other farming activities etc.). • Temporary access to private property or appropriate accessing	▪ EPC Contractor ▪ Engineer	Within construction cost	TMP adopted	▪ Engineer ▪ Daily

Item	Topic / Potential Impact	Mitigation measure`	Responsibility	Cost	Indicator	Monitoring
		alternatives will be determined in consultation with the land owners or users. • Local authorities and community will be provided with detailed information on closure of roads during the road and railway crossings. • Methods for every road crossing will be determined and agreed upon with authorities prior to taking any action. All methods and construction techniques proposed by the Contractor will aim to minimize possible disruptions caused by road crossings. • Contractor will ensure that road safety training will be provided to employees. • The schools nearby the Project site will be informed about the peak movements of the vehicles and vehicle traffic will be minimized during hours when children are traveling to and from school. • Heavy machinery and vehicles utilized in transportation activities (including transportation of personnel) will be used by qualified and licensed drivers. • All drivers will know and comply with all traffic signs, are will be made aware of hotspots of intense traffic that are expected along the route and are trained properly for on and off-road conditions. • Managing and monitoring of working and resting hours drivers will be undertaken according to Montenegrin Legislation. • Monitoring security arrangements for loads, vehicles and drivers will be undertaken according to Montenegrin Legislation. • All project work sites, Project Facilities, temporary roads, and traffic management works will be will be signposted in line Montenegrin Legislation and as required by the Traffic Management Plan TMP). • Night drive/transportation will be limited as much as possible to reduce the risk of accidents and obtaining necessary permits shall night transportation be required. • Compensating damages caused by an accident due to project activities will be undertaken according to national legislative requirements and the Grievance Mechanism defined in the Stakeholder Engagement Plan (SEP) of the Project. • A Grievance Mechanism Procedure will be set up for communities and individuals to formally communicate their concerns, complaints and grievances and facilitate resolutions that are mutually acceptable by the parties. • The routes of the roads that will be used and the peak hours of the usage of the roads will be shared with village heads and management of the schools. • The CLOs of the contractors will provide awareness trainings to schools if there is a school located on the route of the roads that will be used. Installation of barriers (e.g. fencing,) to deter pedestrian access to the Project construction area except at designated crossing points				
4.8	**Security around the Project site**	<u>Construction</u> • Engagement activities prior to construction will ensure that local stakeholders are informed of the risks and consequences of entering the site; • Security personnel will patrol the site area to prevent any unauthorized access onto the site. They will also ensure that protocols for entering the construction site are enforced;	▪ EPC Contractor ▪ Engineer	Within construction cost	Security Management Plan Adopted	▪ Monthly

Item	Topic / Potential Impact	Mitigation measure`	Responsibility	Cost	Indicator	Monitoring
		• A management plan for security personnel will be developed and implemented by the Contractors, outlining expectations around security, • Conflict Management Training will be provided to armed security personnel, • Secure the site to prevent unauthorized access The Grievance Mechanism for the Project will capture all grievances raised in relation to security and safety issues. These will be addressed promptly, and actions will be taken.				
