TRANSPORT ADMINISTRATION OF MONTENEGRO

HEALTH, SAFETY, SOCIAL AND ENVIRONMENTAL (HSSE) MANAGEMENT SYSTEM (MS)

April 2024

List of abbreviations:

AIA	Administration for Inspection Affairs
BMP	Biodiversity Management Plan
BMMP	Biodiversity Management and Monitoring Plan
CEDIS	Montenegrin Electricity Distribution System
EBRD	European Bank for Reconstruction and Development
EHS	Environmental, Health and Safety
EIA	Environmental Impact Assessment
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
ESP	Environmental and Social Policy
EU	European Union
F-BAP	Framework Biodiversity Action Plan
FE	FIDIC Engineer
GHG	Greenhouse Gas
GIIP	Good International Industry Practice
HSSE MS	Health, Safety, Social and Environment Management System
HR	Human Resources
IFC	International Finance Corporation
IFIs	International Financing Institutions
KPIs	Key Performance Indicators
LARF	Land Acquisition and Resettlement Framework
MSDT	Ministry of Sustainable Development and Tourism
MTMA	Ministry of Transport and Maritime Affairs
NEPA	Nature and Environmental Protection Agency
NGOs	Non-Governmental Organizations
NTS	Non-Technical Summary
OHS	Occupational health and safety
O&M	Operation and Maintenance
PAA	Project Affected Area
PPE	Personal Protective Equipment
PRs	Performance Requirements
PS	Performance Standards
REA	Real Estate Administration of Montenegro
RWSC	Regional Water Supply Company
SEP	Stakeholder Engagement Plan
TA	Transport Administration of Montenegro
TBT	Toolbox Talks
WB EHS	World Bank Environmental, Health, and Safety
WBG	World Bank Group
WFD	Water Framework Directive

1. INTRODUCTION

1.1. Background

The Main Roads Reconstruction Project (hereafter referred to as the "Project") was approved by the Board on 1 November 2017 for a total amount of EUR 40 million. The Borrower is Montenegro and the Client / Project Execution Agency is the Transport Administration ("TA"), formerly the Transport Directorate, the government agency responsible for national road infrastructure. The Project consists of three road sections (Rozaje-Spiljane, Danilovgrad-Podgorica and Tivat-Jaz) financed in tranches:

(i) Tranche A in the amount of up to EUR 10 million to finance the reconstruction of the Rozaje – Spiljane road, 20 km in length near the border with Serbia (Part A);

(ii) Tranche B in the amount of up to EUR 15 million to finance the reconstruction and upgrade of both road sections Danilovgrad – Podgorica (15.5 km, Part C) and

(iii) Tranche C in the amount of up to EUR 15 million to finance Tivat – Jaz (16 km, Part B).

Having now met all the necessary conditions, the Client is currently asking the Bank to commit Tranche C to enable the rehabilitation and expansion of the main road from Tivat to Jaz (the M-2) roughly from the Tivat Airport to the end of the existing intersection at Jaz, north of Budva. Specifically, the road will be expanded from a single two-lane single carriageway to four lane carriageways with roadside kerbs, paved footways and a grass planted central reservation. The road camber will also be improved and the road resurfaced. Given the extent of these works and the condition of the existing road, the road will be fully reconstructed. The Project also aims to improve the water supply in the coastal region of Montenegro and includes construction of a second 13 km long water supply pipe from Budva to Tivat.

Therefore, the Client wishes to design and manage the project in accordance with good international industry practice, including EBRD's Environmental and Social Policy (ESP) and EBRD Performance Requirements (PRs) set out in the ESP. EBRD will require disclosure of such E&S requirements as provided in further details in "Section 3.5". This will include the disclosure of the following:

- Environmental and Social Impact Assessment (ESIA);
- Stakeholder Engagement Plan (SEP);
- Non-Technical Summary (NTS);
- Land Acquisition and Resettlement Framework (LARF);
- Environmental and Social Management Plan (ESMP);
- Biodiversity Management Plan (BMP);
- Health, Safety, Social and Environment Management System (HSSE Manual) (i.e. this document) and other.

The ESIA is considered a key document in assessing and managing environmental and social risks related to the Project. The key output of the ESIA is the Environmental and Social Management Plan (ESMP) which aims to provide high level mitigations and requirements for managing the environmental and social risks anticipated from the Project.

Throughout the Project's construction and operation phase a Health, Safety, Social and Environmental (HSSE) Management System (MS) must be implemented by all relevant parties (i.e. Developer, Works Contractors and Maintenance Contractors). The HSSE MS must be project and site specific and must build on and take into account the requirements of the ESMP.

This document presents the Project's HSSE MS. In general, the objective of this HSSE MS is to present the overall structure and outline of the HSSE MS and provide details on key components

aimed at managing key risks and impact, to be implemented for the Project during both the construction and operation phase. The HSSE MS is applicable to all Project works, including those conducted by contractors.

1.2. Project Description and Map of Montenegro, with Roads to be reconstructed

Figure 1 - Project location

The Project Part A (Rozaje - Spiljani road section) involves partial re-alignment and upgrading of a 20 km long section of an existing two-lane road that requires widening from 6.0 m to 6.5 m, with an additional lane of 0.3 km to be built at the border crossing Dracenovac, and rehabilitation of 12 existing road tunnels (approx. 1.7 km in total length) with drainage works and safety improvements. Any adverse environmental and/or social impacts are site-specific and can be readily identified and mitigated through the road design solutions, good construction practice and the implementation of mitigation measures.

The Project Part B (Update for the Danilovgrad - Podgorica Road Section) includes the reconstruction and widening of the existing road from 2 to 4 lanes over 10km, hence this Project is categorised A under EBRD's Environmental and Social Policy (2014).

The Project Part C (Update for the Tivat - Jaz Road Section) comprises the rehabilitation and expansion of the Tivat to Jaz main road (the M-2), situated at the coastal region of Montenegro, from approximately 100m before the entrance to Tivat Airport to the end of the existing intersection at Jaz, north of Budva.

The Project Part C involves widening the existing two-lane road to create a four-lane road with two-lanes in each direction (each lane being 3.25 m wide). The upgraded road will include a 2m wide central reservation as well as 2m wide sidewalks and a vegetated verge. In addition, seven

road bridges, four culverts and one footbridge will be constructed, 11 new roundabout junctions will be constructed, and 2 existing roundabout junctions will be reconstructed.

The total width of the upgraded M-2 road corridor will be around 20 m (less at bridges). A number of additional works also form part of the Project including the provision of:

- a replacement underpass beneath the M-2 road for the Nikola Djurkovic Elementary school;
- bus stops in both directions at all local road junctions in the vicinity of settlements;
- pedestrian crossings principally at roundabouts and intersections;
- road lighting along the entire route; and
- an upgraded stormwater drainage system along/ the Budva-Tivat road section.

The water supply in the coastal region of Montenegro will be also improved by construction of a second 13 km long pipe from Budva to Tivat.

1.3. Project Components

The whole Project is divided into three main roads sections (project parts/components) as follows:

- Section 1: Rehabilitation of the Rozaje-Spiljani road section (approx. 20km);
- Section 2: Rehabilitation and upgrade of the Danilovgrad-Podgorica Road section (approx. 15km); and
- Section 3: Rehabilitation and upgrade of the Tivat-Jaz Road section (approx. 16km);

1.4. Project Phases and Schedule

They key phases anticipated for the procurement, construction and operation phase of the Project are summarized below:

- Phase 1: Procurement: this includes tendering and selection of Works Contractors for all three project components;
- Phase 2: Construction: this involves procurement of all materials required for civil works, undertaking all mobilization and early works to include installation of site offices, preparation of laydown area, preparation of site storage and workshop area, civil works for construction of all required construction site road networks, and other as appropriate;
- Phase 3: Operation: the operation phase includes normal daily roads operation during defects notification period.

The figure below presents the overall Project schedule in line with the phases above.

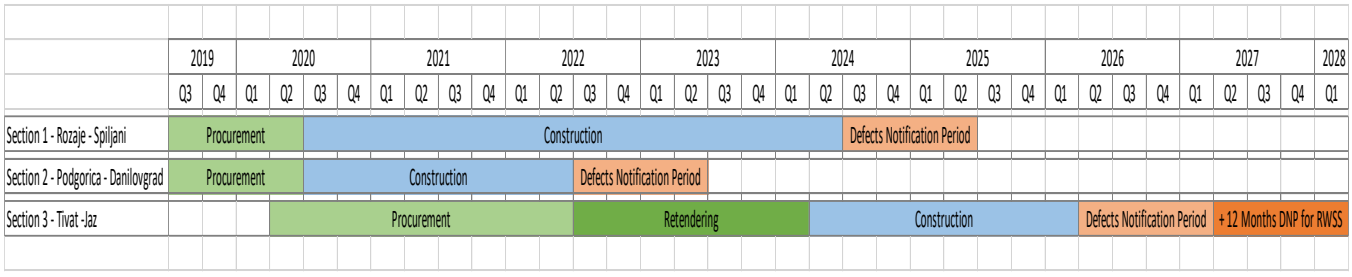

Figure 2 – Overall Project Schedule

1.5. Involved Stakeholders

Different stakeholders are involved in the construction and operation phase of the project. Responsibilities of each stakeholder are listed in the table below along with a general description of their roles.

STAKEHOLDER	ROLE AND CONNECTION TO THE PROJECT
National Government Stakeholder	
Transport Administration of Montenegro (TA)	The Montenegrin Transport Directorate used to be part of the Ministry of Transport and Maritime Affairs. In January 2019, its name was changed to the Transport Administration of Montenegro and it became an independent institution responsible for the maintenance and reconstruction of the road network. The TA is under direct supervision of the Government of Montenegro. The TA is the leading institution responsible for the implementation and supervision of the Project, and has issued traffic-technical conditions for development of the Main Design for the Project. The TA is also responsible for communication with the local municipalities, communities and businesses during Project design and construction, public consultation meetings related to environmental and social aspects; coordination with the Contractor and supervision of the engineer during construction period.
Ministry of Transport and Maritime Affairs (MTMA)	Responsible for transport (road, rail, air) and maritime affairs within Montenegro. MTMA is a leading public institution and responsible for the national road upgrades in Montenegro and the TA is the department responsible for its implementation.
Ministry of Sustainable Development and Tourism (MSDT)	Responsible for urban planning, construction, and environmental aspects of project development. MSDT is the agency responsible for providing construction permits on the request of the TA and for monitoring the Project's compliance with these permits through their Construction inspection.
Nature and Environmental Protection Agency (NEPA)	NEPA has overall responsibility related to the EIA process in accordance with the national legislation. NEPA reviews the Environmental Impact Assessment (EIA) reports, organises public consultation meetings, and approves and issues the environmental permits.
Administration for Inspection Affairs (AIA)	AIA is responsible for monitoring the Project's compliance with national environmental legislation. AIA is engaged during the Project construction works, and controls implementation of e.g. environmental inspections.
Real Estate Administration of Montenegro (REA)	Executing agency for the expropriation process, which is implemented in accordance with the national Law on expropriation and the TA's Expropriation Plan. The process includes public consultation meetings with the stakeholders whose land/objects will be subject to land acquisition as per the Project's requirements.
Ministry of Finance	Securing funds for land acquisition. Responsible authority for matters related to land ownership and corresponding compensation which is defined in the process of land expropriation. Its competency in this process is related to the right of owners of expropriated land to file complaints to the Ministry of Finance against the decision on expropriation and the defined amount of compensation. In case the owners do not accept the decision of the Ministry of Finance, they have the right to initiating legal procedure in the competent courts in Montenegro.
Water Directorate	The competent authority for the water permitting process (issuing water use requirements, water use approval, and water use permit), including before the construction of new (and reconstruction of existing) facilities and other works for which water conditions are required.
Regional Water Supply Company (RWSC)	The RWSC is separate company in charge for the regional water supply of the Montenegrin coast and other area, that is addressing capture, treatment, transportation, and delivery of drinking water from the water source Bolje Sestre through the Regional Water Supply System of the Montenegrin Coast into the water supply networks of the municipalities of Budva, Tivat, Kotor, Herceg Novi, Bar and Ulcinj. RWSC is a limited liability company which was founded by the Government of Montenegro. Regional water supply is regulated by law (Law on Regional Water Supply of the Montenegrin Coastline, "Official Gazette of the Republic of Montenegro", no. 56/16), whereby the decision on reorganisation of the public enterprise into the limited liability company was determined through the Decision on Establishing the Limited Liability Company "Regional Water Supply Company" (Official Gazette of the Republic of Montenegro, dated 29th November 2017) The RWSC is going to install a new regional water supply system along the section

	from Budva to Tivat, and this design has been aligned with the Main Design for reconstruction of the Tivat-Jaz Road. Construction works on these two developments are going to be carried out at the same time.
Local Government Stakeholder	
Municipalities	The Project is located within the territories of Rozaje, Podgorica, Budva, Kotor and Tivat municipalities. All these municipalities will be responsible for landscaping along the sections of the route which belong to their respective administrative units.
Water and Sewer Utility Company, Budva, Kotor and Tivat	According to Article 35 of the Law on Roads (paragraph 1, 3, 4, 6) these institutions are responsible for relocating the existing water and sewage installations, into the roadbed and road belt, if required. These companies are under the control of local municipalities. These institutions have informed the Project officially regarding all existing and planned water supply and sewerage pipes and facilities along the road that could be affected during the reconstruction of the road.
Montenegrin electricity distribution system CEDIS	According to the Law on Roads Article 35 (paragraph 1, 3, 4, 6) this institution is responsible for relocating all electrical installations, which are placed in the roadbed and road belt, if required. This institution has informed the Project regarding existing and planned electrical installations along the Road that could be affected during the reconstruction of the road.
Utility Company, Budva, Kotor and Tivat	These companies are responsible for collecting the waste in the Project Affected Area (PAA), and will be continuously informed of Project developments in particular during the construction phase in order to ensure interrupted access for waste collection trucks.
Touristic organisations, Budva, Kotor and Tivat	Given the increasing number of tourists in the area, and the importance of tourism for the livelihoods of the area, these stakeholders will be continuously informed of the Project developments so that tourist operators (including bus companies) can plan alternative routes if needed.
Local Community Stakeholders	
Landowners/land users/business owners affected by land acquisition	These stakeholders will be directly affected by land acquisition required for the Project. The Project will cause both physical and economic displacement of some landowners, land users and business owners.
Representatives of local communities	Representatives of these four Local communities have actively communicated with the TA, the Government, local municipalities and EBRD and their requests have been included where practical in the revised version of the Main Designs.
Residents who regularly use the road as part of their livelihood activities	Road users may experience restricted access, or congestion during construction. They will also be the beneficiaries of improved access and connectivity during the operation. Travel times are expected to be reduced and the driving conditions safer.
Radanovici primary school and kindergarten Primary school in Lastva Grbaljska (as a unit of Radanovici school) Arcadia Academy in Radanovici (Project Part C)	Children travelling to school need to have uninterrupted access and safe conditions for getting to the Radanovici school and kindergarten, to Lastva Grbaljska school and to Arcadia Academy. The Project will seek to keep the school and kindergarten management, and parents and children informed of Project developments.
Local health facilities	The Project needs to keep the local health facilities well informed of developments so that they can be adequately prepared.
NGOs, Other Organisations, and Individuals	
NGOs	Various NGOs in the area have an interest in issues related to the environment (environmental protection, conservation of natural resources and implementation of the concept of sustainable development).
Project Workers	Project construction workers are going to be considered as part of the occupational health and safety procedures, and will be provided with a separate grievance mechanism developed and communicated by the contractor.

