

Government of Montenegro



**Ministry of Ecology, Sustainable Development and Northern Region
Development**

Ministry of Agriculture, Forestry and Water Management

STAKEHOLDER ENGAGEMENT PLAN (SEP)

**Montenegro Water Security and Climate Adaptation Project
(P512709)**

(Phase 1 of the Multi-Phase Programmatic Approach)

June 2026

- CONTENTS:

1. INTRODUCTION	5
Scope and objectives	5
Project description.....	5
2. STAKEHOLDER ENGAGEMENT CONSULTATION AND DISCLOSURE REQUIREMENTS	9
National requirements.....	9
International requirements	11
3. SUMMARY OF PREVIOUS STAKEHOLDER ENGAGEMENT ACTIVITIES	12
4. STAKEHOLDER IDENTIFICATION AND ANALYSIS	13
Methodology	13
Project-Affected Parties (PAPs)	14
Vulnerable and disadvantaged individuals and groups.....	15
Other Interested Parties (OIPs)	15
Project beneficiaries.....	15
On-site stakeholder identification and analysis	16
Key stakeholder groups	16
Water supply and wastewater infrastructure stakeholder identification.....	16
Water supply and wastewater infrastructure stakeholder analysis.....	17
Summary of stakeholder engagement needs and Analysis of their Interest and Influence	18
Stakeholder expansion	23
5. STAKEHOLDER ENGAGEMENT PLAN	23
Stakeholder engagement goals and objectives	23
Approach to public consultation and stakeholder engagement	24
Core Principles of Stakeholder Consultations	24
Timing and Phases of Consultations	24
Consultation Methods and Tools.....	25
Notification of Consultations.....	26
Engagement of Vulnerable and Disadvantaged Groups.....	26
Documentation of Consultations and Response to Comments	26
Evaluation of Consultation Quality.....	26
Approach to information disclosure.....	26
Types of Information to Be Disclosed.....	27
Timing and Frequency of Information Disclosure	27

Information Disclosure Channels.....	28
Language, Format, and Accessibility.....	28
Record-Keeping of Information Disclosure	28
Stakeholder Engagement Programme.....	29
6. GRIEVANCE MECHANISM	31
Principles of the GRM	31
Special Procedures:.....	32
World Bank Grievances Redress Service:	32
Accountability:	32
Eligibility to Submit a Grievance	32
Channels for Submitting Grievances	32
Grievance Handling Procedure	33
Grievance Escalation.....	33
Grievance Record-Keeping and Reporting	33
Disclosure of GRM Information	33
7. RESOURCES AND RESPONSIBILITIES	34
Institutional and implementation arrangements	34
Roles and Responsibilities	35
Human Resources and Capacity	35
Financial Resources	35
Coordination and Reporting	36
8. MONITORING AND REPORTING	36
Monitoring of SEP Implementation	36
Monitoring Indicators	36
Reporting	36
Updating of the SEP	37
Role of the World Bank.....	37
9. APPENDICES	38
Appendix 1: Public Grievance Leaflet	38
Appendix 2: Project Grievance Form	40
Appendix 3: Grievance Registry.....	41
Appendix 4: Stakeholder Engagement Log.....	42

List of tables

Table 1: Legal and Regulatory framework	9
Table 2: Influence and interest matrix.....	18
Table 3: Level of stakeholder engagement based on their level of interest and level of influence	18
Table 4: Expansion and update questionnaire	23
Table 5: Stakeholder Engagement Programme	29

1. Introduction

The Montenegro Water Security and Climate Adaptation Project (WASEC) is financed by the World Bank and implemented through the Ministry of Ecology, Sustainable Development and Northern Region Development (MERS) and Ministry of Agriculture, Forestry and Water Management (MAFWM), via National project implementation unit in the field of communal services and environment (PROCON) as the Project Implementation Unit (PIU).

In accordance with the World Bank Environmental and Social Framework (ESF), this Stakeholder Engagement Plan (SEP) has been prepared in line with the requirements of Environmental and Social Standard 10 (ESS10) – Stakeholder Engagement and Information Disclosure.

The SEP establishes a framework for systematic, transparent, and inclusive engagement of stakeholders throughout the entire project life cycle, with the objective of strengthening environmental and social risk management, enhancing public trust, and ensuring responsible implementation of project activities.

The SEP is a living document and will be updated during project implementation to reflect changes in project scope, availability of information, progress in preparation and implementation of project activities, outcomes of stakeholder consultations, and results of monitoring of stakeholder engagement effectiveness.