4.9	**Management plan for Associated Facilities i.e. Borrow Pits**	The EPC Contractor will conduct a risk assessment, ensure temporary management arrangement during operation and before handover of sites, plan and implement security measures , discuss with Monteput the Employment Requirements for handover, and confirm allowable material to be deposited	▪ EPC Contractor ▪ Engineer	Within construction cost	Borrow pit management plan adopted	▪ Monthly
4.10	**Adjacent working**	Assess risk from condensed workspace when works progress	▪ EPC Contractor ▪ Engineer	Within construction cost	Change management implemented in response to elevated risk	▪ Monthly
4.11	**Public segregation**	Clear identification and demarcation of site boundaries especially when works are carried out in populated areas with private structures adjacent to the site and in customary walking paths. Make sure these are visible during night and adverse weather conditions	▪ EPC Contractor ▪ Engineer	Within construction cost	Physical Site boundaries fenced.	▪ Monthly
PR5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement						
5.1	**Avoidance and minimisation of displacement**	▪ Consult with local communities in agreeing on the final design to include alignment changes to avoid severance impacts particularly in the local community Kralje and Gnjili Potok ▪ Minimize effects of physical and economic displacement by applying adaptive design management during development of Detailed Design	MONTEPUT EPC Contractor	Monteput own resources and Design cost	▪ Number of Consultation meetings with affected local communities and relevant stakeholders ▪ Minutes of meetings produced and sent to EBRD	▪ Weekly
5.2	**Permanent /temporary acquisition of Land and assets**	▪ Develop a LARP including socioeconomic survey ▪ Undertaking a detailed social survey covering all affected households and businesses (formal and informal) subject to physical and/or economic displacement as the result of the Project; ▪ Conducting full asset survey ▪ Developing an expropriation study ▪ Consultations with the affected people; ▪ Compensations to affected people / households ▪ Implement LARP ▪ Implement a Project Grievance Mechanism	MONTEPUT	State Budget	▪ LARP developed and approved by EBRD ▪ LARP implemented ▪ Grievance Mechanism established and grievance log kept	▪ EBRD through AESR ▪ Monthly LARP implementation progress report ▪ Monthly Grievance monitoring
5.3	**Temporary acquisition of land by Contractor**	▪ The Contractor will be responsible for ensuring the acquisition of temporary land needed during construction works in case publicly owned land is not available. The Contractor will in such cases acquire the right to temporarily use land through negotiations and amicable agreements with landowners, and regularly notify the Supervision Engineer about this process, as defined in the LARP. ▪ Land entry and exit protocols will be developed	▪ Implementation –EPC Contractor ▪ Approval – MONTEPUT Supervision Engineer	Within construction cost	▪ Land entry and exit protocols developed ▪ Number of land plots reinstated and returned to owners ▪ Number of lease agreements signed	▪ Monthly through MPR
5.4	**Compensation for land and assets**	▪ People affected by the Project will be compensated in accordance with the Principles set in the in the LARF and the	MONTEPUT/Government of Montenegro	State budget	▪ Number of compensation agreements signed	▪ MONTEPUT weekly until completion of land

Item	Topic / Potential Impact	Mitigation measure`	Responsibility	Cost	Indicator	Monitoring
		LARP prior to taking possession of the respective land.			▪ Number of executed payments	acquisition ▪ Semi-annually to EBRD through AESR ▪ Land Acquisition Plan and Records ▪ Compensation and Relocation Assistance records ▪ Grievances log
5.5	**Access to land/severance impacts and unviability**	▪ Detailed Design to include alignment changes to avoid severance impacts particularly in the local community Kralje and Gnjili Potok ▪ For unavoidable impacts allow for land acquisition of orphan/unviable land	EPC Contractor MONTEPUT	Within construction cost State Budget	▪ Implemented changes to design ▪ Number of requests for surrendering orphan land submitted and favourably resolved	▪ Monthly through the land acquisition database and GRM
5.6	**Evaluation and assessment of compliance with LARP**	▪ Develop **Land Acquisition and Resettlement Execution Report** when all land acquisition has been completed (that is, completion of compensation delivery and processing of grievances, not necessarily including all ongoing livelihood restoration activities, which may span a number of years after all compensation has been delivered) and all impacts successfully mitigated.	MONTEPUT	Monteput own resources	▪ Land Acquisition and Resettlement Execution Report developed and approved by EBRD ▪ Corrective measures as needed defined ▪ Corrective measures implemented	▪ Monthly through the land acquisition database and GRM