Businesses	
Local companies which are located along the road	Businesses in the PAA are going to require access to their premises during the construction and operation phases. They are expected to experience impacts related to access to their premises, noise, dust, and pollution – all of which are going to have different levels of impact depending on the type of business activities that the companies perform.
Telecommunication companies (Telekom, Mtel, Telenor, Telemach)	According to the Law on Roads Article 35 (paragraph 1, 3, 4, 6) these companies are responsible for relocating all telecommunication installations which are placed in the roadbed and road belt, if required.
Media	
National TV and radio stations, and print media	National media is actively involved in sharing information and updates regarding the Project, e.g. information related to the national EIA public consultation meetings were published in national print media.
Local TV and radio stations, and print media from Budva, Kotor and Tivat	Local media are interested in activities realised as part of this Project which has great local and national importance. They also have a significant role in dissemination of information and disclosure of information to the local population.

2. ROLES AND REPSONSIBILITIES

This section identifies the HSSE roles and responsibilities for key personnel involved in the Project during construction and operation. These roles must be included in the job descriptions and be known by the concerned employees. Throughout the Project, project managers and employees, all contractors/subcontractors will comply with this plan as relevant.

2.1. Construction Phase

The figure below presents the organizational structure for the construction phase. Based on the organization structure, this section identifies the lines of authority and roles and responsibilities for those personnel that are involved in the HSSE management during construction.

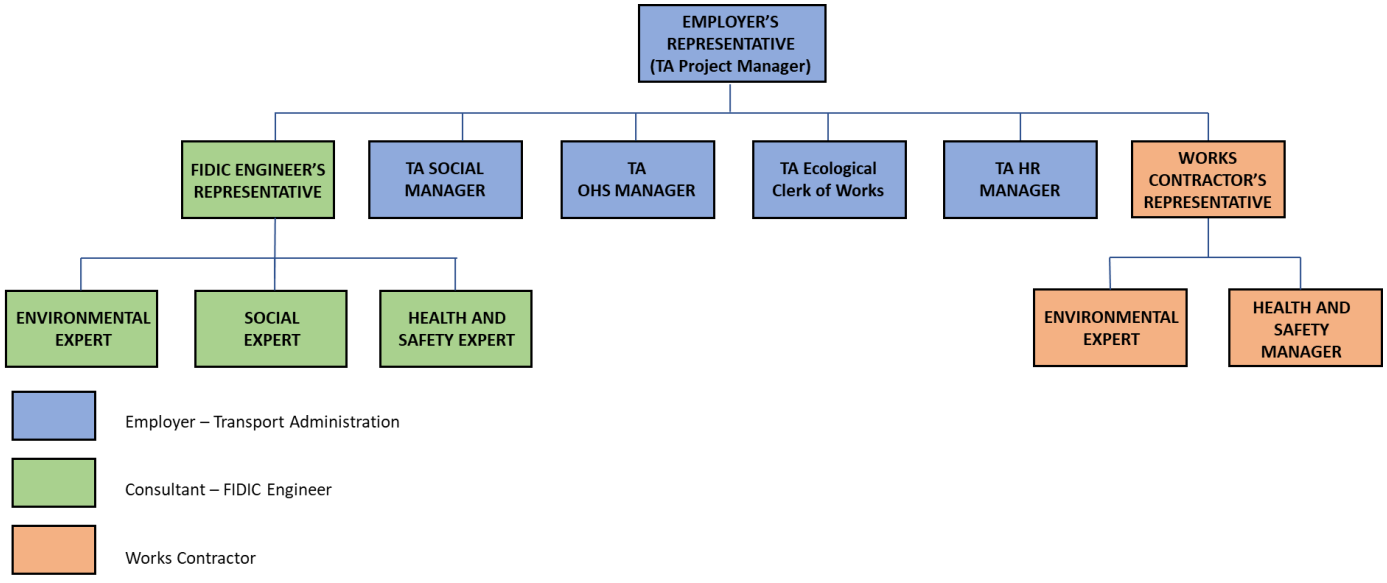

Figure 3 – Transport Administration Organizational Structure for Construction Phase

Employer's Representative – TA Project Manager

- Overall monitoring of HSSE performance of the Project and defines feasible and sustainable actions to enhance it;
- Ensures the availability of required resources to properly implement the HSSE plans and requirements;

- Promotes leadership in HSSE and implement HSSE improvement initiatives;
- Provides the means to control the HSSE risks on all activities of the Project;
- Enhances the HSSE compliance culture through exemplarity and commitment;
- Chairs monthly HSSE Committee meetings (as detailed further in Section 7.1);
- Guarantees that all employees under his/her authority and responsibility are medically fit, trained, accredited, equipped and competent to perform their work;
- Ensures the consistent enforcement and implementation of all programs, policies and procedures; Ensures that Works Contractor and subcontractors meet HSSE requirements of the Project.

TA OHS Manager

- Supports TA Project Manager in steering and implementing the HSSE management of Project;
- Focal Point for all Health, Safety, Social and Environmental (HSSE) and social issues including liaising with lenders and their E&S advisors;
- Maintains and updates HSSE rules, regulations and guidelines, local/international requirements as applicable to the project;
- Advises on legislative changes concerning HSSE which may affect the Project;
- Develop, maintains & monitors the HSSE plans (as identified in Section 3.3);
- Reviews and approves all Works Contractor and subcontractors' HSSE plans as required;
- Ensures the implementation and verification of corrective and preventive actions;
- Supports the management in the promotion and improvement of HSSE awareness;
- Assists in the investigation of any accident / near miss and compiles the necessary reports;
- Communicates with Works Contractor and subcontractors and advises on their HSSE matters;
- Participates to all HSSE meetings (as detailed further in Section 7.1);
- Supports the Works Contractor and subcontractors' managers in identifying and assessing the HSSE risks of their activities, as well as in defining mitigation measures to control these risks;
- Plans, organizes, participates and conducts HSE audits (as detailed in Chapter 8);
- Keeps all records as required.

TA Social Manager

- Monitor and maintain a positive profile of the project with the community and required stakeholders;
- Manage day to day interaction with all stakeholders during the construction and operation phase as indicated within the project Stakeholder Engagement Plan (SEP) including (but not limited to) local community members and others;
- Implement and manage stakeholder grievance mechanism;
- Implement, monitor and report on the implementation of community support initiatives;

Note: a male and female TA Social Manager should be appointed for the Project.

TA HR Manager

- Overall responsibility for implementation of HR, employment and labor management principles and requirements for TA staff (as detailed in Chapter 6);

- Undertake and follow up on HR and labor management audit during construction and operation to ensure Works Contractor compliance with the relevant requirements (as detailed in Chapter 8).

FIDIC Engineer

TA will appoint FIDIC Engineer (FE) for the project with the objective of ensuring that the Works Contractor is adhering to the technical project specifications. FE will also be responsible for supporting the TA in ensuring compliance of the Works Contractor with HSSE requirements.

The Engineer's team will include environmental expert, social expert and health and safety expert who will be mainly responsible for supporting the TA HSSE team in undertaking and fulfilling his roles and responsibilities as identified earlier.

Works Contractor Requirements

The Works Contractor will be required to assign a full-time and suitably qualified onsite HSE Manager that will be responsible for undertaking the following responsibilities:

- Overall responsibility for development and implementation of Works Contractor HSSE Management System requirements (as identified in Section 3.3);
- Ensures the availability of required resources to properly implement the HSSE plans and requirements;
- Provides HSSE reporting requirements as relevant (as identified in Section 7.4);
- Provides HSSE training requirements as relevant (as identified in Section 7.2);
- Undertake HSSE inspection and monitoring requirements as relevant (as identified in Section 7.3);
- Organize and participates in HSSE meetings (as discussed in Section 7.1);
- Reports on HSSE incidents;
- Ensure that all subcontractors nominate sufficient HSE officers for the overall implementation of HSSE plans and requirements as applicable.
- Have a Work's Contractor HR /Labor Manager that meets with company management on behalf of workers to negotiate contracts, wages, employee grievances and company policy.

The HSE Manager should be supported by 4-5 (depending on construction schedule) full-time and suitably qualified onsite HSE Officers, as well as a Labor Manager that will be responsible for ensuring that all labor and working conditions are met in accordance with the set plans (as discussed in Section 5 in further details).

Other Project Personnel

- Cooperates with, and constructively participates in the HSSE plans;
- Complies with Project HSSE requirements that apply to an individual's work;
- Works within competencies held;
- Adheres to procedures to protect safety, the safety of your fellow employees, and the safety of the general public;
- Is proactively involved in the HSSE program; this involvement may include some aspects of planning, problem solving, priority setting, training, and improving site specific work practices;
- Does not misuse or damage any equipment.

2.2. Operation Phase

The figure below presents the organizational structure for the operation phase. Based on the organization structure, this section identifies the lines of authority and roles and responsibilities for those personnel that are involved in the HSSE management during operation.

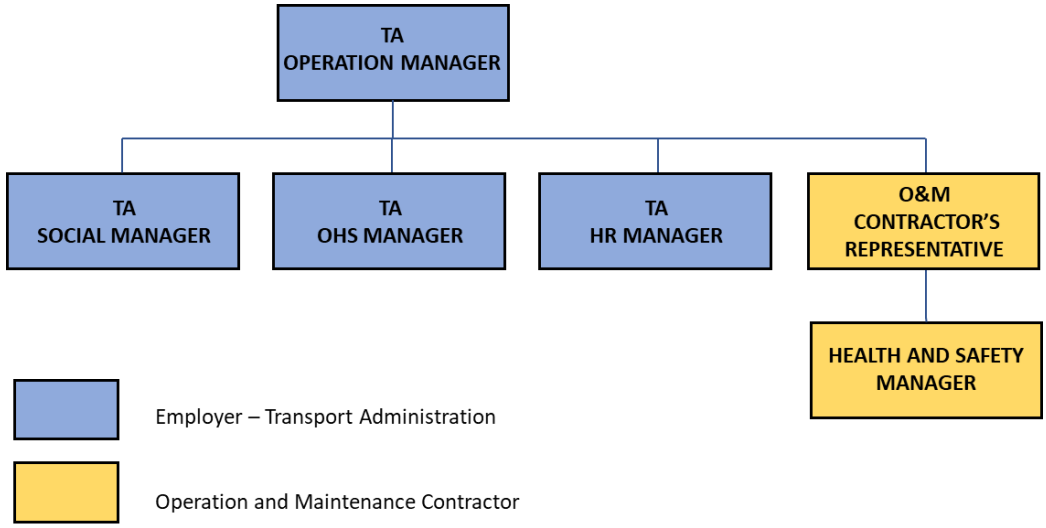

Figure 4 – Transport Administration Organizational Structure for Operation Phase

TA Operation Manager

- Similar to Section 2.1 but for operation phase.

TA OHS Manager

- Similar to Section 2.1 but for operation phase.

TA Social Manager

- Similar to Section 2.1 but for operation phase.

TA HR Manager

- Similar to Section 2.1 but for operation phase

Operation and Maintenance (O&M) Contractor

The O&M Contractor will be required to assign an onsite, full-time and suitably qualified HSE Manager. Roles and responsibilities will be similar to those identified in Section 2.1 but for operation phase.

Other Project Personnel

Similar to Section 2.1 but for operation phase.

3. OVERALL STRUCTURE OF E&S MANAGEMENT SYSTEM

3.1. Objectives

This document outlines the HSSE MS that will be established and implemented by Transport Administration (TA) during the construction and operation phase of the Project. The objectives of this HSSE MS Manual include the following:

- Identification of the overall structure and outline for the HSSE MS that will be implemented for the Project during both construction and operation;
- Identification and outline of the key procedures and plans to be developed at a later stage that will handle the key impacts and risks during construction and operation;

- Identification of an institutional framework to ensure that such procedures and measures are implemented effectively and efficiently. This includes identification of roles and responsibilities, training requirements, monitoring and reporting requirements, and other as applicable;
- Identify approach for periodically auditing entities involved during the construction and operation phase to ensure all HSSE requirements are implemented effectively; and
- Identification of a high-level framework for labour management that should be adhered to during the construction and operation phase.