This Stakeholder Engagement Plan (SEP) represents the overarching, project-level SEP for the Montenegro Water Security and Climate Adaptation Project (WASEC). The document defines the overall framework, principles, procedures, and minimum requirements for stakeholder engagement in accordance with Environmental and Social Standard 10 (ESS10) of the World Bank.

Scope and objectives

This SEP applies to all components and phases of the Montenegro Water Security and Climate Adaptation Project (WASEC), including the project preparation phase, the preparation of environmental and social documentation, the implementation phase, and the project completion phase.

This document defines the project-level framework for stakeholder engagement, including stakeholder identification, engagement methods, consultation schedules, and local communication channels.

The objectives of this Stakeholder Engagement Plan (SEP) are to:

- identify all relevant project-affected parties and other interested stakeholders, including vulnerable and disadvantaged groups;
- ensure the timely disclosure of accurate, relevant, and understandable information regarding the project, its activities, timeline, potential environmental and social risks, and risk management measures;
- enable meaningful participation of stakeholders in the processes of project planning, preparation of environmental and social documentation, and project implementation, in a manner proportionate to the nature and risks of project activities;
- ensure that the views, concerns, and suggestions of stakeholders are duly considered and, where feasible, integrated into decision-making processes, including the development and implementation of environmental and social risk management measures;
- ensure a tailored and inclusive approach to engaging vulnerable and disadvantaged groups, in order to remove barriers to participation and provide equitable access to information and consultations;
- establish an effective, accessible, and transparent Grievance Redress Mechanism (GRM) that enables the timely receipt, review, and resolution of concerns and grievances related to the project;
- ensure systematic documentation and reporting on stakeholder engagement activities, consultation outcomes, and the functioning of the GRM.

Project description

The Montenegro Water Security and Climate Adaptation Project aims to improve the performance and sustainability of the water sector in Montenegro through a combination of strategic infrastructure investments, policy and regulatory

reforms, particularly in tariff setting, and the remediation of existing environmental liabilities. The Project will be implemented in line with international best practices and in compliance with the World Bank's environmental and social standards.

> **Component 1: Strategic Investments in Water Services Infrastructure and Resilience**

This component focuses to rehabilitation, modernization and expand of water services infrastructure, thereby increasing access, efficiency, safety, and climate resilience of services for households and businesses. This includes targeted investments in: (a) the rehabilitation of dated centralized water supply systems and replacement of asbestos pipes to reduce water losses and mitigate health risks associated with long-term ingestion of contaminated water; (b) the expansion of centralized wastewater treatment services to reduce water pollution and improve environmental health; and (c) the modernization and expansion of decentralized water services infrastructure to better serve rural populations in remote areas - all of which ultimately increases climate resilience.

Priority projects to be supported under this component will be identified and finalized in close coordination with key water sector stakeholders in Montenegro, ensuring full alignment with national strategic priorities and sector planning frameworks. The main sources of data include the Single List of Priority Infrastructure Projects, alongside other relevant national and municipal sector documents.

An initial portfolio of 51 subprojects proposed by the Client, covering multiple municipalities, represents a total estimated investment value exceeding EUR 80 million. This portfolio constitutes a comprehensive pipeline of priority investments in the water and wastewater sector. The implementation of subprojects will depend on their readiness and is structured into three subcomponents.

- **Subcomponent 1.1**

Based on a preliminary technical, financial, and implementation readiness assessment carried out by the Project Team, a subset of 20 subprojects (approximately EUR 40 million) has been identified for this subcomponent as priority investments. These projects demonstrate a higher level of maturity and have been selected based on their technical readiness and overall suitability for near-term implementation.

Within this group, 10 projects (approximately EUR 18 million) are at an advanced stage of preparation and are considered ready for early implementation immediately following Project effectiveness, forming the core investment package for rapid implementation and early disbursement.

- **Subcomponent 1.2**

The 10 projects under this subcomponent require limited additional preparatory work, including completion or finalisation of technical documentation and environmental and social instruments, in order to ensure their readiness for short-term implementation.

- **Subcomponent 1.3**

The remaining 31 subprojects, which are at an earlier stage of development, will be addressed under this subcomponent. These projects require more substantial preparatory activities, including technical elaboration, preparation of conceptual designs, and development of project documentation, with the objective of establishing a structured and sustainable long-term investment pipeline in the water and wastewater sector.

Depending on the available budget, and after contracting the implementation of projects under Subcomponents 1.1 and 1.2, support will be provided for the preparation of technical documentation for selected projects, in accordance with the methodology to be developed.

Following agreement with the Client during the appraisal phase, detailed preparation activities will be undertaken, including environmental and social instruments, bills of quantities, technical designs (where required), and procurement documentation, in order to enable a rapid start of implementation.