PR6: Biodiversity Conservation and Sustainable Management of Living Natural Resources						
6.1	Habitats, Flora & Fauna - Impacts during pre-construction / construction: ▪ Loss of natural vegetation (as well as loss of secondary species in the project area) and deforestation. ▪ Habitat fragmentation and restriction of movement of individuals or groups of wild fauna in the area where the project is implemented ▪ Degradation of abiotic components of ecosystems (air, water, soil) ▪ Occurrence of invasive species	▪ The Contractors will prepare a Construction Biodiversity Management Plan prior to commencement of any works (including pre-construction works) and implement the Plan throughout construction. ▪ The Plan shall consider the baseline conditions, as they have been recorded by the filed surveys already executed ▪ The Plan will include an additional survey regarding aquatic environment (ichthyofauna and benthic fauna) to be conducted during pre-construction and will determine any additional surveys that must be conducted during pre-construction assessing also the need to conduct surveys at the areas of landfills and borrow pits. ▪ The Plan shall consider and incorporate findings of the Critical Habitat Assessment (in the frame of the ESIA). ▪ The Plan shall include a loss/gain analysis and ensures that for the habitats identified in the project area and characterised as PBF, no net loss is achieved, while for the habitat 91E0* as well as for the species that qualify as CH as per EU legislation, net gain is achieved. If necessary for achieving net gain, opportunities for offset should be determined. ▪ The Plan shall define detailed measures and procedures to avoid / prevent / minimise the adverse impacts to biodiversity features, based on the measures described in the ESIA and the national EIA and relevant approval decision and	EPC Contractor	Within construction cost	▪ Construction Biodiversity Management Plan developed and approved by the PIU / Supervision Engineer and Lenders, and implemented by the Contractors ▪ Net loss / net gain analysis is included in the Construction Biodiversity Management Plan ▪ Adequate KPIs are selected and assessed, such as : ▪ Change in Habitat Area (ha or % change). ▪ Habitat Condition Index (scale-based assessment) ▪ Biodiversity Offset Ratio (restoration to loss ratio) ▪ Implementation of Biodiversity Action Plans (% of actions completed) ▪ Establishment that no net loss results by the project for PBF and that net gain can/will be achieved for CH	PIU /Supervision Engineer Monthly reporting on Plan action/ monitoring outcomes; Monitoring program (according to the Environmental & Social Monitoring Plan of the ESIA)

Item	Topic / Potential Impact	Mitigation measure`	Responsibility	Cost	Indicator	Monitoring
		▪ The Plan is a live document and should be updated to reflect increased understanding of Project programme and design and should be informed by any new information which may be obtained during the pre-construction phase				
PR8: Cultural Heritage						
8.1	Cultural heritage items found during construction	▪ Develop a chance finds procedure ▪ Clearly define roles and responsibilities, identifying a point of contact within the contractor's management team to whom finds should be reported.	EPC Contractor	As per national legislation provisions	Chance finds procedures included in the EPC Contract and detailed procedures in place and approved by the Engineer and MONTEPUT	Daily during earth and excavation works Monthly through MPR Immediate records and notification reports in cases of findings
8.2	Cultural Heritage Management Plan	▪ The Cultural Heritage Management Plan will be used to inform all the requirements, procedures, resources and skills and timeline needed to minimise adverse cultural heritage effects. The Plan will outline the cultural heritage management principles and procedures to be followed during construction and operation in accordance with the Project's policies and Montenegrin legal requirements ▪ The Plan will include all the requirements of the Institute for Protection of Cultural Monuments ▪ Actions and measures to manage risks and impacts to the following cultural heritage sites as indicated in chapter 6.17 of the ESIA (Baseline conditions)	EPC Contractor	Within construction cost	- Cultural heritage Management Plan adopted and approved by Engineer and MONTEPUT	Confirmation through MPR
8.3	Pre-construction disturbance	Precautionary provisions for a pre-construction survey, requirements for work to stop, notification of responsible institutions, and an agreed programme of recording implemented before construction recommences.	EPC Contractor	Within construction cost	Pre-construction surveys completed and entered into log Work stop instructions issued Formal written notifications to responsible institutions	Confirmation through MPR