3.2. HSSE Policy

Transport Administration of Montenegro (TA) believes that environmental and social aspects are an integral part of our project management which is the key to our success. To fulfil our mission to sustainable development, we responsibly manage natural resources and strive for a clean environment. We are also committed to provide and ensure the safety of all our employees.

Internal audits, based on annual audit plan, are carried out to assess the risk profile of all operations on environmental and social components. We analyse the effect of our operations on risk profile and on the environment using best available scientific techniques. TA is committed to communicate the policy objectives at all levels in project development and implementation.

TA acknowledges that environmental, social, health, and safety standards are of major importance for the company's sustainable growth and positive impact on earth for future generations. Our competitive advantage does not solely rely on the quality of our work, but also on safe and sound environmental and social performance.

We believe our profitability increases with improving our environmental and social performance as it directly develops the competence of our human resources and efficiency of our operations.

TA is committed to carry out its work obligation with least negative impacts to environment, social, health, and safety by identifying all potential positive and negative impacts on employees and communities through constant identification, assessment, and mitigation measures.

The following principles constitute an integral part of TA policies:

- Environmental, social, health, and safety are common responsibility at all levels of TA, contractors, and subcontractors. All parties must comply with TA policies, procedures and work instructions.
- TA implements mitigation and preventative measures to occupational diseases, negative environmental and social impacts, accidents and/or damages to the health of the employees and to any parties affected by TA operations.
- TA is committed to have employees comply with Occupational Health and Safety standards.
- TA has emergency preparedness and response plans to respond swiftly to emergency situations for all activities carried by TA.
- TA mission on pollution prevention and safety of the environment shall be implemented by mitigation measures based on avoiding, reducing, restoring, and where applicable, minimizing the adverse impacts of the operation.
- TA will make sure transparent accountable dialogue wit stakeholders on environmental and social issues are performed through informed consultation.
- TA shall establish clear mechanisms to address concerns and grievances in a timely, concise and transparent manner. Special attention will be given to disadvantaged and vulnerable groups.

- TA supports the economical and social development of communities through corporate social responsibility programs in the project area and shall strive to implement collective action programs with other parties to magnify the positive impacts on the community.
- TA places high value on employees' progress and overall organizational development by encouraging capacity building trainings and improving the policies, procedures, and implementing approaches of environmental, social, health, and safety that promotes competency of the employees and contractors.
- Earning international reputation based on excellence, independence, and performing our activities with advocate sense of environmental and social standards is a prime target. TA is collective body of knowledge benefiting its shareholders, clients, business partners, and employees.
- TA constantly reviews the policies, enhances or amends them based on any changes in regulations or customer/lender requirements and as required by the new developments in environmental, social, health, and safety objectives as the system evolves.

The following principles shall be an integral part of our action plans to achieve this strategy:

- Identification and assessment of all E&S hazards or aspects and the management of their risks or impacts to safe levels.
- Compliance with all applicable legal laws and Lender's performance standards and guidelines.
- Elimination of discrimination in the workplace and zero tolerance for any form of forced or child labour.
- Recognition of freedom of association and the right to collective bargaining.
- Prevention of accidents, injuries, and pollution.
- Optimization of waste and conservation of resources.
- Recording and communicating E&S performance throughout the organization and continual improvement of E&S performance.

Transport Administration (TA) goals are:

- To integrate Health, Safety, Social and Environmental protection (HSSE) as an important component into TA activities, and to make continuous improvement regarding our employees;
- To avoid accidents and damage to the health of employees, and to prevent occupational diseases;
- To prevent damage to the environment, property and health of all persons affected by TA activities;
- To give careful consideration to health, safety, social and environmental protection, showing economic and social responsibility;
- To take precautionary measures to avert occupational hazards beyond company boundaries;
- To protect employees, property, information and the company's reputation from potential threats;
- To protect employees from reprisals for reporting incidents, hazards, risks and/or opportunities;
- To promote responsible environmental stewardship consistent with economic and social responsibility;
- To protect and promote the sustainable use of ecosystems and their services, as well as the responsible use of natural resources;

- To continually strive to reduce the loss of biodiversity for the protection of the environment in our everyday operations and in the implementation of our projects;
- To significantly reduce our own ecological footprint, with a strong but not exclusive focus on our carbon footprint;
- To ensure that TA and their partners and contractual parties comply with all applicable laws and regulations, codes and standards, and to integrate them in specifications for Works and Services without contradicting our objectives and by keeping in line with our goals.

To accomplish these goals, the implementation of the following E&S management system elements shall be ensured:

- The availability of resources shall be ensured at all levels of operations.
- Job responsibilities will be clearly defined and communicated to all staff.
- All staff shall be duly informed of their social and legal rights.
- The competency of personnel shall be ensured by providing adequate training.
- Seamless communication related to E&S management system including documentation shall be maintained throughout the organization.
- Environmental and social performance shall be monitored and analysed.
- Internal audit system shall be carried out to ensure effective E&S management system.
- All incidents shall be investigated properly.
- Proper corrective/preventative action shall be taken for continual improvement.
- All suppliers and contractors/subcontractors shall be monitored for adequate E&S compliance.

3.3. Overall Structure for HSSE Management System

This section identifies the overall structure for HSSE MS for the Project. This HSSE MS Manual along with the associated management plans identified below are collectively considered the HSSE MS that will be implemented for the construction and operation phase of the Project.

A. Project Execution Agency – Transport Administration of Montenegro (TA)

This HSSE MS Manual, along with the assessment studies and the associated management plans and programs identified below are the HSSE plans and documents that have been prepared and are to be implemented by TA. Such associated management plans should be read in conjunction with this HSSE MS Manual.

- Environmental and Social Impact Assessment (ESIA): the Environmental and Social Management Plan (ESMP) is the key outcome of the ESIA. ESMP requirements are to be implemented by the TA, the Works Contractor and O&M Contractor as applicable. Relevant requirements of the ESMP are to be included within the relevant management plans discussed throughout this section.
- Stakeholder Engagement Plan (SEP): identifies a structured approach for stakeholder consultation and engagement to be implemented by TA during the construction and operation phase. The SEP also includes a stakeholder grievance mechanism.
- HSSE Manual: i.e. this document, which is to be implemented by TA.
- Biodiversity Management Plan (BMP): will be developed by the TA based on the outcomes of the ESIA /ESMP to identify key requirements and mitigations for key impacts anticipated particularly during the construction phase. The BMP will include some requirements to be undertaken by the TA and others that will be enforced on the Works Contractor.

B. Works Contractor

The table below identifies the components of the HSSE MS that will be required from the Works Contractor. The following components identified below will be specifically applicable and are to be implemented by the Works Contractor and subcontractors involved. Additional details on the requirements of such plans and the overall framework are provided in "Chapter 5".

The Works Contractor will ensure that the HSSE MS builds on the outcomes of the ESIA study and its associated ESMP, as well as other documents as applicable which were identified above – such as this HSSE Manual and the SEP:

- HSSE MS Manual that should be aligned with the requirements of TA HSSE MS Manual (i.e. this document);
- Water Management Plan;
- Waste Management Plan (hazardous and non-hazardous);
- Air Quality and Noise/Vibration Management Plan;
- Soil Quality and Erosion Management Plan;
- Traffic Management Plan;
- Occupational Health and Safety Plan;
- Emergency Preparedness and Response Plan;
- Resource Efficiency Management Plan;
- Chance Find Procedure;
- Worker Grievance Mechanism;
- Labour and Working Conditions Management Plan;
- Biodiversity Management and Monitoring Plan (as prepared by the Developer as noted under Point A above).

The above documents must be submitted to TA for approval before commencement of construction activities onsite.

C. Operation and Maintenance (O&M) Contractor

The list below identifies the components of the HSSE MS that will be required from the O&M Contractor. The following components identified below will be specifically applicable and are to be implemented by the O&M Contractor and subcontractors involved (if any). Additional details on the requirements of such plans and the overall framework are provided in "Chapter 5".

- HSSE MS Manual that should be aligned with the requirements of TA HSSE MS Manual (i.e. this document);
- Water Management Plan;
- Waste Management Plan;
- Occupational Health and Safety Plan;
- Emergency Preparedness and Response Plan;
- Worker Grievance Mechanism;
- Labour and Working Conditions Management Plan;

The above documents must be submitted to TA for approval before commencement of operation activities onsite.

3.4. Key Impacts Anticipated during Planning and Construction

The tables below present the anticipated impacts from the Project during the construction and operation phase of the Project. In addition, the table also identifies the relevant management

plans which includes the procedures and measures for handling the identified impact/risk and ensure it is eliminated or reduced to the greatest extent possible, as well as overall implementation responsibility.

Table 1: Key Anticipated Impacts During Construction

Receptor	Anticipated Impact	HSSE Document	Overall Implementation
Hydrology and Hydrogeology	Risk of soil, sea and groundwater contamination during the various construction activities from improper waste management.	Waste Management Plan	Works Contractor
Archaeology and Culture Heritage	Improper management of construction activities could disturb/damage potential archaeological remains which could be buried in the ground (if any).	Chance Find Procedure	Works Contractor
Air Quality and Noise	Construction activities will likely result in an increased level of dust, particulate matter and pollutant emissions as well as noise / vibration levels which could affect workers as well as nearby receptors.	Air Quality and Noise/Vibration Management Plan	Works Contractor
Infrastructure and Utilities	Project could affect existing capacity of infrastructure and utilities related to water supply entailing constraints on the existing resources and users.	Water Management Plan	Works Contractor
	If transportation activities of the various project components to the site are not properly managed beforehand, they could entail risk of damage to the existing roads and could be of public safety concerns to other users on the road as well as workers on site.	Traffic Management Plan	Works Contractor
Community Health, Safety and Security	This could include but not limited to the following risks on nearby local communities: (i) trespassing of unauthorized personnel; (ii) potential impacts from presence of security personnel due to inappropriate management and conduct of security personnel towards the local communities; (iii) potential impacts from workforce influx during construction.	Stakeholder Engagement Plan	TA
Socio-economic	The Project is expected at a minimum to provide job opportunities for local communities. This, to some extent, could contribute to enhancing the living environment for its inhabitants, elevate their standards of living, and bring social and economic prosperity to local communities. It is important to note that most of these jobs are not long term and mostly during the construction phase and some of these jobs may not be for people from the closest community to the project.	Stakeholder Engagement Plan	TA
Occupational Health and Safety	There will be some risks to workers health and safety from the various construction activities anticipated.	Occupational Health and Safety Plan	Works Contractor
Biodiversity	Construction activities will entail excavation activities which could impact existing habitats including in particular key species of importance.	Biodiversity Management and Monitoring Plan / Framework Biodiversity	TA / Works Contractor
	Improper management of operation activities		

	could disturb/damage habitats and fauna.	Management Plan	

Table 2: Key Anticipated Impacts During Operation

Receptor	Anticipated Impact	HSSE Document	Overall Implementation
Hydrology and Hydrogeology	Risk of soil and groundwater contamination during the various operation activities from improper waste management.	Waste Management Plan	O&M Contractor
Occupational Health and Safety	There will be some risks to workers health and safety from the various operation and maintenance activities anticipated.	Occupational Health and Safety Plan	O&M Contractor
Biodiversity	Improper management of operation and maintenance activities could disturb/damage habitats and fauna.	Framework Biodiversity Management Plan	TA

3.5. ESIA and Supporting Documents Information Disclosure

It is of utmost necessity to ensure that stakeholders are kept well informed about the Project throughout its life cycle, thus information will be accessible to the public, key stakeholders, and local communities through dissemination of related documents.

Information about the Project is made accessible to stakeholders and the broad public through a disclosure package that includes the following key documents, available publicly in Montenegrin and English language.

Environmental and Social Impact Assessment (ESIA) package for Tivat - Jaz Road Reconstruction Project includes the following documents:

- Land Acquisition and Resettlement Framework (LARF) Appendices;
- Stakeholder Engagement Plan (SEP) Appendices;
- Environmental and Social Impact Assessment (S-ESIA) Annex A_Social;
- Environmental and Social Impact Assessment (S-ESIA) Annex B_Environment;
- Environmental Impact Assessment (EIA);
- Environmental and Social Action Plan (ESAP);
- Environmental and Social Management Plan (ESMP);
- Framework Biodiversity Management Plan (F-BAP);
- Land Acquisition and Resettlement Framework (LARF);
- Non-Technical Summary (NTS);
- Stakeholder Engagement Plan (SEP), and,
- Supplementary Environmental and Social Impact Assessment Report (S-ESIA) for for Tivat - Jaz Road Reconstruction Project.

The above documents are available at the following address:
https://www.gov.me/en/article/230130--esia-package-for-tivat-jaz-road-reconstruction-project

The documentation above will remain at the website for the life of the project.

The above list should also include TA HSSE MS Manual: as discussed earlier, the document determines the overall structure and outline of an HSSE MS and provide details on some key components aimed at managing key impact, to be implemented for the Project during both the construction and operation phase. Such components will need to be further developed and articulated later.

4. LEGAL AND POLICY FRAMEWORK

The HSSE MS has been prepared taking into account all environmental, health, safety, and social legislations that are applicable in Montenegro and for the Project – to include laws, regulations, instructions, and standards as issued by the various applicable governmental entities.

In addition, the Project is seeking financing from International Financing Institutions (IFI). Therefore, the HSSE Manual has also been prepared taking into account Good International Industry Practice (GIIP) requirements, in particular IFC Performance Standards, EBRD Performance Requirements and applicable WBG EHS Guidelines.

National Legislations

The table below identifies the relevant legal requirements that must be taken into account as part of the associated management plans identified in Section 3.3 earlier.