> **Component 2: Integrated Approaches for Coastal Water Security**

This component is focusing to secure the sustainable coastal water supply managed by the Regional Water Supply Company for the Montenegrin Coast. The water is sourced from the Bolje Sestre spring in the vicinity of the Morača River, which discharges into Lake Skadar, the largest lake in the Balkans, and transported through bulk supply lines to the coastal region. However, a decrease in the spring's discharge over the last decade in connection with gravel excavation activities from the Morača River, necessitates immediate action to ensure the continued reliability of the coastal water supply. To address these challenges, the component will focus on two key issues:

- **Subcomponent 2.1: Enhancement of lake water treatment capacity**

This sub-component aims to ensure reliable water delivery by the Regional Water Supply Company for the Montenegrin Coast through strategic investments in enhanced lake water treatment capacity for water abstraction from the nearby Malo Blato lake, which is hydrologically connected to Lake Skadar. Given the urgency of the issue, the Regional Water Supply Company finalized the construction of a treatment facility with a capacity of 100 liters per second, which became operational in summer 2025. The Project will extend the treatment capacity to an additional 250 liters per second. The construction is planned to be completed and operational by 2027, ensuring that the infrastructure¹ is ready to meet increased demand and contribute to the coastal region's economic and environmental sustainability. The World Bank team received project documentation which is under review. Since this is an urgent activity, the procurement process, i.e. for the detailed design may be initiated before the Project is declared effective. Pre-condition for retroactive financing, if envisaged, requires to follow all World Bank guidelines, including those for fiduciary but also for the Environmental and Social Framework (ESF).

- **Subcomponent 2.2: Technical Assistance for Enhancing the Morača River's Hydro-Morphological Regime and Water Resource Sustainability**

This sub-component will focus on enhancing the hydro-morphological regime of the Morača River through comprehensive assessments and modeling activities, incorporating current and future climate projections, with the aim to improve the sediment regime, connection with the adjacent groundwater bodies, mitigate flooding risks, and ensure sustainable long-term availability of water resources for coastal water supply. This technical assistance sub-component will include comprehensive stakeholder consultation activities. Results from the detailed and comprehensive assessments will inform the future infrastructure interventions to be implemented under Phase 2 of the MPA. Beyond the Morača River, the sub-component will also support Montenegro in following more sustainable and integrated approaches for sediment management at the national level via the development of an Integrated Sediment Management Strategy, seeking to balance sediment transport, protect vital ecosystems, and mitigate associated risks. These efforts will be aligned with EU water directives and will complement ongoing activities under the Sava-Drina Integrated River Corridor Project (SDIP), including the rehabilitation of Lake Plav, where sediment management is a central issue.

> **Component 3: Strengthening in Enabling Environment for Effective Water Sector Governance and Management**

The Government of Montenegro has set the goal of joining the European Union by 2028, aiming to become the EU's next member state where the roadmap toward EU membership requires comprehensive alignment with the EU's environmental standards, particularly under Chapter 27 – Environment and Climate Change, which has a strong emphasis on water services provision specifically requesting to ensure access to safe drinking water for all citizens and upgrading and expanding wastewater treatment infrastructure. Presently, water sector services are threatened both for their financial and operational sustainability. The implementation plan for the Drinking Water Directive lists an estimate of EUR 580 million needed for water supply alone, including EUR 220 million identified as priority investments by 2036, while the Municipal Wastewater Management Plan (2019) foresees the need for EUR 471.5 million in wastewater-related investments by 2035. To address these challenges, strengthening policies, institutions, and regulatory frameworks is essential. Such improvements will foster an enabling environment for the necessary investments by enhancing governance, increasing sector resilience and preparedness for climate change, ensuring compliance with EU Directives, and improving operational efficiency. Ultimately, these measures will support the goal of providing universal access to

resilient and safe water supply and sanitation services. Proposed activities under Component 3 of the Project, mainly supported via specialized consultancy services, include the following:

- a) Revisions to the Legislative framework: The project will support the Government's process to update and revise the legislative framework governing water services. This will include amendments to the Law on Utility Services and the development of a dedicated Law on Water Services to establish a stronger, sector-appropriate legal basis for service provision. The new framework will aim to clarify institutional roles and responsibilities, strengthen regulatory oversight, and set out clear provisions for service standards, planning, investment, and accountability - thereby creating conditions for efficient, reliable, and sustainable water and wastewater services.
- b) Update of the Tariff methodology: Building on, and depending on the legislative reforms, the project will provide expert assistance to review and update the tariff methodology. The objective will be to ensure pricing structures that are fair and affordable for consumers while enabling utilities to recover costs and maintain service quality sustainably. The work is planned to cover the tariff-setting principles, cost classification and allocation rules, performance and efficiency incentives, and provisions for social protections and transparency. A modernized methodology will promote predictability for investors and utilities, protect vulnerable customers, and align tariffs with long-term asset maintenance and service reliability.
- c) Support the development of a National Water Services Provision Strategy and Action Plan for the period of 5-6 years, including the following main pillars: (1) improving water sector governance and capacity; (2) ensuring financial sustainability; (3) improving water sector resilience; (4) ensuring compliance with the EU Directives; (5) improving utilities efficiency; (6) ensuring universal safe water supply and sanitation. This document should be approved by the Government of Montenegro as a strategic document.
- d) Support the development of a national digital online platform for the collection and benchmarking of performance indicator data from water service operators. This platform will facilitate strategic sector planning by enabling continuous monitoring of selected performance indicators, replacing the current system of annual reporting. It will allow for comparative analysis and performance evaluation across operators, generating reliable statistics on service access and the overall performance of the water services sector. Implementation of this activity will be accompanied by capacity building initiatives to strengthen data collection and submission processes, supported by a legally binding requirement for data submission. The platform will address the information needs of various stakeholders, including ministries, directorates, local governments, and international financial institutions.
- e) Support the development of a unified National Data System to monitor access to water supply and sanitation (WSS) services in rural areas. This system will collect comprehensive data using socio-economic indicators, including on vulnerable groups such as persons with disabilities and Roma communities, and will track access to safely managed water supply and sanitation infrastructure, as well as hygiene practices. Establishing this system will provide a critical foundation for evidence-based decision-making and enable targeted interventions to improve WSS services in rural areas.
- f) Strengthen capacity and human resources at both the water operator and local government (LG) levels. The Association of Water Works (AoWW) and Union of Municipalities (UoM) of Montenegro can serve as implementing and logistical agencies for these activities, building on ongoing training programs in the frame of the Danube Learning Partnership (D-LeaP). Key topics for capacity building include asset management (such as comprehensive asset recording and calculation of real depreciation), non-revenue water (NRW) management - including procurement of necessary equipment, wastewater treatment and sludge management, rural water supply and sanitation (WSS), and preparation of project documentation, including for rural WSS initiatives. Additional relevant topics may also be addressed as needed.

> Component 4: Project Management

This component supports effective project management and coordination to ensure timely and efficient implementation of all project activities. This component will finance the operation of a Project Implementation Unit (PIU) responsible for overall project oversight, fiduciary management including financial management, procurement and auditing application

of environmental and social standards and monitoring and evaluation of project progress. It will also strengthen institutional capacity through targeted training and technical assistance, facilitate knowledge management and dissemination of lessons learned, and support the development and implementation of a comprehensive communications and stakeholder engagement strategy. By reinforcing project governance structures and promoting transparent coordination among stakeholders, Component 4 will help mitigate implementation risks and contribute to the achievement of project objectives and sustainable outcomes.

2. Stakeholder engagement consultation and disclosure requirements

The following two sections present the main national and international requirements which guide development and implementation of this SEP.

National requirements

National requirements related to stakeholder engagement are not as explicit as the requirements stipulated by ESS10. However, this section presents a set of national legislative requirements and strategic documents from the area of environment, water and wastewater management which are applicable to the overall implementation of this project. Additionally, the legislative framework presented below provides an overview of the wider context related to management of the social context and the pertaining rights which are to be provided and guaranteed to all the relevant project stakeholder, not only throughout the stakeholder engagement activities, but also through project implementation itself.

Table 1. Legal and Regulatory framework

National environmental and Social Policies and Regulations	
Strategic documents	
Water Management Strategy of Montenegro (2017)	The strategy sets the national framework and priorities, which are the provisions of sufficient quantities of water of appropriate quality for the public water supply of the population and for various economic needs, in a way that does not endanger the environment through the achievement of operational goals, namely: ○ Increasing the coverage of public water systems from the current 78% to approximately 95% by the end of the Strategy's planning period. ○ Reduction of losses in public water systems to less than 30%. ○ Water spring protection, research, protection and conservation of water resources that are used or intended for human consumption in the future.
Regional Development Strategy of Montenegro 2023-2027	The project will significantly contribute to the goal of improving and developing water supply in urban and rural areas.
Spatial plan of Montenegro until 2040	The project also contributes to the implementation of the objectives from the Spatial Plan of Montenegro until 2040, whose main objectives in the environmental protection sector are related to the following: ○ Use of water for water supply in urban, suburban and rural settlements; ○ Use of water for irrigation (due to unintended consumption of water from the waterworks, the problem of supplying the population with drinking water is complicated, and the implementation of this project would solve this to a significant extent).
National strategy of sustainable development of Montenegro until 2030	This strategy defines long-term development priorities based on sustainability principles, including rational use of natural resources, environmental protection, and balanced development.
Projection of long-term water supply in Montenegro for the period up to 2040 (2017)	This document provides projections of water demand and supply capacities and identifies key measures for sustainable water supply.

