

ENVIRONMENTAL AND SOCIAL ACTION PLAN – Main Road Reconstruction Project, Rehabilitation and Upgrade of the Tivat-Jaz road section (Tranche 3)

| No. | Action | Environmental and Social Risks (Liability/Benefits) | To Comply With | Resources, Investment Needs, Responsibility | Timetable | Evaluation Criteria for Successful Implementation | Status |
|------------|--|---|------------------------------------|---|---|---|--------|
| PR1 | Assessment and Management of Environmental and Social (E&S) Impacts and Issues | | | | | | |
| 1.1 | <p><u>TA HSSE-Management System</u></p> <p>TA to develop and implement an HSSE management system (and policies) aligned with ISO standards & GIP. To include suitable contractor management and MoC processes and other processes as needed to ensure that all contractors (and sub-contractors) are legal companies and able to comply with EBRD PR expectation. To include management of both construction and operational impacts as appropriate.</p> | Management of HSSE Risks and Issues | PR1 ISO 14001 | TA internal resources or outsourced | Pre-construction | Certified management system (or equivalent) in place. 100% contractors are legal entities. Quality rating of contractor’s HSSE management system. | |
| 1.2 | <p><u>Contractor CESMPs</u></p> <p>As part of the HSSE-MS TA to require that contractor develop the ESMPs for the construction-phase to the Lenders’ satisfaction. These should fully integrate and establish a robust mechanism to discharge the mitigation commitments captured in the final ESIA through a suite of Management Plans and procedures (or alternative delivery mechanism as appropriate). The ESMPs shall also set out the resources required to deliver the management programme, and a programme for monitoring and review, in line with PR1 requirements; training requirements, EHS operational controls, and performance monitoring and reporting through the contractor and subcontractor chain.</p> | Management of Construction HSSE risks and issues by contractors | PR1 / EBRD PRs ESIA commitments | Contractor resources or outsourced | All CESMPs to be reviewed by TA 1 month before construction commences | Full suite of CESMPs (meeting EBRD PRs) in place and ready to be implemented | |

| | | | | | | | |
|-----|--|--|-----------------------------------|---|---|--|--|
| 1.3 | <p><u>TA HSSE Resources</u></p> <p>TA to develop organisational structure to show how Project HSSE management will be delivered and to put in place resource delivery plan. TA organisational structure to include suitably qualified environmental resources to oversee implementation of the BMP and other relevant ESMPs and likewise, social resources to oversee implementation of Grievance Mechanism, LARP, and SEP. Initially gap will be addressed through consultant support.</p> | Management of HSSE Risks and Issues | PR1 ISO 14001 | TA internal resources or outsourced (Initial E&S capacity building support envisaged to be provided for TA in 2020) | Pre-construction | Org chart and resource recruitment process in place. CVs available. Staff hired. | |
| 1.4 | <p><u>TA HSSE Reporting</u></p> <p>TA to improve project reporting processes to meet EBRD requirements for annual E&S reporting</p> | Reporting of HSSE risks and issues | PR1 | TA internal resources or outsourced, Initial E&S capacity building support envisaged to be provided for TA in 2020 | Pre-construction | Reporting Processes agreed and in place using EBRD annual E&S reporting template and ESAP implementation progress update. | |
| 1.5 | <p><u>Contractor Oversight Plan</u></p> <p>TA to develop and implement contractor oversight plan to include appropriate monitoring and enforcement of EHSS and Labour requirements in line with the Banks PRs.</p> | Enables tracking of performance against PR2 and other PRs | EBRD PR2 GIP | TA internal resources | 2 months prior to construction commencement | Monthly monitoring reports including relevant information on PR compliance. Contractor oversight team has adequate staff and resources. | |
| 1.6 | <p><u>Traffic Assessments</u></p> <p>TA to commission additional assessment of traffic numbers during normal peak season conditions to confirm impacts on vehicles seeking to make left turns and further confirm requirements for pedestrian and livestock crossing points .</p> | Confirmation that Project design meets safety requirements | EBRD PR 1 National regulations | TA internal resources or outsourced | Pre-construction | Surveys completed pre-construction. Project design updated to reflect the outcome of the assessment if required before construction commences. | |