Table 3: National HSSE Legislations

Attribute	Key Legislations	Reference Document
Water resources	The Law on Environment ("Official Gazette of Montenegro", No. 52/16); The Law on Waters ("Official Gazette of Montenegro", No. 27/07, 32/11, 47/11 - corr., 48/15, 52/16, 2/17 – other Law, 80/17 – other Law, 55/16 – other Law and 84/18); - Regulation on the classification and categorization of surface and groundwater ("Official Gazette of Montenegro", No. 02/07); - Rulebook on the Method and Deadlines for Determining the Status of Surface Waters ("Official Gazette of Montenegro", No. 025/19); - Rulebook on the quality and sanitary technical conditions for wastewater disposal and the method and procedure of wastewater quality testing and the content of wastewater quality report ("Official Gazette of Montenegro" No. 56/19); - Rulebook on criteria for determining sensitive and vulnerable areas for the purpose of protecting water from pollution (Official Gazette of the Republic of Montenegro No. 32/16).	Water Management Plan
Waste Management	The Law on Waste Management (Official Gazette of Montenegro, No. 64/11 and 39/16); - Rulebook on more detailed content and method of drafting waste management plan for waste producers ("Official Gazette of Montenegro", No. 05/13 dated 23 January 2013); - Rulebook on methods for testing hazardous waste properties and closer conditions to be fulfilled by an accredited laboratory for hazardous waste testing ("Official Gazette of Montenegro ", No. 21/2014); - Rulebook on waste classification and waste catalogue ("Official Gazette of Montenegro", No. 059/13 083/16); - Rulebook on construction waste treatment, method and procedure of construction waste processing, conditions and manner of disposal of cement asbestos construction waste ("Official Gazette of Montenegro", No. 50/12).	Waste Management Plan
Air Quality and Noise/Vibration	The Law on Air Protection, ("Official Gazette of Montenegro", No. 25/15 and 43/15); The Law on Environmental Noise Protection ("Official Gazette of Montenegro", No. 28/11 and 01/14);	Air Quality and Noise/Vibration Management Plan
Soil Quality and Erosion	The Law on Environment ("Official Gazette of Montenegro", No. 52/16); The Law on Agricultural Land ("Official Gazette of Montenegro",	Soil Quality and Erosion Management Plan

	No. 015/92, 059/92, 059/92, 027/94, "Official Gazette of Montenegro", No. 073/10, 032/11); The Law on Spatial Planning and Construction (Official Gazette of Montenegro No. 064/17, 044/18, 063/18); - Rulebook on Permitted Quantities of Hazardous and Harmful Substances in Soil and Methods of Their Testing ("Official Gazette of Montenegro" No. 18/97).	
Environmental and Social Impact	The Law on Environment ("Official Gazette of Montenegro", No. 52/16); The Law on Liability for the Environmental Damage ("Official Gazette of Montenegro", No. 27/14), 55/16;	Environmental and Social Management Plan
Traffic and Transport	The Law on Roads ("Official Gazette of Montenegro", No. 82/20); The Law on Road Traffic Safety ("Official Gazette of Montenegro", No. 33/12, 58/14, 14/17 – US decision and 66/19); - Rulebook on traffic signage ("Official Gazette of Montenegro", No. 35/21, 33/12, 58/14, 14/17, 66/19); - Rulebook on temporary traffic ignage ("Official Gazette of Montenegro", No. 33/12, 58/14, 14/17, 66/19);	Traffic Management Plan
Occupational Health and Safety	The Law on Safety and Health at Work ("Official Gazette of Montenegro", No. 34/14, 44/18); -Rulebook on safety and health measures at workplace ("Official Gazette of Montenegro", No. 38/19); -Rulebook on health and safety measures at temporary and mobile construction sites ("Official Gazette of Montenegro", No. 20/19);	Occupational Health and Safety Plan
Emergency Preparedness	The Law on Protection of Persons and Property ("Official Gazette of Montenegro", No. 43/18);	Emergency Preparedness and Response Plan
Resource Management	The Law on Environment ("Official Gazette of Montenegro", No. 52/16); The Law on Waste Management (Official Gazette of Montenegro, No. 64/11 and 39/16);	Resource Efficiency Management Plan
Archaeology and Cultural Heritage	The Law on Protection of Cultural Properties ("Official Gazette of Montenegro", No. 49/10 and 044/17);	Chance Find Procedure
Worker Grievances	The Labor Law ("Official Gazette of Montenegro," No. 74/19, 8/21);	Worker Grievance Mechanism
Labour and Working Conditions	The Labor Law ("Official Gazette of Montenegro," No. 74/19, 8/21); The Law on Prohibition of Discrimination ("Official Gazette of Montenegro", No. 46/10, 40/11 and 18/14); The Law on Prohibition of Harassments at Work ("Official Gazette of Montenegro" No. 30/12); The Law on Gender Equality ("Official Gazette of Montenegro No. 46/07, 73/10 and 40/11; - The Rules of Conduct of Employers and Employees in terms of Prevention and Protection against Harassment at Work ("Official Gazette of the Republic of Montenegro" No. 56/12)	Labour and Working Conditions Management Plan
Biodiversity	The Law on Environment ("Official Gazette of Montenegro", No. 52/16); The Law on Nature Protection, ("Official Gazette of the Republic of Montenegro" No. 54/16, 18/19)	Biodiversity Management and Monitoring Plan

EU Directives

Horizontal environmental legislation of the EU has been being transposed into the legal system of Montenegro since 2005. Relevant laws and implementing acts transcribed to date include:

- Water Framework Directive ("WFD");
- Directive 2001/42/EC (SEA); Directive 2001/42/EC on the assessment of the effects of certain plans and programmes on the environment (SEA), has been fully implemented through the Law on Strategic Environmental Assessment since 2008 at both national and local levels. Strategic environmental assessment is carried out for all plans and programmes where their implementation may have impacts on the environment. As of 2009, Montenegro is a party of the SEA Protocol;
- Directive 2011/92/EU (EIA), which codified Directive 85/337/EEC and its amendments by Directive 97/11/EC, Directive 2003/35/EC (public participation and access to justice in EIA procedures and procedures for the issuance of IPPC permits) and Directive 2009/31/EC and as amended by 2014/52/EU (EIA). Directive 2011/92/EU on the assessment of the effects of certain public and private projects on the environment is fully implemented through the Law on Environmental Impact Assessment (EIA) and its accompanying implementing acts. Impact assessment is carried out for all new projects and for their amendments. Since 2008, the Law has been implemented at both national and local levels. Two lists of projects have been compiled – List I for which EIA is mandatory and List II for which EIA may be required. Moreover, cross-border procedure is also carried out to inform the other states if implementation of a project may have a significant environmental impact. Montenegro is a Party of the Espoo Convention, since 2009;
- Directive 2003/4/EC (access to environmental information); Directive 2003/4/EC on public access to environmental information and repealing Council Directive 90/313/EEC is implemented through the Law on Environment and Free Access to Information at a national and local level;
- Directive 2000/60/EC of the European Parliament and of the Council of 23rd October 2000 establishing a framework for Community action in the field of water policy;
- European Council Directive 89/391/EEC on the introduction of measures to encourage improvements in the safety and health of workers at work, as amended by Regulation (EC) No. 1137/2008 of the European Parliament and of the Council of 22 October 2008 adapting certain acts to which the procedure laid down in Article 251 of the Treaty applies;
- Directive 92/43/EEC on the Conservation of natural habitats and of wild fauna and flora ("the Habitats Directive") and Directive 2009/147/EC on the conservation of wild birds ("the Birds Directive"). The Habitats Directive prompted a network of Special Areas of Conservation to protect the 220 habitats and approximately 1000 species listed in Annex I and II of the Directive. These are of European interest. Together with Special Protection Areas which are designated under the Birds Directive, these form a network of protected sites across the European Union called Natura 2000.
- Directive 92/57/EEC — minimum safety and health requirements at temporary or mobile construction sites;
- Directive 2008/96/EC Road Infrastructure Safety Management. The provisions of Directive 2008/96/EC define good practice for national road transport infrastructure. PR4 requires these principles to be closely followed. The Directive imposes road safety responsibilities on Project Sponsors to demonstrate that risks have been considered during the design and delivery of the project. During the initial planning stage, this would comprise the production of a Road Safety Impact Assessment, in line with Annex I of the Directive. Subsequently Road Safety Audits should be undertaken as an integral part of the design in line with the criteria set out in Annex II of the Directive. Annex III of the Directive sets out criteria and requirements for the ranking of high accident concentration sections and network safety ranking during operation.
- Waste Framework Directive 2006/12/EC;

- Landfill Directive 1999/31/EC;
- Hazardous Waste Directive 91/689/EEC, with accessories 94/31/EC, 166/2006;
- The Packaging and Waste Directive 94/62/EC, with accessories 2005/20/EC 2004/12/EC, 1882/2003.

European Bank for Reconstruction and Development (EBRD)

The EBRD is committed to promoting European Union (EU) environmental standards as well as the European Principles for the Environment, to which it is a signatory, and which are also reflected in the Performance Requirements (PR) summarized below. EBRD expects clients to assess and manage the environmental and social issues associated with their projects so that projects meet the PRs. The relevant PRs in relation to the Project are summarized below.

- PR 1 Assessment and Management of Environmental and Social Risks and Impacts
- PR 2: Labour and Working conditions
- PR 3: Resource efficiency and pollution prevention and control
- PR 4: Health, Safety and Security
- PR 5: Land Acquisition, restrictions on land use, and involuntary resettlement
- PR 6: Biodiversity conservation and sustainability management of living natural resources
- PR 7: Indigenous People (not applicable in Montenegro and therefore this Project).
- PR 8: Cultural heritage
- PR 9: Financial Intermediaries (not applicable for this Project).
- PR 10: Information disclosure and stakeholder engagement

International Finance Corporation (IFC)

The IFC of the World Bank provides a range of guidance documents related to the assessment and management of environmental and social issues in project development. Not only does IFC guidance provide a generally accepted basis for good practice, but it also provides the technical cornerstone for the Equator Principles which set out the environmental and social requirements of banks for project finance. The IFC requirements have become the de facto international environmental and social performance benchmark for project financing.

The IFC Performance Standards on Social and Environmental Sustainability set out a framework for managing and improving project performance from planning and assessment, through construction and operations to closure. The Performance Standards include the following:

- PS1: Assessment and Management of Environmental and Social Risks and Impacts
- PS2: Labour and Working Conditions
- PS 3: Resource Efficiency and Pollution Prevention
- PS 4: Community Health, Safety and Security
- PS 5: Land Acquisition and Involuntary Resettlement
- PS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources
- PS 7: Indigenous Peoples (not applicable for this Project).
- PS 8: Cultural Heritage

In addition, there are also General EHS Guidelines document that are produced by World Bank Group (WBG) and which are considered applicable for the IFC. Such EHS guidance document provides detailed management and technical recommendations with regards to GIIP. In addition, there are also sector-specific EHS guideline document for Wind Energy produced. This EHS

guidance document provides detailed management and technical recommendations with regards to Industry Best Practice.

The above should also be considered as part of the associated management plans identified in Section 3.3 earlier.

5. MANAGEMENT PLAN FRAMEWORK

As discussed previously in “Chapter 3”, the Works Contractor and O&M Contractor are required to prepare several environmental and social management plans to be submitted to TA for approval before commencement of any construction or O&M work.

This Chapter provides additional details on the overall framework required for the management plan to be considered as applicable.

Water Management Plan	
Objective	Identification of procedures for onsite management of water supplies and minimization of water consumption.
Responsibility	Works Contractor and their subcontractors (construction phase) O&M Contractor and its subcontractors (operation phase)
Spatial applicability	Construction Site
Guiding legislations and reference	▪ Local legislations: - The Law on Environment ("Official Gazette of Montenegro”, No. 52/16); - The Law on Waters (“Official Gazette of Montenegro”, No. 27/07, 32/11, 47/11 - corr., 48/15, 52/16, 2/17 – other Law, 80/17 – other Law, 55/16 – other Law and 84/18); - Regulation on the classification and categorization of surface and groundwater ("Official Gazette of Montenegro", No. 02/07); - Rulebook on the Method and Deadlines for Determining the Status of Surface Waters ("Official Gazette of Montenegro", No. 025/19); - Rulebook on the quality and sanitary technical conditions for wastewater disposal and the method and procedure of wastewater quality testing and the content of wastewater quality report ("Official Gazette of Montenegro" No. 56/19); - Rulebook on criteria for determining sensitive and vulnerable areas for the purpose of protecting water from pollution (Official Gazette of the Republic of Montenegro No. 32/16).- Regulation on the classification and categorization of surface and groundwater ("Official Gazette of Montenegro", No. 02/07); ▪ Lender requirements: - EBRD PR 3, IFC PS 3, WBG EHS General Guidelines / EHS Guidelines
Required action/planning	▪ Identification of sources of water supply that will be utilized for the Project, to include both potable and non-potable water requirements; ▪ Estimation of anticipated quantities of potable and non-potable water requirements; ▪ Identify in detail procedures for onsite management of water supplies and minimization of water consumption. This could include but not limited to: (i) identify location of all water storage tanks onsite with clear markings as potable/non-potable; (ii) ensure water tanks are completely closed at all times with appropriate protection against sunlight; (iii) inspections for potable and non-potable tanks and connections to ensure there are no leaks; (iv) install water saving fittings (taps, urinals, etc.) in toilets of site offices, and other as applicable. ▪ Reflect the procedural actions for water management in: (i) induction training material for workers; and (ii) repeated/refresher Toolbox Talks (TBT). ▪ Identify Key Performance Indicators (KPI) for implementation of plan ▪ Identify roles and responsibilities for implementation of plan
Monitoring requirements	▪ Monitoring program shall be at a minimum based on the following schedule:

	Parameters	- Separation of clean water, capture of potentially contaminated water, potable water supply, waste water treatment, minimisation of water use, prevention of (accidental) water pollution; - Additional baseline water quality monitoring (parameters that should be measured: BOD, COD, pH, TSS; Metals (Cd, Cu, Zn); Hydrocarbons (TPH) BaP and Nutrients (NH4, NO2, NO3, Total P); - Laboratory control of water quality at the construction site (parameters that should be measured: BOD, COD, pH, TSS; Metals (Cd, Cu, Zn); Hydrocarbons (TPH) BaP and Nutrients (NH4, NO2, NO3, Total P).
	Location	Potable water tanks (if applicable)
	Frequency	Quarterly
	Duration	1 sample
	Prerequisite	Discuss with NEPA and agree on details of this program
	Review	As applicable based on project updates and as required by related parties (developer, lender, etc.)
	▪ Continuous inspection and reporting by EHS staff	
Reporting Requirements	▪ Monthly water consumption report to TA	
Example for some KPIs	▪ m3 of potable water consumed ▪ m3 of unpotable water consumed	

Waste Management Plan	
Objective	Identification of procedures for onsite management and final disposal of generated waste to include solid waste (municipal and construction), wastewater and hazardous waste.
Responsibility	Works Contractor and their subcontractors (construction phase) O&M Contractor and its subcontractors (operation phase)
Spatial applicability	Construction Site
Guiding legislations and reference	▪ Local legislations: - The Law on Environment ("Official Gazette of Montenegro", No. 52/16); - The Law on Waste Management (Official Gazette of Montenegro, No. 64/11 and 39/16); - Rulebook on more detailed content and method of drafting waste management plan for waste producers ("Official Gazette of Montenegro", No. 05/13 dated 23 January 2013); - Rulebook on methods for testing hazardous waste properties and closer conditions to be fulfilled by an accredited laboratory for hazardous waste testing ("Official Gazette of Montenegro ", No. 21/2014); - Rulebook on waste classification and waste catalogue ("Official Gazette of Montenegro", No. 059/13 083/16); - Rulebook on construction waste treatment, method and procedure of construction waste processing, conditions and manner of disposal of cement asbestos construction waste ("Official Gazette of Montenegro", No. 50/12). ▪ Lender requirements: - EBRD PR 3, IFC PS 3, WBG EHS General Guidelines / EHS Guidelines
Required action/planning	▪ Inclusion of a waste inventory which identifies the source and anticipated quantities of each waste stream; ▪ Identify final disposal location of each waste streams (solid waste (municipal and construction), wastewater and hazardous waste). In addition, confirm that disposal locations identified are well managed and have sufficient capacity to receive amounts generated from project without affecting other projects and users. This will include undertaking an audit prior to using the facilities to ensure they are operated according to Good International Industry Practice (GIIP) and submission of an audit report

	accordingly. ▪ Identify measures to ensure conformity with waste hierarchy principles. ▪ Identify in detail the waste management procedures to be implemented to manage impacts. This could include but not limited to: (i) contract arrangement with official entity responsible for collection and final disposal of waste streams; (ii) specifications of waste containers, bins and collection areas to be utilized for onsite disposal; (iii) utilization of waste manifests by contractors; (iv) identification and consideration of recycling and reuse measures for waste streams; (v) prohibition of fly-dumping of waste streams to the land, and other. ▪ Reflect the procedural actions for waste management in: (i) induction training material for workers; and (ii) repeated/refresher Toolbox Talks (TBT). ▪ Identify Key Performance Indicators (KPI) for implementation of plan. ▪ Identify roles and responsibilities for implementation of plan.
Monitoring requirements	▪ Continuous inspection and reporting by EHS staff
Reporting Requirements	▪ Monthly waste generation report to TA
Example for some KPIs	▪ m3 of recyclable waste generated ▪ % of waste recycled (offsite) ▪ % of waste reused onsite ▪ m3 of non-recyclable waste generated ▪ m3 of hazardous waste generated ▪ m3 of wastewater generated ▪ m3 of wastewater reused ▪ % of waste disposed offsite (landfill)

Air Quality and Noise/Vibration Management Plan	
Objective	Identification of procedures to ensure that air pollutant and noise/vibration sources are properly managed and controlled onsite.
Responsibility	Works Contractor and their subcontractors (construction phase)
Spatial applicability	Construction Site
Guiding legislations and reference	▪ Local legislations: - The Law on Environment ("Official Gazette of Montenegro", No. 52/16); - The Law on Air Protection, ("Official Gazette of Montenegro", No. 25/15 and 43/15); - The Law on Environmental Noise Protection ("Official Gazette of Montenegro", No. 28/11 and 01/14); ▪ Lender requirements: - EBRD PR 3, IFC PS 3, WBG EHS General Guidelines / EHS Guidelines
Required action/planning	▪ Identify sources of air quality pollutants and noise/vibration ▪ Identify in detail the air quality and noise management procedures to be implemented which could include but not limited to: (i) equipping workers with proper Personal Protective Equipment related to dust and noise control (e.g. masks, eye goggles, breathing masks, ear muffs, etc.); (ii) regular watering of construction active areas (e.g. containment, covering, bundling); (iii) proper management of stockpiles and excavated material, (iv) adhering to a 25 km/h speed limit onsite; (v) proper covering of trucks transporting aggregates and fine materials and other. ▪ Reflect the procedural actions for air quality and noise management in: (i) induction training material for workers; and (ii) repeated/refresher Toolbox Talks (TBT). ▪ Identify Key Performance Indicators (KPI) for implementation of plan. ▪ Identify roles and responsibilities for implementation of plan.
Monitoring requirements	▪ Monitoring program shall be at a minimum based on the following schedule: Parameters: - Total Suspended Particulate, PM10 and Noise Location: 2 locations (upwind and downwind)

<table>
<tr><td></td><td><table>
<tr><td>Frequency</td><td>Quarterly</td></tr>
<tr><td>Duration</td><td>1 sample</td></tr>
<tr><td>Prerequisite</td><td>Discuss with NEPA and agree on details of this program</td></tr>
<tr><td>Review</td><td>As applicable based on project updates and as required by related parties (developer, lender, etc.)</td></tr>
</table>▪ Continuous inspection and reporting by health and safety staff</td></tr>
<tr><td>Reporting Requirements</td><td>▪ Quarterly air quality and noise monitoring report to TA</td></tr>
<tr><td>Example for some KPIs</td><td>▪ Number of air quality and noise/vibration monitoring programs undertaken</td></tr>
</table>

<table>
<tr><th colspan="2">Soil Quality and Erosion Management Plan</th></tr>
<tr><td>Objective</td><td>Identification of procedures to ensure that soil quality is properly preserved and erosion prevented onsite.</td></tr>
<tr><td>Responsibility</td><td>Works Contractor and their subcontractors (construction phase)</td></tr>
<tr><td>Spatial applicability</td><td>Construction Site</td></tr>
<tr><td>Guiding legislations and reference</td><td>▪ Local legislations:
- The Law on Environment ("Official Gazette of Montenegro”, No. 52/16);
- The Law on Agricultural Land ("Official Gazette of Montenegro", No. 015/92, 059/92, 059/92, 027/94, "Official Gazette of Montenegro", No. 073/10, 032/11);
- The Law on Spatial Planning and Construction (Official Gazette of Montenegro No. 064/17, 044/18, 063/18);
- Rulebook on Permitted Quantities of Hazardous and Harmful Substances in Soil and Methods of Their Testing (“Official Gazette of Montenegro” No. 18/97).
▪ Lender requirements:
- EBRD PR 1, PR 3 and PR 6, IFC PS 1, PS 3 and PS 6, WBG EHS General Guidelines / EHS Guidelines</td></tr>
<tr><td>Required action/planning</td><td>▪ Identification of sources of hazardous and harmful substances that will be utilized for the Project, to include both monitoring and soil pollution;
▪ Identify in detail procedures for onsite management of erosion and sediment control. This could include but not limited to: (i) preventing any type of erosion; (ii) ensure interception and drainage of surface run off; (iii) ensure surface runoff does not cause erosion or collect sediments from disturbed areas; (iv) ensure revegetation is conducted progressively and (v) ensure stabilization of disturbed slopes.
▪ Reflect the procedural actions for soil quality preservation and erosion management in: (i) induction training material for workers.
▪ Identify Key Performance Indicators (KPI) for implementation of plan
▪ Identify roles and responsibilities for implementation of plan</td></tr>
<tr><td>Monitoring requirements</td><td>▪ Monitoring program shall be at a minimum based on the following schedule:<table>
<tr><td>Parameters</td><td>- Completion of pre-assessments and identification of erosion control (EC), sediment control (SC) and landscape and reinstalment measures (LRM) specific to each construction site (once prior land preparation);
- Monitoring of vegetation clearing (during land preparation);
- Visual inspections of erosion control, sediment control and landscape and reinstalment measures (throughout construction and operation phases - increase frequency during heavy rain months).
- Visual inspections of areas where vegetation clearing conducted (throughout construction and operation phase).
- Visual inspections of revegetated areas (throughout construction phase during revegetation works)
- Legal compliance monitoring (as required)</td></tr>
<tr><td>Location</td><td>Potable water tanks (if applicable)</td></tr>
</table></td></tr>
</table>

	<table><tr><td>Frequency</td><td>See above</td></tr><tr><td>Duration</td><td>See above</td></tr><tr><td>Prerequisite</td><td>Discuss with NEPA and agree on details of this program</td></tr><tr><td>Review</td><td>As applicable based on project updates and as required by related parties (developer, lender, etc.)</td></tr></table> ▪ Continuous inspection and reporting by EHS staff
Reporting Requirements	▪ Monthly soil quality and erosion management report to TA
Example for some KPIs	▪ Natural drainage patterns identified ▪ EC, SC and LRT measures designed specific to each site ▪ EC, SC and LRT measures are in place ▪ Incompliances and problems identified ▪ Additional corrective or preventive measures implemented

Traffic Management Plan	
Objective	Promotion of safe driving and vehicle management practices both onsite and offsite to protect workers and members of the public.
Responsibility	Works Contractor and their subcontractors (construction phase) O&M Contractor and its subcontractors (operation phase)
Spatial applicability	Construction Site
Guiding legislations and reference	▪ Local legislations: The Law on Spatial Planning and Construction of Structures (“Official Gazette of Montenegro”, No. 64/17, 44/18, 63/18, 11/19 - corr. and 82/20); The Law on Roads (“Official Gazette of Montenegro”, No. 82/20); The Law on Road Traffic Safety (“Official Gazette of Montenegro”, No. 33/12, 58/14, 14/17 – US decision and 66/19); - Rulebook on traffic signage (“Official Gazette of Montenegro”, No. 35/21, 33/12, 58/14, 14/17, 66/19); - Rulebook on temporary traffic signage (“Official Gazette of Montenegro”, No. 33/12, 58/14, 14/17, 66/19); ▪ Lender requirements: - EBRD PR 4, IFC PS 4, WBG EHS General Guidelines / EHS Guidelines
Required action/planning	▪ Identification of project traffic requirements related to the road works, equipment/machinery/materials, project workers and other based on a monthly basis ▪ Identification of types of vehicles to be utilized ▪ Identify in detail procedures for onsite management of traffic. This could include but not limited to: (i) optimization of internal traffic layout so that delivery and other vehicles will be able to access site easily; (ii) identification of requirements for controlling access to the site (e.g. security checkpoint, registration, etc.); (iii) providing appropriate lighting for roads and pedestrian walk and ensure they are segregated; (iv) utilization of appropriate and sufficient traffic signs onsite (e.g. speed limits); (v) barricading of open trenches and excavated pits; (vi) utilization of temporary traffic lights, flaggers and other. ▪ Identify requirements to be adhered to and enforced on all haulage suppliers ▪ Identification of a code of conduct to be adhered to and enforced on all drivers in the Project ▪ Identification of speed limits onsite and identification of all traffic signage requirement onsite ▪ Identification of a procedure for management of onsite/offsite traffic accidents ▪ Reflect the procedural actions for traffic management in: (i) induction training material; and (ii) repeated/refresher Toolbox Talks (TBT) ▪ Identify Key Performance Indicators (KPI) for implementation of plan ▪ Identify roles and responsibilities for implementation of plan

Monitoring requirements	▪ Continuous inspection and reporting by EHS staff
Reporting Requirements	▪ Monthly update report on implementation of required action/planning requirements to TA
Example for some KPIs	▪ Number of traffic related accidents onsite and offsite ▪ Number vehicle inspections ▪ % of drivers with specific training

Occupational Health and Safety Plan	
Objective	Establish procedures that describe the manner in which activities will be carried out to protect and promote workers health and safety and safeguarding of personnel and property.
Responsibility	Works Contractor and their subcontractors (construction phase) O&M Contractor and its subcontractors (operation phase)
Spatial applicability	Construction Site
Guiding legislations and reference	▪ Local legislations: The Law on Safety and Health at Work ("Official Gazette of Montenegro", No. 34/14, 44/18); Rulebook on safety and health measures at workplace ("Official Gazette of Montenegro", No. 38/19); Rulebook on health and safety measures at temporary and mobile construction sites ("Official Gazette of Montenegro", No. 20/19); ▪ Lender requirements: - EBRD PR 2, IFC PS 2, WBG EHS General Guidelines / EHS Guidelines
Required action/planning	▪ Inclusion of a Job Safety Analysis (JSA) and Risk and Hazard Assessment for work activities ▪ Identification of a Permit to Work System requirements and procedure ▪ Identification of Confined Space requirements and procedure ▪ Identification of occupational health and safety signage requirements to be implemented ▪ Identification of medical support requirements ▪ Identify in detail the occupational health and safety management procedures to be implemented for each work activity to include personnel protective equipment requirements, management measures, and other as applicable ▪ Identification of rest and sanitary facilities ▪ Identification of specialized technical training requirements as related to this plan and activities to be undertaken (e.g. training for working at height, electrical works, etc.) ▪ Reflect the procedural actions for occupational health and safety in: (i) induction training material for workers; and (ii) repeated/refresher Toolbox Talks (TBT) ▪ Identify Key Performance Indicators (KPI) for implementation of plan ▪ Identify roles and responsibilities for implementation of plan
Monitoring requirements	▪ Continuous inspection and reporting by EHS staff
Reporting Requirements	▪ Monthly update report on implementation of required action/planning requirements to TA
Example for some KPIs	▪ Total number of OHS incidents ▪ Number of OHS near misses ▪ Number of worked hours ▪ Lost working hours ▪ Number of Lost time Injuries