8.4	Reporting on the results of cultural heritage investigations and chance finds	Site diary entries Monthly Progress reports Notification of responsible institutions	EPC Contractor	Within construction cost	Reports submitted	Confirmation through MPR
8.5	Inadequate allocation of resources and unskilled workers	Relevant training/ briefing should be delivered to contractor staff and other third parties as part of the mobilization/induction process to support effective implementation	EPC Contractor	Within construction cost	Adequate resources allocated Training provided to workers engaged in excavation and earthworks	Confirmation through MPR
8.6	Regulatory non-compliance	When publishing or otherwise disseminating cultural heritage information, consult specialists and regulators	EPC Contractor and MONTEPUT	Within construction cost	Stakeholder engagement log entries	Daily during earth and excavation works Monthly through MPR
PR10: Information Disclosure and Stakeholder Engagement						
10.1	Systematic approach to stakeholder engagement that will help the client build and maintain a constructive relationship with their stakeholders	▪ Develop, adopt, disclose and consult SEP ▪ Update SEP during Detailed Design change ▪ Adopt additional communication and engagement methods if warranted by the updates SEP	MONTEPUT	Monteput own resources	▪ SEP adopted, disclosed and consulted ▪ Updated SEP adopted, disclosed and consulted	▪ One off and reported to EBRD
10.2	Improved decision-making so Project outcomes fit better with the needs and interest of stakeholders	▪ Presentation of the Detailed Design – decision on final route in affected communities as defined in SEP annex 1 (or as updated) to clearly present the footprint and hear the views of local residents in relation to access to their land and make changes if possible, to accommodate their needs. Before the start of construction, the same process will be organised to ensure that people affected by the Project are informed of	MONTEPUT	Monteput own resources	▪ Meeting with local communities completed ▪ Minutes of Meetings produced ▪ Feedback provided to local communities	▪ Monthly

Item	Topic / Potential Impact	Mitigation measure`	Responsibility	Cost	Indicator	Monitoring
		design decisions including explanation of rationale for such decisions (from technical, financial, safety and other aspects) and that they have information about how and where they can access their land on the other side of the railway (construction site) and the contact details of the Contractor for any grievances. ▪ Registering concerns related to ES risks and impacts in the Projects Grievance database ▪ Feedback on how concerns are planned to be addressed and joint decision making in the process				
10.3	Concerns from local communities Kralje, Bare Kraljske and Slatina during the Preliminary Design phase	▪ Consultations with local communities on each specific concern ▪ Presentation of solutions towards addressing raised concerns ▪	MONTEPUT	MONTEPUT in-house resources	▪ Number of Community meetings held ▪ Agreements reached on change management ▪ Agreed changes included into Detailed Design	▪
10.4	Risk of real or perceived exclusion of affected communities in planning activities during the Project lifecycle. Successful management of a project's environmental and social (E&S) risks and impacts.	▪ Develop and implement a Stakeholder Engagement Plan (SEP). ▪ Update the SEP before each major Project phase. ▪ Disclose SEP via the Project website and in the affected communities ▪ Utilize feedback from stakeholders to update the Projects Risk and Impact register ▪ Utilize the SEP during development and implementation of EPC Contractor`s ESMP and relevant sub-plans therein	MONTEPUT EPC Contractor	SEP has been developed further updates within MONTEPUT in-house resources	▪ SEP adopted, disclosed and consulted ▪ SEP updates prior to construction and operation. ▪ Updated Risks and Impact Register	▪ in the
10.5	Ensure that grievances from stakeholders are responded to and managed appropriately	▪ Establish and implement a community grievance mechanism. ▪ Establish and maintain a Project Grievance Log. ▪ Establish grievance monitoring and reporting procedures. ▪ Describe the community grievance mechanism in the SEP. ▪ Disclose the community grievance mechanism via the Project website and in the affected communities. ▪ Appoint the Project Community Liaison Officer (CLO) to implement the Project SEP and manage community grievances during construction and operation.	MONTEPUT EPC Contractor	MONTEPUT own resources	The CLO appointed prior to construction.	▪ Consultation activities records. ▪ Disclosed contact details of the CLO.