National environmental and Social Policies and Regulations	
Municipal Wastewater Management Plan of Montenegro (2020-2035)	This plan defines priorities and measures for wastewater collection, wastewater treatment and disposal to reduce pollution and improve public health.
Legislation	
Law on protection of nature (Official Gazette of Montenegro No. 54/16, 18/19, 84/24)	This Law regulates biodiversity conservation, protection of natural habitats and sustainable use of natural resources.
Law on Environment (“Official Gazette of Montenegro”, No. 52/16, 73/19)	This Law establishes the principles of environmental protection and sustainable development, as well as instruments and measures for environmental protection and other issues of relevance for environmental governance.
Law on Water (“Official Gazette of Montenegro”, No. 27/07, 73/10, 32/11, 47/11, 48/15, 52/16, 55/16, 2/17, 80/17, 84/18)	This law regulates the legal status and method of integral management of water, water and coastal land and water facilities, the conditions and method of performing water activities and other issues of importance for the management of water and water assets.
Law on communal wastewater management (Official Gazette of Montenegro, No. 2/17, 84/24)	This Law regulates the collection, treatment, and disposal of municipal wastewater and responsibilities of authorities.
Law on Spatial Planning (Official Gazette of Montenegro, No. 19/25, 28/25, 49/25)	This Law regulates spatial planning, development, and land use.
The Law on Expropriation (Official Gazette No. 055/00, and subsequent amendments)	This Law regulates and defines the process of land acquisition in the public interest and includes specific requirements for stakeholder participation and appeals during the expropriation process
Law on construction of structures (Official Gazette of Montenegro, No. 19/25, 92/25, 160/25)	This Law defines procedures for construction, including permitting, design, execution, and supervision.
The Law on Business Companies (most recently updated, coming into full force in 2026)	This Law is relevant for corporate stakeholder management, including enhanced minority shareholder protections, corporate governance codes for listed companies, and transparency requirements.
Law on work (Official Gazette of Montenegro, No. 24/05, 61/05, 54/09, 32/13, 75/14, 13/17, 113/17, 95/18)	Relevant for project-related stakeholder engagement involving workers. This Law regulates employment relationships, rights and obligations of employers and employees.
Law on health and safety at work (Official Gazette of Montenegro, No. 34/14, 44/18)	This Law establishes measures for occupational health and safety.
Law on Free Access to Information (“Official Gazette of Montenegro”, No. 044/12, 030/17)	This Law regulates the right of access to information and the procedure for exercising this right in relation to information held by public authorities, including rules relevant for information disclosure.
Law on Gender Equality (“Official Gazette of the Republic of Montenegro”, No. 46/07 and “Official	This Law regulates the achievement of gender equality and the exercise of rights on the basis of gender equality, including measures aimed at eliminating discrimination based on sex and ensuring equal opportunities.

National environmental and Social Policies and Regulations	
Gazette of Montenegro”, No. 73/10, 40/11, 35/15)	
Law on Prohibition of Discrimination (“Official Gazette of Montenegro”, No. 46/10, 40/11, 18/14, 42/17)	This Law regulates prohibition and protection from discrimination and the promotion of equality, including the legal basis for prevention of discriminatory practices.
Law on Minority Rights and Freedoms (“Official Gazette of the Republic of Montenegro”, No. 031/06, 051/06, 038/07 and “Official Gazette of Montenegro”, No. 002/11, 008/11, 031/17)	This Law prescribes the position and rights of minority groups and provides the legal basis for the exercise and protection of minority rights and freedoms.
Law on the Protector of Human Rights and Freedoms of Montenegro (“Official Gazette of Montenegro”, No. 42/11, 32/14, 21/17)	This Law regulates the competence, powers, and functioning of the Protector of Human Rights and Freedoms in relation to the protection of human rights and freedoms guaranteed by the Constitution, laws, and ratified international human rights instruments.

International requirements

Considering that the Project is implemented in line with the World Bank Environmental and Social Standards, it is essential that all applicable requirements related to stakeholder engagement are duly taken into account and consistently applied throughout project implementation.