Emergency Preparedness and Response Plan

Objective	Establish a series of organizational, operational and preventive measures in the event of an emergency that are adapted to the circumstance of such situations, which in turn will ensure the safety of workers and property within the specific project site.
Responsibility	Works Contractor and their subcontractors (construction phase) O&M Contractor and its subcontractors (operation phase)
Spatial applicability	Construction Site
Guiding legislations and reference	▪ Local legislations: The Law on Protection of Persons and Property ("Official Gazette of Montenegro", No. 43/18); ▪ Lender requirements: - EBRD PR 4, IFC PS 2 and 4, WBG EHS General Guidelines / EHS Guidelines
Required action/planning	▪ Identification of areas where accidents and emergency situations may occur, communities and individuals that may be impacted, response procedures, provision of equipment and resources, designation of responsibilities, communication, including that with potentially Affected Communities and periodic training to ensure effective response ▪ Inclusion of requirements for an emergency responder team that includes at a minimum first aiders and firefighters that receive appropriate and certified training ▪ Inclusion of requirements to undertake emergency drills in coordination with external emergency response services if required (e.g. civil defence, nearest hospital, etc.) ▪ Identify in detail of emergency procedures to be implemented to include first actions, alerting emergency contacts, site evacuation, communicating with external emergency services ▪ Identification in details of emergency control measures to include but not limited to fire, personnel accidents, spillage, heats strokes, and other. ▪ Identification of location of assembly points onsite ▪ Identification of emergency signs to be implemented onsite ▪ Reflect the procedural actions for emergency preparedness and response in: (i) induction training material for workers; and (ii) repeated/refresher Toolbox Talks (TBT) ▪ Identify Key Performance Indicators (KPI) for implementation of plan ▪ Identify roles and responsibilities for implementation of plan to include establishment of an emergency committee and assigning roles to an emergency manager
Monitoring requirements	▪ Continuous inspection and reporting by EHS staff
Reporting Requirements	▪ Emergency Report (upon occurrence)
Example for some KPIs	▪ Number of emergency drills conducted ▪ Number of emergency incidents triggered

Resource Efficiency Management Plan	
Objective	To avoid or minimize adverse impacts on human health and the environment by avoiding or minimizing pollution from project activities, to promote more sustainable use of resources, including energy and water and to reduce project-related GHG emissions.
Responsibility	Works Contractor and their subcontractors (construction phase)
Spatial applicability	Construction Site
Guiding legislations and reference	▪ Local legislations: The Law on Environment ("Official Gazette of Montenegro", No. 52/16); The Law on Waste Management (Official Gazette of Montenegro, No. 64/11 and 39/16); ▪ Lender requirements: - EBRD PR 3, IFC PS 3, WBG EHS General Guidelines / EHS Guidelines
Required action/planning	▪ Inclusion of requirement to consider ambient conditions and apply technically and financially feasible resource efficiency and pollution prevention principles and techniques that are best suited to avoid, or where avoidance is not possible, minimize adverse impacts on human health and the environment. ▪ Reference to the EHS Guidelines or other internationally recognized sources, as

	appropriate, when evaluating and selecting resource efficiency and pollution prevention and control techniques for the Project. ▪ Identification of technically and financially feasible and cost-effective measures for improving efficiency in its consumption of energy, water, as well as other resources and material inputs, with a focus on areas that are considered core business activities. ▪ In addition to the resource efficiency actions described above, alternatives and implement technically and financially feasible and cost-effective options shall be considered to reduce project-related GHG emissions during implementation. ▪ Avoid the release of pollutants or, when avoidance is not feasible, minimize and/or control the intensity and mass flow of their release. ▪ Avoid the generation of hazardous and non-hazardous waste materials and avoid or, when avoidance is not possible, minimize and control the release of hazardous materials ▪ Reflect the procedural actions for emergency preparedness and response in: (i) induction training material for workers; and (ii) repeated/refresher Toolbox Talks (TBT) ▪ Identify Key Performance Indicators (KPI) for implementation of plan ▪ Identify roles and responsibilities for implementation of plan
Monitoring requirements	▪ Continuous inspection and reporting by EHS staff
Reporting Requirements	▪ Monthly update report on implementation of required action/planning requirements to TA
Example for some KPIs	▪ GHG emissions during project lifecycle (tonnes CO2 equiv. emissions saved, captured or displaced) ▪ Waste to landfill avoided / recycled / reused (tonnes) ▪ Total Energy Savings (KWh)

Chance Find Procedure	
Objective	Establish a procedure to avoid or reduce adverse effects to undiscovered archaeological remains during the construction phase of the Project.
Responsibility	Works Contractor and their subcontractors (construction phase)
Spatial applicability	Construction Site
Guiding legislations and reference	▪ Local legislations: The Law on Protection of Cultural Properties ("Official Gazette of Montenegro", No. 49/10 and 044/17); ▪ Lender requirements: - EBRD PR 8, IFC PS 8, WBG EHS General Guidelines / EHS Guidelines
Required action/planning	▪ Identification of procedures to be implemented to include onsite notification measures, onsite management measures (e.g. delineation and marking of site, etc.), communication with relevant authority, etc. ▪ Reflect the procedural actions for chance find in: (i) induction training material for workers; and (ii) repeated/refresher Toolbox Talks (TBT) ▪ Identify Key Performance Indicators (KPI) for implementation of plan ▪ Identify roles and responsibilities for implementation of plan
Monitoring requirements	▪ Continuous inspection and reporting by EHS staff
Reporting Requirements	▪ Chance find report (upon occurrence)
Example for some KPIs	▪ Number of chance finds triggered

Worker Grievance Mechanism	
Objective	A robust and comprehensive procedure to capture, document, resolve and close out any worker complaint, whether classified as grievances or not.
Responsibility	Works Contractor and their subcontractors (construction phase) O&M Contractor and its subcontractors (operation phase)
Spatial applicability	Construction Site

Guiding legislations and reference	▪ Local legislations: The Labor Law ("Official Gazette of Montenegro," No. 74/19, 8/21); ▪ Lender requirements: - EBRD PR 2, IFC PS 2, WBG EHS General Guidelines / EHS Guidelines
Required action/planning	▪ Identification of a step-by-step process and guideline to ensure that every complaint/grievance made by workers are registered, documented and fully addressed ▪ The overall outline/structure of the grievance mechanism will be as follows: - Workers will be allowed to lodge grievances through various platforms and channels to include grievance boxes distributed onsite, telephone, face to face meetings with responsible personnel, workers representatives and unions. Contact details for all such channels will be identified and provided in detail. - Anonymous lodging of grievances will be allowed. - All grievances will be recorded and a case handler will be assigned and whom will be determined at a later stage. - All grievances will be handled in the shortest possible period. The first approach will be to inform the worker within the first 24 hours after receiving the grievance. The worker will be informed within 7 working days on whether or not the grievance proceeds and what the next steps will be. - Once a resolution has been agreed or a decision made, the case handler will monitor the implementation of the response. - After the implementation of an agreed resolution has been verified the grievance close-out will take place. It will entail reaching a unanimous agreement, clearly communicated to avoid misunderstandings. - A close-out report will be prepared with evidence to support closure (e.g. photos). ▪ Reflect the procedural actions for worker grievance mechanism in: (i) induction training material for workers; and (ii) repeated/refresher Toolbox Talks (TBT) ▪ Identify Key Performance Indicators (KPI) for implementation of plan ▪ Identify roles and responsibilities for implementation of plan
Reporting Requirements	▪ Monthly update summary report on worker grievances and resolutions
Example for some KPIs	▪ Number of worker grievances submitted ▪ Outstanding grievances ▪ Number of grievances not processed on time

Labor and Working Conditions Management Plan	
Objective	Identification of procedures for onsite management of labor force and the required working conditions onsite.
Responsibility	Works Contractor and their subcontractors (construction phase) O&M Contractor and its subcontractors (operation phase)
Spatial applicability	Construction Site
Guiding legislations and reference	▪ Local legislations: -The Labor Law ("Official Gazette of Montenegro," No. 74/19, 8/21); -The Law on Prohibition of Discrimination ("Official Gazette of Montenegro", No. 46/10, 40/11 and 18/14); -The Law on Prohibition of Harassments at Work ("Official Gazette of Montenegro" No. 30/12); -The Law on Gender Equality ("Official Gazette of Montenegro No. 46/07, 73/10 and 40/11; - The Rules of Conduct of Employers and Employees in terms of Prevention and Protection against Harassment at Work ("Official Gazette of the Republic of Montenegro" No. 56/12) ▪ Lender requirements:

	- EBRD PR 2, IFC PS 2, WBG EHS General Guidelines / EHS Guidelines
Required action/planning	▪ Provides the policies applicable to this plan to include but not limited to an HR policy ▪ Identifies a recruitment procedure to be implemented for the workforce ▪ Identifies a Human Resources (HR) Management Procedure for the workforce that will ensure decent and humane working conditions, worker rights, and enhance constructive work floor relations ▪ Identify workforce retrenchment procedures ▪ Identifies a disciplinary procedure for the workforce to be implemented ▪ Identifies a worker welfare procedure related to drinking water, rest areas, sanitary facilities, changing rooms and other ▪ Identify training requirements related to the plan ▪ Identify Key Performance Indicators (KPI) for implementation of plan ▪ Identify roles and responsibilities related to the plan
Reporting Requirements	▪ Monthly report to TA
Example for some KPIs	▪ Number of workers employed (disaggregated by sex) ▪ Number of new workers appointed ▪ Number of workers leaving the project ▪ Total number of working hours / Total overtime ▪ % of workers receiving salary payment on time ▪ % of workforce with written contract
<u>This plan should be consistent with the requirements included in Chapter 6 below.</u>	

Biodiversity Management Plan	
Objective	To protect and conserve biodiversity, to maintain the benefits from ecosystem services and to promote the sustainable management of living natural resources through the adoption of practices that integrate conservation needs and development priorities.
Responsibility	Works Contractor and their subcontractors (construction phase)
Spatial applicability	Construction Site
Guiding legislations and reference	▪ Local legislations: The Law on Environment ("Official Gazette of Montenegro", No. 52/16); The Law on Nature Protection, ("Official Gazette of the Republic of Montenegro" No. 54/16, 18/19); ▪ Lender requirements: - EBRD PR 1, PR 6, IFC PS1, PS 6, WBG EHS General Guidelines / EHS Guidelines
Required action/planning	▪ Identification of relevant threats to biodiversity and ecosystem services, especially focusing on habitat loss, degradation and fragmentation, invasive alien species, overexploitation, hydrological changes, nutrient loading, and pollution. ▪ Conducting a systematic review to identify priority ecosystem services. ▪ Avoidance of impacts on biodiversity and ecosystem services. When avoidance of impacts is not possible, measures to minimize impacts and restore biodiversity and ecosystem services should be planned and implemented. ▪ Design and implementation of biodiversity offsets as measurable conservation outcomes resulting from actions designed to compensate for significant residual adverse biodiversity impacts arising from project development and persisting after appropriate avoidance, minimization and restoration measures have been taken ▪ Identify Key Performance Indicators (KPI) for implementation of plan ▪ Identify roles and responsibilities for implementation of plan
Monitoring requirements	▪ Continuous inspection and reporting by EHS staff
Reporting Requirements	▪ Monthly update report on implementation of required action/planning requirements to TA
Example for some KPIs	▪ Habitat stress or disturbance signs

	▪ Terrestrial Flora invasive species ▪ Terrestrial Fauna accidents involving fauna species ▪ Topsoil stress or disturbance signs

6. FRAMEWORK FOR LABOR MANAGEMENT

6.1. Human Resources (HR) Policy

Transport Administration (TA) is committed to treating its employees and service providers fairly, equally and without prejudice. This means respecting all individuals, regardless of ethnic origin, creed, age or gender. To achieve this goal, the company is committed to the following:

1. Operating in strict compliance with all applicable national and local laws and regulations including to those related to labour, employment, and workplace safety;
2. Meeting internationally-accepted industry best practice requirements of the relevant International Financing Institutions (IFIs) to include in specific the IFC Performance Standards and EBRD Performance Requirements
3. Providing safe work places and fair terms and conditions of employment;
4. Being an equal opportunities employer, with no preference on the basis of personal characteristics such as age, race, nationality, ethnicity, sexual orientation, gender or religion;
5. Positively encouraging the development of all our employees by providing a working environment that fosters new talent and ways of thinking;
6. Offering competitive terms and conditions of employment in accordance with applicable national and local laws and promoting the development and best use of individual talents;
7. Ensuring that all employees and contractors work in safe conditions where suitable procedures are provided and maintained;
8. Ensuring that all employees and subcontractors have ready access to sanitation facilities, potable water, food and/or food preparation, storage and eating facilities, and suitable accommodation and welfare facilities;
9. Never using underage or child labour and never employing those under the age of 18;
10. Never using any forced or compulsory labour;
11. Not tolerating discrimination, harassment, or hostile and offensive work environment;
12. All employees have the right to freely join trade unions, where such rights are recognized by law;
13. Accepting, offering, or soliciting any bribe or kickback no matter how large or small is considered strictly prohibited; and
14. Ensuring that the company and all involved subcontractors are made aware of this Policy.