10.6	Disclosure and information sharing compliant to Project standards	▪ Establish the Project website and update it on a regular basis. ▪ Disclose Project information and documentation via the Project website, including the Project ESIA Report.	MONTEPUT EPC Contractor	Monteput own resources	▪ Project website established during the Detailed Design phase. ▪ Operational and regularly updated Project website. ▪ Project information and documentation is published on the Project website.	▪ Annual auditing by Lenders

8.2 Operational Environmental and Social Management Plan

Item	Topic / Potential Impact	Mitigation measure`	Responsibility	Cost	Indicator	Monitoring
PR1	**Assessment and Management of Environmental and Social Impacts and Issues**					
1.1	Development of an Operation Environmental and Social Management Plan (OESMP)	Prepare an OESMP. The OESMP will include MONTEPUT existing operational procedures and will set out E&S processes and measures and define responsibilities for implementation of the requirements of permits, approvals, licenses, EBRD and national requirements associated with the Project operation and maintenance.	MONTEPUT	Included in the standard operation and maintenance cost budgeted by MONTEPUT	▪ OESMP developed prior to operation phase and implemented in the operation phase	Policy included in the ESMS and notified to EBRD
1.2	Development of OESMP sub plans	Prior to operation and as part of the OESMP, prepare the following plans: ▪ Operational Biodiversity Management Plan ▪ Operational Air Quality Management Plan ▪ Operational Noise and Vibration Management Plan ▪ Operational Water and Soil Management Plan ▪ Operational Waste Management Plan ▪ Operational Maintenance Plan ▪ Operational Health, Safety and Security Plan ▪ Operational Cultural Heritage Management Plan ▪ Operational Emergency Preparedness and Response Plan	MONTEPUT	Included in the standard operation and maintenance cost budgeted by MONTEPUT	▪ Plans developed prior to operation phase and implemented in the operation phase	▪ Quarterly internal monitoring ▪ During Loan period notified to EBRD
PR3 - Resource Efficiency and Pollution Prevention						
3.1	**Air quality /** Air emissions due to road operation (traffic)	Enforcement of the speed limits if necessary	Monteput	10000 € per campaign	Ambient concentrations of air pollutants (CO, SO2, NOx, Benzene, PM10, PM2.5) – Comparison with the limit values set by legislation ▪ No of exceedances	Regular measurements during operation period ▪ (according to the Environmental & Social Monitoring Plan of the ESIA)
3.2	**Noise & vibrations /** Increased noise due to road operation (traffic)	▪ Design and construct noise protection measures as walls as proposed in the ESIA Report and the national EIA (subject to update during detailed design). The design of noise barriers shall comply with provisions of the National and European legislation, as well as corresponding standards (EN 14388:2015 - Road traffic noise reducing devices – Specifications)	EPC Contractor (for construction of walls) Monteput (for monitoring)	Cost of walls included in the construction cost 12000-15000 € per campaign of noise measurements	L_{day}, $L_{evening}$ and L_{night} Comparison with the limit values set by legislation No of Complaints	▪ Regular measurements during operation (according to the Environmental & Social Monitoring Plan of the ESIA) Complaints Log
3.3	**Surface waters /** Quality of surface waters during operation	▪ Monitoring of surface water quality Monitoring of quality of wastewater from the biological purifier	Monteput	1500 € per campaign	Compliance with the provisions of national legislation ▪	▪ Monitoring record (according to the Environmental & Social Monitoring Plan of the ESIA)s
3.4	**Climate change – GHG emissions** GHG emissions due to traffic	▪ Installation of photovoltaic devices on the lighting in order to reduce the carbon footprint of the road	Monteput	Within operators' OPEX	CO2eq	▪ Estimations of carbon footprint

Item	Topic / Potential Impact	Mitigation measure`	Responsibility	Cost	Indicator	Monitoring