This Stakeholder Engagement Plan (SEP) has been prepared in accordance with the World Bank Environmental and Social Standard ESS10: *Stakeholder Engagement and Information Disclosure*. In addition to ESS10, the SEP reflects the principles set out in the *Guidelines on Incorporating Human Rights Standards and Principles, Including Gender, in Programme Proposals for Bilateral German Technical and Financial Cooperation* and the *Principles for Digital Development*. With regard to the Principles for Digital Development, particular attention is given to the principle of *Address Privacy and Security*, as relevant for the implementation of this SEP.

The World Bank ESS10, together with the accompanying Guidance Note on Stakeholder Engagement and Information Disclosure, defines stakeholder engagement as a transparent, inclusive, and meaningful process of consultation and engagement that is to be carried out throughout the entire project life cycle and that promotes stakeholder feedback and participation. The stakeholder engagement process is developed in a systematic manner, enabling the Borrower to “build and maintain constructive relationships” with all project stakeholders. All stakeholder engagement–related processes and activities are designed to ensure efficient and inclusive engagement with all stakeholder groups, with particular attention paid to vulnerable and disadvantaged groups, in order to ensure their meaningful participation in the stakeholder engagement process.

Furthermore, the client is required to ensure full, informed, and continuous participation and information sharing with all relevant stakeholders throughout all project phases. This is achieved through timely disclosure of information, stakeholder consultations, and the establishment and implementation of an effective grievance mechanism, all of which are based on principles of informed consultation and participation. Accordingly, this SEP is intended to ensure comprehensive participation and involvement of all relevant project stakeholders, with the objective of enabling an early, systematic, and effective approach to the identification and mitigation of potential social impacts.

For the purpose of ensuring effective implementation of the above-mentioned principles of good international practice, this SEP is structured around and includes the following key components: stakeholder engagement approach; stakeholder identification and analysis; stakeholder engagement programme; and the grievance mechanism.

Moreover, Montenegro has ratified a number of international treaties and conventions, alongside an ongoing process of harmonisation of national legislation with the EU acquis within the domestic legal and policy framework. Further details regarding the relevant conventions, along with the abovementioned WB standards, are presented below.

- The World Bank Environmental and Social Framework, with particular emphasis on ESS10 (Stakeholder Engagement and Information Disclosure);
- The World Bank Guidance Note on ESS10: Stakeholder Engagement and Information Disclosure, 2018;
- Core Labour Standards of the International Labour Organization (ILO); Guidelines on Incorporating Human Rights Standards and Principles, Including Gender, in Programme Proposals for Bilateral German Technical and Financial Cooperation; Aarhus Convention on Access to Information, Public Participation in Decision-Making and Access to Justice in Environmental Matters, 1998.

The Aarhus Convention (Convention on Access to Information, Public Participation in Decision-Making and Access to Justice in Environmental Matters) has been an integral part of the national legal system since 2009. Access to justice in environmental matters is regulated through a number of legislative acts that fully transpose the relevant EU provisions governing public access to environmental information and public participation in environmental decision-making, while remaining fully aligned with the Aarhus Convention. The primary objective of this Convention is to “guarantee the rights of access to information, public participation in decision-making and access to justice in environmental matters”. In this regard, it establishes provisions that ensure “accountability and transparency in decision-making and strengthen public support for environmental decisions”. Aarhus convention “recognises that the public must be informed about participation procedures in environmental decision-making, have free access to such procedures and be aware of how to use them”; and it “acknowledges the importance of the roles that individual citizens, non-governmental organisations and the private sector can play in environmental protection”.

Montenegro has ratified the **Espoo Convention** on Environmental Impact Assessment, its two amendments, and the SEA Protocol to the Espoo Convention (Protocol on Strategic Environmental Assessment to the Convention on Environmental Impact Assessment) (“Official Gazette of Montenegro”, No. 02/09).

The **Convention for the Protection of Human Rights and Fundamental Freedoms** was ratified by Montenegro in 2003, with the main objective of ensuring the application of objective standards and enabling individuals to seek protection against the misuse of authority.

The **European Social Charter** guarantees the realisation of fundamental social and economic rights without discrimination. Rights ensured under the Charter include the right to work, the right to social and medical assistance, and the right to social, legal and economic protection of the family, with particular importance attached to the protection and assistance of migrant workers and their families.

3. Summary of previous stakeholder engagement activities

The specific nature of the Project required broad engagement with a wide range of stakeholders, with primary discussions taking place between the World Bank, the Government, and relevant institutional and sector-specific stakeholders.