TA will monitor and review this Policy on a regular basis to ensure that it continues to support and encourage a high standard of human resources performance.

6.2. Labour Management

Transport Administration (TA) is committed to adhering to the below principles and requirements on labor, employment and workplace safety. Such requirements should also be implemented and taken into account by all involved entities in the Project to include Works Contractor, O&M Contractor and all involved subcontractor to these entities.

Local and International Requirements

- TA will operate in strict compliance with all applicable national and local laws and regulations related to labour, employment, and workplace safety.
- TA will meet all internationally-accepted industry best practices requirements of the relevant International Financing Institutions (IFIs) related to labour, employment and workplace safety to include in particular "IFC Performance Standard 2: Labour and Working Conditions" and EBRD Performance Requirement 2: Labour and Working Conditions".

Working Conditions

- All workers will be provided with a contract which will include details on: (i) nature, type of work and job responsibilities; (ii) wage and time of payment; (iii) compulsory payments such as medical, life and social insurance and other benefits to include in cash and in kind as agreed; (iv) contract duration; (vii) other information as may be required. In addition, where workers are illiterate, these contracts will be explained verbally before signature.
- Wages will be fair (i.e. that meets basic needs to maintain a safe, decent standard of living) and based on qualifications and competencies, professional experiences, allocated roles and job responsibilities, wages at equivalent positions, and other factors as appropriate. Such criteria will be applied to all workers to include migrant workers and women in specific. In any case, the determined wage shall not be less than the minimum wage in accordance with local laws and regulations.
- All wages will be paid on time and directly to the worker as set in the contract terms.
- All workers will be entitled to leaves (to include annual leaves, sick leaves, maternity leaves, bereavement leave) in accordance with local labour laws and legislations.
- All workers should be required to work in accordance with working hours set within local labour laws and legislations taking into account rest or break hours. In addition, working extra hours beyond those specific above is allowed (with the consent of the worker), however in this case the employee will be entitled for overtime hours as agreed in the contract.

Foreign Workers

- Engagement of foreign workers will adhere to requirements identified through this section to include specifically contract, wages, leaves, working hours, non-discrimination and equal opportunity, child labour, young workers, forced labour, etc.
- Confiscation of personal documents of the foreign workers by their employers is strictly forbidden.
- No fees, commissions or deductions from salary should be asked from foreign workers upon promise of employment at the Project.

Casual and Day Workers

- Engagement of casual and day workers will adhere to requirements identified through this section to include specifically contract, wages, leaves, working hours, non-discrimination and equal opportunity, child labour, young workers, forced labour, etc.
- In specific, it will be ensured that all casual and day workers are covered by social, life and medical insurance as appropriate and they will be informed on this as part of recruitment process through inclusion in contracts and verbal explanation.

Non-Discrimination and Equal Opportunity

- TA is committed to being an equal opportunity employer and will not practice any discrimination based on personal characteristics – this includes gender, race, nationality, ethnic, social and indigenous origin, religion or belief, disability, age, or sexual orientation.

In addition, TA has no tolerance for harassment, intimidation, exploitation or hostile and offensive work environment.

- The above will apply to the entire work cycle to include: recruitment and hiring, compensation (wages and benefits), working conditions and terms of employment, assignment of jobs, termination of employment, and disciplinary actions.

Child Labor

A child is considered any person less than 18 years of age. TA is committed to never using child labour the project development, including in its supply chains.

Forced Labor

- TA is committed to never using any forced or compulsory labour including in its supply chains. Forced labour is any work or service not voluntarily performed that is exacted from an individual under threat of force or penalty.

Workers Organization

- TA recognizes workers' rights to form and to join workers' organizations of their choosing without interference and to bargain collectively.
- TA is committed to allowing all employees to form or join workers' organization without interference and to bargain collectively in compliance with Montenegrin laws.

Health and Safety

- TA is committed to providing a safe work place that ensures all employees and contractors work in safe conditions where suitable procedures are provided and maintained.
- TA is committed to ensuring all employees and subcontractors have ready access to sanitation facilities, potable water, food and/or food preparation, storage and eating facilities, and suitable accommodation and welfare facilities.

Worker Grievance Mechanism

All works must have access to an effective grievance mechanism that is easily accessible to raise any workplace concerns. The mechanism must address concerns promptly, using an understandable and transparent process that provides timely feedback, without any retribution.

7. HSSE MEETINGS, TRAINING, INSPECTION AND MONITORING REQUIREMENTS

This section identifies the overall requirements that will be implemented for HSSE meetings, training, inspection and monitoring during the construction and operation phase.

7.1. HSSE Meetings

The following identifies the HSSE meetings that will be undertaken for the Project throughout the construction and operation phase.

Weekly Meetings

During construction, a weekly HSSE meeting must be organized by the Works Contractor and subcontractors' HSE Manager/Officers (as applicable). Works Contractor will notify TA and Engineer's team on the time and date of meeting for relevant personnel to attend, if required. The agenda of these meetings shall cover at least the following items:

- Summary of items addressed at the previous meeting and determination whether they have been solved or not

- HSSE incidents, near misses or situations at risk identified during the previous week
- Special resources needed by Works Contractor and subcontractors for coming week, especially in terms of safety equipment and supervision
- Specific awareness communication to implement onsite
- Training needs
- Personal Protective Equipment (PPE) requirements

The weekly HSSE meetings may be combined with other meetings (e.g. weekly coordination meeting) as far as the above topics are discussed and addressed and the presence of the required participants is ensured. Works Contractor is required to maintain minutes of meeting and attendees register.

During the operation phase, no weekly HSSE meetings are required.

Monthly Meetings

During construction, the monthly HSSE meeting is organized by the TA Project Manager (Employer's Representative) and involves the following personnel (as appropriate):

- TA OHS Manager
- TA Social Manager
- Engineer's Team as applicable
- Works Contractor Project Manager (Contractor's Representative)
- Works Contractor Health and Safety Manager and Environmental Expert and HSE Site Supervisors
- Subcontractors HSE Managers/Officers as applicable

The agenda of these meetings shall cover at least the following items:

- Summary of the items addressed at the previous meeting and determination whether they have been solved or not
- Discussion on work assignments (if they have changed), equipment placement if it is variable, and ensure work flow is efficient and safe
- Conditions of the work place to include housekeeping, hygiene, hazards, etc.
- Overview of accident/incident trends
- HSSE training program
- New and outstanding safety issues
- Audits and inspections outcomes (as applicable)
- Accidents (type, severity, frequency, etc.)

Throughout the monthly HSSE meeting, minutes of meeting will be undertaken by the Works Contractor and shall be taken and circulated after the meeting to attendants. In addition, attendees register will also be maintained.

During operation, monthly HSSE meetings will be undertaken in a similar approach to the above that will involve O&M Contractor.

7.2. HSSE Training

To achieve the approach to HSSE management, all personnel will receive the required training. Training will not be undertaken as a one-off but instead will be continually refreshed as part of on-going site training programs focused on the training needs of construction personnel. Training will be provided for all new recruits and continual refresher courses will be established for staff to attend as needed.

The following identifies the HSSE meetings that will be undertaken for the Project throughout the construction and operation phase.

Basic Visitor Safety Induction

Any visitor shall receive a basic safety induction prior to going on site. Each person who completes the induction will acknowledge by signing attendance sheet. This induction shall cover at least the following items:

- Site specific hazards awareness
- PPE instructions
- Basic safety rules to comply with
- Procedure to follow in case of emergency

The basic visitor safety induction training for all visitors will be delivered by Works Contractor's Health and Safety Manager and Environmental Expert or TA's OHS Manager (during construction) and O&M Contractor's Health and Safety Manager or TA's OHS Manager (during operation). In addition, event attendance data sheet shall be signed and provided.

Site Induction Training

All construction and operation staff members will attend an in-house site induction training course. This will be delivered in a specific meeting room on the Project site and in a consistent structure, irrespective of the staff designations attending. The main objective of this type of training is to provide:

- A general understanding of the HSSE risks associated with the construction/operation activities proposed
- Local, national and international requirements
- Clarification of the HSSE Policy and its practical implementation, stressing that it carries implications for the working methods and responsibilities for all employees

The site induction training will be delivered by the Works Contractor's Health and Safety Manager and Environmental Expert (during construction) and O&M Contractor Health and Safety Manager (during operation) to all staff before they commence work on site. Workers will not be allowed to start working onsite until they have received the site induction training. As a minimum, the induction will include but not be limited to:

- General introduction and purpose and objectives of the HSSE plans
- The reason why the requirements set out in the HSSE plans are important
- The requirements for due diligence and duty of care
- Key HSSE contacts, roles and responsibilities
- Methods for implementing HSSE controls included within the plans
- Procedure for reporting incidents
- Details of site emergency and response plan

Signed attendance sheet shall be retained.

Emergency Response Training

A standalone Emergency Preparedness and Response Plan is required to be prepared by Works Contractor (during construction), and O&M Contractor (during operation). The Emergency Preparedness and Response Plan should address specific requirements for emergency response training.

Regular Tool-Box Talk (TBT)

The Works Contractor's Health and Safety Manager and Environmental Expert (during construction) and O&M Contractor's Health and Safety Manager (during operation) will be responsible to conduct regular Tool-Box HSSE meetings with their respective crews and subcontractors' crews as applicable. Topics and frequency are developed by the Health and Safety Manager and Environmental Expert of the Works Contractor and distributed regularly. Signed attendance sheet shall be retained. The scope of the TBT shall be identified within each of management plans identified in "Chapter 5".

Other Training Requirements

There are other specific training requirements that must be adhered to and undertaken by the Works Contractor's Health and Safety Manager and Environmental Expert (during construction) and O&M Contractor's Health and Safety Manager (during operation) and which are related to specific topics as applicable. This includes for example specific training for Occupational Health and Safety (OHS), specific training for workers handling waste, etc. Those have been identified in "Chapter 5" earlier.

7.3. HSSE Inspection and Monitoring

HSSE inspection and monitoring will be carried out to ensure compliance with national and international best practice requirements as set out in the HSSE plans as appropriate. A three-tiered approach will be applied to the monitoring of the Project performance, as follows:

- Daily Site Tours to be undertaken by Works Contractor (during construction) and O&M Contractor (during operation)
- Weekly Site Inspection to be undertaken by Works Contractor (during construction) and O&M Contractor (during operation)
- Audits to be undertaken by TA (discussed in details in "Chapter 8").

7.4. HSSE Reporting and Records

Based on all of the above the table below provides a summary of all the HSSE requirements discussed throughout this chapter along with the reporting and record keeping requirements. The table below identifies the requirements for TA, Works Contractors and O&M Contractor.

The following reports and records will be stored and maintained onsite at all time.

Table 4: HSSE Reporting and Records

No.	Developer / TA		Works Contractor		O&M Contractor	
	HSSE Item	**Report/Record**	**HSSE Item**	**Report/Record**	**HSSE Item**	**Report/Record**
1.	**HSSE Meetings**					
1.1	Attend weekly HSSE meetings	N/A	Overall management of weekly HSSE meetings	Minutes of meeting	N/A	N/A
1.2	Overall management of monthly HSSE meetings	N/A	Attend monthly HSSE meetings	Minutes of meeting	Attend monthly HSSE meetings	Minutes of meeting
2.	**HSSE Training**					
2.1	Basic Visitor Safety Induction Training for visitors	Signed attendance sheet	Basic Visitor Safety Induction Training for visitors	Signed attendance sheet	Basic Visitor Safety Induction Training for visitors	Signed attendance sheet

2.2	General Site Induction Training	Signed attendance sheet	General Site Induction Training	Signed attendance sheet	General Site Induction Training	Signed attendance sheet
2.3	Emergency Response Training	Signed attendance sheets	Emergency Response Training	Signed attendance sheets	Emergency Response Training	Signed attendance sheets
2.4	Regular Tool Box Talks	Signed attendance sheets	Regular Tool Box Talks	Signed attendance sheets	Regular Tool Box Talks	Signed attendance sheets
2.5	Other Specialized Trainings e.g. Occupational Health and Safety)	Signed attendance sheets	Other Specialized Trainings (e.g. Occupational Health and Safety)	Signed attendance sheets	Other Specialized Trainings (e.g. Occupational Health and Safety)	Signed attendance sheets
3.	**HSSE Inspection and Monitoring**					
3.1	Daily observation	Daily Observation Reports	Daily observation	Daily Observation Reports	Daily observation	Daily Observation Reports
3.2	Weekly Site Inspections	Weekly site inspection checklists	Weekly Site Inspections	Weekly site inspection checklists	Weekly Site Inspections	Weekly site inspection checklists

8. AUDITING

8.1. Environment, Health and Safety (EHS) Audit

Construction Phase

During construction, Transport Administration (TA) will undertake an Environmental, Health and Safety (EHS) audit. The objective will be to ensure Works Contractor's and subcontractor's compliance with the relevant EHS requirements related to the Project, including in particular the following:

- Environmental and Social Impact Assessment (ESIA) and associated Environmental and Social Management Plan (ESMP)
- EBRD Performance Requirements
- IFC 2012 Performance Standards
- World Bank Group (WBG) General EHS Guidelines
- National Montenegrin EHS laws, regulations and standards

The EHS audit will be undertaken by the TA OHS Manager and TA Ecological Clerck of Works on a quarterly basis. An EHS audit checklist will be prepared taking into account the following criteria:

- Overall EHS Onsite Management (documentation control, onsite team, training, meetings, inspection, monitoring, reporting, etc.)
- Hazardous material management
- Archaeology and cultural heritage (related to chance find procedures)
- Emergency preparedness and response
- Water management
- Waste management (solid waste, wastewater and hazardous waste)
- Occupational health and safety
- Traffic management
- Air quality and noise/vibrations
-

The audit will be based on: (i) site visit and inspections; (ii) EHS documentation review of Works Contractor and subcontractors; and (iii) meeting/discussions with Works Contractor's HSE team and subcontractor's team as applicable.