| PR2 Labour and Working Conditions | | | | | | | |
|-----------------------------------|--|--|--|--|---|---|--|
| 2.1 | <u>Contractor L&WC Plan & HR Policy</u> TA to require Contractor (s) to develop and implement an EBRD compliant Labour and Working Conditions management Plan and associated policies. To include Human Resources (HR) Policy, workers grievance mechanism, equal opportunities, gender based violence and harassment provisions and provision of a code of conduct. | Reduction of labour risks Clear understanding of requirements among contractors, sub-contractors and workers. Mitigation of Covid-19 impacts | EBRD PR2 GIP | Contractor resources Additional information on labour and working conditions is available here (https://www.ebrd.com/sustainability-covid.html) | 2 months prior to construction commencing | Policies and Plans conforms with PR2/TA requirements. Policies are easily accessible and implemented by all Contractors and sub-contractors. Included in 100% of contractor and subcontractor contracts | |
| 2.2 | <u>Security Risk Management</u> TA to undertake a security risk assessment and require contractors to manage security (e.g. within the Labour and Working Conditions Management Plan) in line with PR2 requirements and the Voluntary Principles on Security & Human Rights. | Reduction of security and human rights risks | EBRD PR2 Voluntary standards GIP | Contractor resources TA oversight | 2 months prior to tendering for security contractor | Adequate security risk assessment. Security management plan in place and reported on. | |

| PR3 Resource Efficiency and Pollution Prevention and Control | | | | | | | |
|--|---|--|----------|---------------|---|--|--|
| 3.1 | <u>Resource Efficiency</u> Contractor to develop resource management plan to demonstrate how it will maximise resource efficiency (e.g. reuse of old material) | Resource efficiency | EBRD PR2 | Contractor | 1 month before construction commences | Accepted plan in place and being implemented. | |
| 3.2 | <u>Air Quality, Noise & Vibration</u> Contractor to put in place EBRD compliant Air Quality and Noise/Vibration Management Plans to include all mitigation measures set out in the ESIA, inclusive of the Framework-ESMP. | Ensure effective management and mitigation of impacts related to air quality, noise and vibration. | EBRD PR3 | Contractor(s) | Two months prior to construction commencement | Management Plans reviewed and signed off by the TA prior to construction commencing. Implementation of the Management Plan to be specified in all sub-contracts. | |

OFFICIAL USE

| | | | | | | |
|-----|--|---|---|----------------------|--------------------------------|---|
| 3.3 | <u>Protection of Water Resources</u> Contractor to put in place C-ESMPs for working in water, pollution prevention and emergency response. These are to include all mitigation measures set out in the ESIA. | Reduce risks from construction to water resources and water quality. | EBRD PR3 EU and national legislation | Contractor(s) | Prior to start of construction | Management Plans reviewed and signed off by the TA prior to construction commencing. Implementation of the Management Plan to be specified in all sub-contracts. |
| 3.4 | <u>Drainage Design</u> TA to commission or undertake additional technical (engineering) review / design audit of the detailed drainage design to confirm that 1) protection measures are adequate to protect Tivat Saline under both normal operating conditions and in the event of an accident/spill on the road 2) proposed measures will address flood risk concerns of community. | Reduce risks associated with run off and spillages and flood risk and related community concerns over road flooding | EBRD PR3 EU and national legislation | TA | Prior to start of construction | Audit report to be complete prior to appointment of contractor and shared with EBRD. Adequate stakeholder engagement with affected users along the route on the proposed plans |
| 3.5 | <u>Construction Waste Management Plans</u> Contractor to develop EBRD compliant Construction Waste Management Plans, (non-hazardous and hazardous wastes) based on mitigation hierarchy. All waste to be disposed of to an appropriately licensed site by an appropriately licensed contractor. | Control of hazardous and non-hazardous waste | EBRD PR3 EU and national legislation | Contractor Resources | Prior to start of construction | Management Plans reviewed and signed off by the TA prior to construction commencing. Implementation of the Management Plan to be specified in all sub-contracts. |
| 3.6 | <u>Hazardous Materials Management Plans</u> Contractor to develop EBRD compliant Hazardous Materials Management Plans, (non-hazardous and hazardous wastes) based on mitigation hierarchy. All waste to be disposed of to an appropriately licensed site by an appropriately licensed contractor. | Control of exposure to hazardous materials | EBRD PR3 EU and national legislation | Contractor Resources | Prior to start of construction | Management Plans reviewed and signed off by the TA prior to construction commencing. Implementation of the Management Plan to be specified in all sub-contracts. |