The stakeholder engagement activities carried out during Project preparation included:

- Numerous discussions and exchanges between the World Bank and relevant Ministries, and institutions at the national, regional, and local levels;
- Site visits to municipalities where projects have been proposed for implementation;
- Site visit to the Regional Water Supply Company;
- Review of project preparation progress with representatives of the MERS, the MAFWM and PROCON;

- Multiple meetings and exchanges with the MERS, MAFWM, PROCON and Regional Water Supply Company for Montenegrin Coast (RWSCMC) to discuss project design and investment priority needs;
- Organization of two info days held in the municipalities of Berane and Nikšić, where all municipalities were introduced to the Project, its objectives and purpose, as well as the planned timeline and implementation dynamics.

While the Project foresees active engagement with non-state stakeholders during implementation, particularly once the preparation of subprojects begins, a gender-focused assessment was conducted during the preparation phase, and the feedback received from women has been incorporated into the Project design.

The findings highlighted the importance of reliable, safe, and affordable water supply and sanitation services for all citizens, particularly in rural and underserved areas, where limited access to such services affects living conditions, public health, and economic opportunities. Improved access to water supply and sanitation is expected to enhance quality of life, reduce service disparities, and support overall socio-economic development.

In addition, an active communication and outreach campaign was conducted to inform the general public about the Project and its objectives.

Stakeholder engagement will continue throughout Project implementation, in line with the approaches outlined in the SEP, including consultations in participating municipalities, disclosure of project information, and establishment of accessible feedback and grievance mechanisms. Feedback received from stakeholders will be systematically incorporated into the design and implementation of Project activities, ensuring inclusiveness, transparency, and responsiveness to community needs, particularly for vulnerable and rural populations.

4. Stakeholder identification and analysis

Stakeholder identification and analysis for the WASEC Project is done on the basis of the overall scope, objectives, and components of the proposed Project. Given the Project's focus on infrastructure investments, coastal water security, and strengthening sector governance, a wide range of stakeholders at national, regional, and local levels have been identified.

The process of stakeholder identification is dynamic and will be continuously updated throughout Project preparation and implementation. Initial identification is based on a review of institutional responsibilities, sectoral mandates, and the nature of proposed activities, while additional inputs will be obtained through stakeholder engagement activities conducted as part of the development and implementation of this Stakeholder Engagement Plan (SEP).

Methodology

Diverse nature of the project activities, including all components and sub-components, led to development of SEP which presents stakeholders in the context of the wider (general) project activities, as well as in the context of specific, on-site project activities. The stakeholders in this SEP are initially categorised on project-level, while they are subsequently divided per their respective roles in the project and they are finally presented on the level of individual stakeholders which have been recognised for the on-site activities.

Stakeholders identification was carried out based on the following considerations:

- the scope of project activities and the locations where such activities will be implemented;
- the nature of project components, including infrastructure modernization, coastal water security interventions, and institutional and regulatory reforms;
- potential environmental and social risks, including both temporary and long-term impacts;
- institutional mandates, roles, and responsibilities within the water and wastewater management and environmental protection sectors;
- interests in, and influence over, project implementation (e.g. institutions responsible for permitting, inspection, provision of public services, or involvement in planning processes);
- the need for specific engagement measures targeting vulnerable and disadvantaged groups.

Stakeholders are classified into two main categories: **Project-Affected Parties (PAPs)** and **Other Interested Parties (OIPs)**. Since this project includes a wide range of activities, both on site activities and office-based activities, the range of stakeholders is going to be presented in the context of the abovementioned types of project activities. This is done in order to account for the varying potential impacts, roles and interests of stakeholders in the project.

In addition to these two main groups, the **Project Beneficiaries** are recognised as an important group of stakeholders, given the Project's focus on improving water supply and sanitation services, as well as strengthening sector performance and climate resilience. Due to the scale and complexity of the Project, effective and continuous communication with beneficiaries will be essential.

Prior to presenting the stakeholder groups, it is important to make a clear distinction between the project components which belong to the onsite activities and the components which belong to the office-based activities. The reason for this lies in the fact that these two types of projects are going to require different approaches to stakeholder engagement, which is primarily due to the different nature of these two sets of activities. Thereby, the division of the project activities which represents the basis of this SEP is:

- > **Site-specific activities (infrastructure-related):** Component 1 (Strategic Investments in Water Services Infrastructure) and Component 2 (Integrated Approaches for Coastal Water Security).
- > **Office-based activities (institutional and technical support):** Component 3 (Strengthening the Enabling Environment for Water Sector Governance and Management, including legal reforms, tariff methodology, national strategies, and data systems), Component 2.2. (Technical Assistance for Enhancing the Morača River's Hydro-Morphological Regime and Water Resource Sustainability), Component 4 (Project Management, including coordination, monitoring, and capacity building).