Based on the above, a quarterly EHS audit report will be prepared that will identify: (i) EHS observations and non-conformities; (ii) corrective actions require to resolve observations and non-conformities; (iii) identification of responsible entities for implementation of corrective actions; and (iv) timeline for implementation of corrective actions.

Operation Phase

A similar approach for the operation phase will be undertaken. The EHS audit will be undertaken by TA OHS Manager and TA Ecological Clerck of Works on a quarterly basis on the O&M Contractor for the project.

8.2. Human Resources (HR) Audit

Construction Phase

During construction, TA will undertake a Human Resources (HR) audit. The objective will be to ensure Works Contractor's and subcontractors' compliance with the relevant HR requirements related to the project to include in particular the following:

- Transport Administration (TA) Framework for Labour Management (presented in "Chapter 6")
- EBRD Performance Requirements to include PR 2
- IFC 2012 Performance Standards to include PS 2
- National Montenegrin EHS laws, regulations and standards related to HR

The HR audit will be undertaken by the TA OHS Manager and/or TA HR Manager on a quarterly basis and an HR audit checklist will be prepared. The audit will be based on: (i) site visit and inspections; (ii) HR documentation review of Works Contractor's and subcontractors' (e.g. HR Policy HR Manual, etc.); and (iii) meeting/discussions with Works Contractors' HSE team and subcontractors' team as applicable.

Based on the above, a monthly HR audit report will be prepared that will identify: (i) HR observations and nonconformities; (ii) corrective actions require to resolve observations and non-conformities; (iii) identification of responsible entities for implementation of corrective actions; and (iv) timeline for implementation of corrective actions.

Operation Phase

A similar approach for the operation phase will be undertaken. The HR audit will be undertaken on a quarterly basis on the O&M Contractor for the project.

9. CONTRACTOR AND SUBCONTRACTOR E&S MANAGEMENT

The HSSE Manual identifies clearly the roles and responsibilities that are expected from the Works Contractor during the construction phase and O&M Contractor during the operation phase of the Project. This includes in particular the following as a minimum (and to be added based on specific needs identified):

- Prepare, implement and comply with the requirements of the Environmental & Social Management System as identified in "Section 3.3" and "Chapter 5"
- Appoint an HSE team headed by an HSE Manager as identified in "Chapter 2"
- Undertake and participate in HSSE meeting and undertake HSSE training and inspection/monitoring requirements as identified in "Chapter 7"

- Comply with labour management requirements as identified in “Chapter 6”

In addition, as discussed in “Section 3.3” earlier, the Works Contractor and O&M Contractor will ensure that all involved subcontractors in the project are provided with the requirements of the HSSE of both TA and the Works Contractors/O&M Contractor and they will be required to implement and comply with HSSE requirements accordingly. In specific subcontractors will be required to:

- Implement and comply with HSSE requirements and conditions as detailed within the HSSE plans and procedures provided by the Works Contractor and O&M Contractor;
- Develop and submit relevant HSSE documents and programs (plans and procedures) where required and as applicable for their scope of work. Such documents must be approved by the Works Contractor and O&M Contractor; and
- Adhere to all applicable local laws, ordinances, statutes, rules, regulations, and codes governing HSSE as well as international standards (i.e. EBRD and IFC standards).

TA will ensure that all HSSE requirements are enforced on the Works Contractor and O&M Contractor through inclusion in contractual obligations. In addition, as discussed earlier in “Chapter 8”, TA will undertake periodic audits to ensure that the Works Contractor/O&M Contractor and all subcontractors involved in the Project during the construction and operation phase adhere to provisions of the HSSE Manual and Management System and its associated management plans.

Whether through audits or through any other source of information (e.g. grievance mechanism) it comes to the attention of TA that the Works Contractor/O&M Contractor or any of the subcontractors do not comply with the requirements, the following will apply:

- TA will issue a non-compliance report which provides details on the non-compliance issue and justification.
- TA will submit the report and notify the Works Contractor/O&M Contractor.
- TA will require a corrective action report from the Works Contractor/O&M Contractor which provides details on the incident, measures taken to rectify the situation and ensure that such an incident does not happen again.
- Depending on the severity of the non-compliance as determined by TA, a written formal warning could be issued to the Works Contractor/O&M Contractor.
- Should the non-compliance incident be repeated (and depending on the severity) a similar process to the above will be undertaken and another written formal warning will be issued.
- Should the non-compliance incident be repeated for a third time, discussions will be undertaken between TA and the Works Contractor’s Representative to impose contractual and financial penalties on the Works Contractor/O&M Contractor.

10. SUPPLY RISK CHAIN ASSESMENT

Transport Administration (TA) recognizes the potential for risks, particularly labor risks, in project supply chains. To address this, TA, and its Works contractors where relevant, will screen for and assess potential supply chain risks and implement the necessary controls and monitoring actions to primary/core suppliers during both construction and during operations. The approach to supply chain risks management is as follows:

Supplier Screening

TA or its Works contractors will screen for potential supply chain risks associated with project suppliers. This will be done through one or more of the following methods:

- During the tendering process, the key E&S requirements that will be applicable for the scope of work of the subcontractor/supplier will be identified and included within the tender document.
- Tenderers will be required as part of the tender to specify how they intend to comply with such requirements as part of their scope of work.
- In the case there is no tendering process subcontractor/supplier will be required to respond to an E&S prequalification questionnaire.
- Require company HSSE policies.
- Undertake an online desktop review (including media research) on the company, their owners and shareholders on E&S reputational issues.

Supplier Assessment

Where supply chain risks have been identified TA or its Works contractors will assess these risks further with the supplier concerned to understand their capacity to avoid and manage such risks and to understand the controls the supplier has in place.

This could include but not limited to: (i) submission of E&S policies and procedures, (ii) traceability, (iii) cascading E&S requirements, (iv) undertaking auditing protocols, etc. Where this is not possible, alternative suppliers will be sought.

Mitigation

TA or its Works contractors will put in place controls to avoid and manage potential risks. This will include but not limited to contractual controls, including corrective actions and exit mechanisms, to avoid and manage potential risks. This would depend on the level of risk identified and the leverage of TA or its Works contractors over the supplier concerned.

Contractual controls could include but not limited to the following:

- Requirement to comply with IFI E&S requirements and national E&S requirement as applicable.
- Requirements to comply with the project HSSE MS and associated manual
- Include clauses that enable the TA and/or Works Contractor to undertake inspections and/or audits on supplier to ensure compliance with the requirement above.
- Include clauses allowing imposition of contractual penalties as applicable.

Monitoring

TA or its Works contractors will, depending on the risks associated with a supply plan, put in place monitoring approach including reports from suppliers, ad hoc audits, etc to the extent this is feasible. Monitoring will seek to ensure compliance with the mitigation defined, and in cases of non-compliance, help define corrective actions with the supplier concerned. TA or its Works contractors will maintain appropriate records of its supply chain assessment and risk management. Where this is conducted by Works contractors it will be reported to TA on a regular basis.

11. LOCAL HIRING APPROACH

Based on currently available information at this stage, the jobs to be generated by the Project is not yet known, as recruitment will be undertaken by the Works Contractor and its subcontractors.

TA is committed to ensuring that priority for job opportunities are targeted for local community members to the greatest extent possible throughout the construction and operation phase for skilled and unskilled jobs.

At a later stage, a local recruitment procedure will be developed by the Works Contractors, under supervision from TA. The procedure will identify the number of job opportunities targeted for local communities to include skilled and unskilled workers. The recruitment procedure shall include a selection process that is fair, transparent and provides equal opportunities for all including females, taking into account the labor management requirements identified earlier. At a later stage, a similar process will also be adopted for the operation phase that is similar to the above and which will be minimal and mainly related to maintenance activities.

12. MANAGEMENT OF CHANGE

Various changes to this manual and its associated management plans and documentation may be required during the Project in order to address foreseen or unforeseen conditions or situations in a manner that is consistent with TA's obligations.

During the construction and operation phase, this identified Change Management procedure will be applied to structure the review and approval of identified changes to planned Project arrangements by TA and, when required, regulatory authorities or Project lenders. This procedure will be applied to allow HSSE issues to be addressed as part of any significant changes to Project procedures, processes, design, or activities.

At a minimum, the HSSE MS will be reviewed on a quarterly basis during the construction phase and annually during the operation phase.

12.1. Scope of Environmental & Social Management System Changes

Changes may be temporary or permanent, related to Project activities, organization, personnel, HSSE plans and procedures, equipment, materials, health and safety, environmental or community / wider social issues.

Changes may be initiated by TA, the FIDIC Engineer and may also be requested by the Works Contractor or O&M Contractor. In practice, during the construction and operation phase, the Change Management process is likely to be initiated by TA or the FIDIC Engineer and raised directly with the TA OHS Manager.

A Change Request may be generated at any time, for example, during audits, as a result of stakeholder grievances and other complaints, regulatory site visits or interaction with Lenders / Lenders representatives.

The Change Management process will apply when changes occur to any of the following activities or items:

- Alteration of environmental and social impacts management and monitoring measures.
- HSSE MS manual, plans, procedures related to the Project.
- Personnel changes, training or competency requirements.
- Organisational structure and/or individual HSSE roles and responsibilities.
- HSSE protection equipment.
- Project designs, re-designs, drawings or engineering processes.
- The composition and properties of specified materials, chemicals or fuels.
- Introduction of new operating or maintenance procedures or changes to existing procedures.

12.2. Management of Change Steps

The process is based on the following key steps:

- Identification of item/situation potentially requiring change;
- Requests for Change Form submitted to TA OHS Manager defining:
  - Nature of the item/situation requiring change
  - Any impacts resulting from the change (e.g. safety, pollution, public grievance or other complaint); and
  - Any biophysical, social, economic, or health considerations.
- Once impacts are identified, a review should be made of the HSSE manual and ESMP in place at the time of the change in order to assess if the mitigations it includes are sufficient to adequately manage the change and its impacts; if not sufficient, the HSSE manual/ ESMP should be modified/expanded to ensure that it can manage the impacts and risks that the change will bring in. If sufficient, then no further actions are required.
- TA OHS Manager will review proposed changes for compatibility as applicable:
  - Category 1 changes are approved by the TA Project Manager / TA Operation Manager (Employer's Representative) and TA Health and Safety Manager (with additional consultation if required);
  - Category 2 changes are approved by the TA Health and Safety Manager (with additional specialist consultation if required) and then submitted to the TA Project Manager / TA Operation Manager (Employer's Representative);
  - Category 3 changes are agreed between the relevant HSE Officers, the relevant parties/ stakeholders (with additional consultation as required) and are then submitted for approval by the TA Health and Safety Manager;
  - Category 4 changes are simply approved by the TA Health and Safety Manager or delegated authority.
- Review and approval by external stakeholders if/as required;
- Compliance with reporting and other obligations in the finance documents;
- Application for, and receipt of, any approvals required to implement the change under Montenegrin laws and regulations or under permitting conditions;
- Implementation of the approved change, including communication to appropriate parties concerning the nature, scope and timing of the change; and
- Summary of project changes and status to be included in internal compliance reporting and/or in annual monitoring reports or equivalent to the appropriate regulatory authorities and lenders as appropriate.

12.3. Change Categorization

Category	Nature of Change	Actions Required
1 (Major Change)	Changes which are reasonably likely to result in: ▪ Significant departure from the Project Description and/or a TA HSSE Manual and/or a legal / Lender obligation; ▪ Significant environmental and/or social impact(s) not identified;	TA will notify relevant Montenegrin Regulator/Agencies and/ or the Project Lenders within an appropriate timeframe (period as specified in law / the Lenders ESAP or as otherwise agreed). TA Change Notice will define what change is required, the proposed implementation actions and associated timescale. No changes affecting material environmental and social

	▪ Confirmation that a planned mitigation measure for addressing significant environmental and/or social impact(s) are not o predicted to be effective; or ▪ Material amendment or supplement to the HSSE is necessary	matters will be implemented without prior Montenegrin Agency / Lender approval, unless human health or the environment is at imminent risk of serious harm.
2 (Moderate Change)	Changes which are reasonably likely to result in: ▪ Departure from the Project Description and/or an TA HSSE Manual requirement and/or a Montenegrin legal / Lender obligation; ▪ New environmental and/or social impact(s) not identified; ▪ Modification to a planned mitigation measure for addressing environmental and/or social impact(s).	TA will notify the relevant Montenegrin Agencies and/or the Project Lenders within an appropriate timeframe. If the Lenders consider that a Change should be recategorized or that the proposed measures for managing or implementing it are inconsistent with the specified E&S Standards, the Lenders through the Technical Advisors shall notify the Company within a reasonable time period. Thereupon TA and the Lenders Technical Advisors will make best endeavors to agree a solution. TA will not implement the proposed Change until a mutually acceptable is agreed. If the Lenders Technical Advisors do not respond within an agreed period, TA will assume that the proposed change is acceptable and will proceed as per plan.
3 (Minor Change)	Changes which do not fall within either of the above Categories 1 or 2, but which need to be notified to Montenegrin Regulator / Agency or the Lenders.	TA will notify the relevant Montenegrin Agencies/ Stakeholders either in routine meetings or formal reports as appropriate. TA will notify the any changes made during the course of the year in its Annual Monitoring Report or equivalent mechanism.
4 (Negligible Change)	Other non-material changes	No notifications needed.

13. SITE SECURITY ARRANGEMENT

Site security arrangements will be carried out by the Works contractor and the O&M contractor. The arrangements for the project's security management plan needs to meet international best practice including protocols for personnel screening, training and interactions with the community and public security providers.