| PR ₄ | Health and Safety | | | | | | |
|-----------------|--|---|--|---|---|--|--|
| 4.1 | <p><u>OHS Management Plan</u> TA to require Contractor to develop EBRD compliant H&S management plan. This should address PR 2 & 4 requirements, Covid-19 risks and include as a minimum:</p> <ul style="list-style-type: none"> • Specific risk assessments of activities (inclusive of all EHSS topics); • Specific procedures and operational controls to minimise risks and impacts; • Training and competence of personnel • Emergency planning • Welfare provisions (water, sanitation, etc.) • Incident reporting and investigation • Safety equipment • Traffic controls • Community health and safety | Reduces risk and severity of potential OHS incidents at Project. | EBRD PR ₄ , PR ₂ GIP | Own resources, specialist consultants Additional information on H&S and associated risk assessments and Covid-19 response is available here | At least 2 months before construction due to start | Plan includes: Complete Hazard analysis; Appropriate OHS recommendations; Effective training procedures; Adequate monitoring & reporting & incident investigation | |
| 4.2 | <p><u>OHS oversight</u> TA OHS oversight is adequately staffed and resourced with at least one OHS Manager. TA also to ensure that Contractor hires at least one OHS manager during construction.</p> | TA is ultimately responsible for OHS outcomes | EBRD PRs 1, 2, 4, GIP | Own resources, OHS professionals (Initial E&S capacity building support to be provided for TA in 2020) | Throughout construction audits and reports reviewed per schedule. | Non-compliance identified in audits and reporting addressed in timely way. Project implemented safely in accordance with PR ₂ and PR ₄ | |
| 4.3 | <p><u>Traffic Management Plan</u> Contractor to develop Traffic Management Plan in line with GIP and incorporating as a minimum, commitments related to road safety as per ESIA</p> | Limits road disruption, outlines road safety requirements, includes adequate safety provisions for vulnerable users | EBRD PR ₄ , GIP | Own resources, safety and transport professionals | At least 2 months before construction commences | Accidents are within normative levels. No fatalities or serious injuries. No major disruptions to normal traffic. No significant access issue. Safe adequate provisions for vulnerable users (e.g. school children, etc.). | |
| 4.4 | <p><u>Emergency Preparation and Response Plan (EPRP)</u> Contractor to develop and implement EBRD PR compliant EPRP. Training and response</p> | Ensures resources and coordination present to avert or manage foreseeable | EBRD PR ₄ , GIP | Own resources, safety and emergency response professionals | At least 2 months before construction commences | Plan conforms to PR ₂ and PR ₄ requirements & includes Hazmats, natural hazards, epidemic disease, health service assessment, work and road accidents. | |

| | | | | | | | |
|------------|---|--|-----------|--|--|---|--|
| | equipment to be provided and maintained on site. | accidents and emergencies | | | | Incident reports show effective response achieved | |
| PR5 | Land Acquisition, Involuntary Resettlement and Economic Displacement | | | | | | |
| 5.1 | <p><u>Land Acquisition and Resettlement Plan (LARP)</u></p> <p>TA (with international consultant oversight) to develop and implement a PR5 compliant LARP in line with the Project LARF addressing any outstanding legacy related to land acquisition</p> | Reduce risk of significant harm to small numbers of stakeholders to be physically and economically resettled or with other significant impacts | EBRD PR5 | <p>National consultants</p> <p>International consultant oversight</p> | Prior to land acquisition and at least 3 months before construction starts | <p>Compliant LARP in place and shared with EBRD;</p> <p>Monitoring reports indicate provision of compensation , livelihood restoration measures, effective consultation, disclosure, grievance management with PAPs and completion of negotiated agreements in a timely manner.</p> <p>Limited numbers of holdouts and unresolved grievances.</p> | |
| PR6 | Biodiversity and Living Natural Resources | | | | | | |
| 6.1 | TA to commission additional studies and associated activities as outlined in the Framework Biodiversity Action Plan (F-BAP) and update the F-BAP to a Biodiversity Action Plan based on the results of this work. Where appropriate BAP updates to be fed into Construction (and Contractor) Biodiversity Management and Monitoring Plans (BMMP) once the detailed design is available and the required surveys are complete. | Management of the risks to biodiversity during construction of the project | EBRD PR6 | TA Own resources and specialist advisors. | Initial update at least two months prior to construction commencing. Further updates as required based on annual survey results. | <p>Updated BAP to be reviewed and verified by the TA and shared with EBRD.</p> <p>Updated BMMP to be verified by TA and shared with EBRD. All contractor staff understand and comply with ESMP and Project Commitment Plan requirements</p> | |
| 6.2 | <p>TA to appoint an Ecological Clerk of Works (ECoW) or equivalent to oversee and manage biodiversity risks during construction</p> <p>TA also to ensure contractors hire an ECow to oversee and manage on site biodiversity risks during construction</p> | Enable efficient management and mitigation of potential construction impacts on biodiversity | EBRD PR 6 | TA and/or Contractor(s) (Initial E&S capacity building support envisaged to be provided for TA in 2020) | Two months prior to construction commencing | CV of competent ECow – no objection provided by the EBRD. Contract and Terms of Reference for the ECow. | |