		operation. ▪ Awareness of drivers regarding energy efficient driving would help mitigating GHG emissions. ▪ Respect of the set speed limits				
3.5	**Climate change – Vulnerability & adaptation**	▪ Asphalt conditions should be checked regularly, and cracked and distressed areas should be timely sealed. ▪ Road drainage should be kept in good condition ▪ Bridges and structures must be inspected before and after flooding events ▪ Develop Asset Management Plan ▪ Develop Emergency Response Plan for extreme weather events	Monteput	Within operators' OPEX	▪ No of inspections No of maintenance & correction activities	▪ Inspection records ▪ Maintenance records ▪
3.6	**Waste** Waste generation during operation	▪ The Contractors of the maintenance activities shall be responsible for the proper management of any waste resulting from maintenance. All waste shall be segregated and managed according to the respective regulations. ▪ The road operator shall be responsible for the management of waste produced by road users.	Maintenance Contractors Monteput		▪ Clauses in the procurement documents for maintenance Contractors	▪ Internal audits and reports of the operator
3.7	**Wastewater** Wastewater during operation	The Highway operator shall monitor the quality of wastewater from the biological purifier	Monteput	Within operators' OPEX	▪ As per legislation requirements	▪ Analysis records
PR4	**Health, Safety and Security**				▪	▪
4.1	Operational Health, Safety and Security Plan	Develop and implement an Operational Health, Safety and Security Plan which will include provisions on: ▪ OHS risks and measures for regular maintenance workers as required by the EU Road Safety Directive and ISO ; ▪ Workers' code of conduct; ▪ Grievance mechanism for local communities; ▪ Measures to mitigate health, safety and security of the local communities including consultations with local communities to ensure no residual mobility issues have been encountered ▪ Security personnel requirements (if engaged with EBRD requirements	MONTEPUT	Included in the standard operation and maintenance cost budgeted by MONTEPUT	▪ Plans developed prior to operation phase and implemented in the operation phase	▪ Internal Monitoring
PR6 Biodiversity Conservation and Sustainable Management of Living Natural Resources						
6.1	Flora - Impacts during operation ▪ habitat fragmentation ▪ barrier effect ▪ direct mortality	▪ Design minimises fragmentation ▪ Artificial lights should be projected in such a way to disrupt the life activities of bats as little as possible, ▪ In case of placing transparent noise barriers, cover them with bird silhouettes ▪ Avoid pylons or cables. In case of installation, they should be equipped with visual jammers	MONTEPUT		▪ No of animal losses	Internal Operator's monitoring ▪
PR8 Cultural Heritage						
8.1	Operational Cultural Heritage Management Plan	Any maintenance activities with the potential to impact known cultural heritage assets will be planned carefully and in liaison with the Institute for Protection as required by national	MONTEPUT	Included in the standard operation and maintenance cost	▪ Plan developed prior to operation phase and implemented in the operation phase	▪ Internal monitoring

Item	Topic / Potential Impact	Mitigation measure`	Responsibility	Cost	Indicator	Monitoring
		legislation		budgeted by MONTEPUT		
PR10: Stakeholder Engagement and Information Disclosure						
10.1	Stakeholder Engagement Plan (SEP)	Update the Project SEP as necessary. In particular, specific stakeholder identification and involvement in road safety strategies and operation plans	MONTEPUT	Included in the standard operation and maintenance cost budgeted by MONTEPUT	▪ Plan updated prior to operation phase and implemented in the operation phase	▪ Internal monitoring
10.2	Operational Cultural Heritage Management Plan	Any maintenance activities with the potential to impact known cultural heritage assets will be planned carefully and in liaison with the Institute for Protection as required by national legislation	MONTEPUT	Included in the standard operation and maintenance cost budgeted by MONTEPUT	▪ Plan developed prior to operation phase and implemented in the operation phase	▪ Internal monitoring