| | | | | | | | |
|-------------|--|--|---|--|--|---|--|
| | TA expected to fill any resource gaps in the short term with specialised E&S consultant support. | | | | | | |
| 6.3 | TA to commission a Preconstruction survey for freshwater invertebrates and agree additional mitigation measures, as appropriate for inclusion into the BMP. | Fill current gap in biodiversity baseline to cover freshwater invertebrates in the PAA | EBRD PR6 | Ecological Expert | Summer 2020 | Freshwater invertebrates findings incorporated into biodiversity baseline | |
| 6.4 | TA to confirm exact location and number of culverts for animal crossing with national specialist. | Mitigate project risks related to habitat fragmentation and vehicular collision | EBRD PR6 | Ecological Expert | Prior to the finalisation of road design | Report of survey findings and recommendations incorporated into ESIA, final project design and contracts for the construction works | |
| PR8 | Cultural Heritage | | | | | | |
| 8.1 | <u>Chance Find Procedure</u> TA to require Contractor(s) to develop and implement a Chance Finds Procedure in case of unexpected occurrence of cultural heritage. | Enables unexpected finds to be saved for future examination | EBRD PR8 National Legislation | Contacto Resources | Prior to construction commencement | Chance Finds Procedure | |
| PR10 | Information Disclosure and Stakeholder Engagement | | | | | | |
| 10.1 | <u>Stakeholder Engagement</u> TA to further implement the SEP as outlined in the SEP documents. Stakeholder engagement to be undertaken in line with the updated guidelines in the SEP and ESIA, amended due to the restrictions imposed as a result of the Covid-19 pandemic. TA to hire social resources to update/maintain and implement the SEP. TA to ensure Contractor (and subcontractors) transpose relevant elements of the SEP into their own plans of work, as reflected in contractual agreements. | PAPs are adequately informed of upcoming Project actions and can participate in mitigation designed to protect them from impacts. Emerging issues can be identified and responses implemented before the issues escalate. | EBRD PR10, GIP Montenegrin Law on Environmental Impact Assessment (EIA). | Budget for staff, transport, material development etc. TA Social Manager to ensure contractual requirements for implementation of relevant SEP actions. (Initial E&S capacity building support envisaged to be provided for TA in 2020). Additional information on | Fully conformant SEP needs to be reviewed 2 months prior to construction commencing. Implementation: All Project Phases | Adequate qualified stakeholder engagement / social staff hired and present in field. Indicators identify emerging issues and allow timely responses. Achievement of the goals and objectives of the SEP. Stakeholders proactively and robustly engaged in the process as outlined in the SEP | |

| | | | | | | | |
|------|---|---|----------------|--|---|--|--|
| | | | | stakeholder engagement & Covid-19 response is available at https://ebrd.com/covid19-consultation.pdf | | | |
| 10.2 | <p><u>Grievance Management Process (GMP)</u></p> <p>Fully implement the existing community Grievance Management Process, including reviewing staffing and resourcing of the GMP.</p> <p>This includes the TA to implement a project GM and TA to ensure contractors implement a separate workers' GM</p> | <p>An effective feedback channel exists to allow the Project to identify and address emerging community issues.</p> | EBRD PR10, GIP | Included in SEP | Ongoing, but to be implemented as a matter of urgency | <p>GMP is known and trusted by majority of PAPs.</p> <p>GMP is used as a primary channel for raising issues by PAPs.</p> <p>Grievances resolved in a timely manner to the satisfaction of PAPs in accordance with PR10 paragraph 28.</p> | |