Project-Affected Parties (PAPs)

Project-Affected Parties include individuals or groups that may be directly or indirectly affected by project activities. Given the diversity of Project interventions, PAPs are identified in relation to **Site-specific (infrastructure-related)** and **Office-based activities (institutional and technical)** activities.

For office-based activities:

- Participants in capacity-building programs, workshops, certification programs, and on-the-job training
- National and local government institutions (MERS, MAFWM, Regional Water Supply Company for Montenegrin Coast (RWSCMC), Energy and Water Regulatory Agency of Montenegro - REGAGEN)
- Public utility companies
- Municipalities and communities benefiting from improved sector planning and data system
- Vulnerable and disadvantaged individuals and groups

For on-site activities:

- Households located in project areas, particularly those in proximity to construction or rehabilitation works;
- Local communities in affected municipalities, who may experience temporary disturbances such as noise, dust, traffic disruptions, and restricted access during construction;
- Users of water supply and sanitation services, who may be affected by temporary service interruptions during works and benefit from improved services in the long term;
- Population in coastal areas dependent on bulk water supply systems, particularly those relying on the regional system connected to the Bolje Sestre source and alternative water sources;
- Rural populations relying on decentralized water systems, where upgrades or new systems may be implemented;
- Businesses and economic operators, especially in the tourism and service sectors, whose operations depend on reliable water supply and may be temporarily affected during construction;

- Public institutions (e.g. schools, healthcare facilities, administrative buildings) located in project areas and dependent on continuous water and sanitation services;
- Landowners and land users, who may be subject to land acquisition, temporary occupation, or access restrictions;
- Workers engaged in construction and supervision activities, including contractors and subcontractors, exposed to occupational health and safety risks.
- local municipal utility companies and their employees, as well as operators involved in the functioning of the water management system;
- municipal authorities as the definitive users of the WASEC project
- vulnerable and disadvantaged individuals and groups.

Vulnerable and disadvantaged individuals and groups

Vulnerable and disadvantaged groups may include low-income households, elderly persons, socially vulnerable households, persons with disabilities, women at disadvantaged positions, households with limited access to digital communication channels, Roma and other marginalized communities and groups that may face barriers in accessing information and participating in consultations.

Targeted and tailored engagement measures will be applied for these groups, including the use of a combination of digital and non-digital communication channels, adaptation of information formats, selection of accessible venues and timings, and the organization of targeted information sessions in smaller groups, where necessary.

Other Interested Parties (OIPs)

Other Interested Parties include institutions, organizations, and groups that have an interest in the Project or may influence its implementation, including:

- the Ministry of Ecology, Sustainable Development and Northern Region Development (MERS), Ministry of Agriculture, Forestry and Water Management (MAFWM) and the Project Implementation Unit –PIU (PROCON);
- Technical Support Unit (TSU);
- the Environmental Protection Agency;
- local governments involved in project activities;
- relevant line ministries and state authorities, in accordance with their mandates;
- non-governmental organizations active in the fields of environmental protection, public health, transparency, water and wastewater management and public participation;
- community based organisations in the field of water management and public health in the relevant municipalities.
- the academic and professional community;
- the media.

OIPs are generally the same for both the on-site activities and the office-based activities, as they represent stakeholders who have general and wider interest in the project as a whole and its implementation.

Project beneficiaries

The Project will benefit a wide range of stakeholders at the national, municipal, and community levels through improved water supply and wastewater services, strengthened climate resilience, and enhanced sector governance. Under Component 1, the primary beneficiaries will be households, businesses, and public institutions in participating municipalities, who will benefit from improved access to reliable and safe water supply, reduced service disruptions, and enhanced wastewater management. Water utilities will also benefit from modernized infrastructure, leading to improved operational efficiency and reduced non-revenue water. Under Component 2, the main beneficiaries will be the population in coastal areas, including residents, tourism operators, and service providers, who depend on the regional water supply

system. These stakeholders will benefit from increased water security, particularly during peak summer demand, through enhanced treatment capacity and diversification of water sources. In addition, the broader population will benefit from improved long-term management of water resources through technical assessments and planning activities. Under Component 3, key beneficiaries will include national and local government institutions and water utilities, which will gain strengthened institutional capacity, improved regulatory frameworks, and enhanced tools for sector planning and performance monitoring. These improvements will contribute to more sustainable, efficient, and transparent water service delivery. Indirect beneficiaries will include the wider population of Montenegro, who will benefit from improved environmental conditions, increased resilience to climate change, and progress toward alignment with EU water directives. Additional indirect beneficiaries include private sector entities, research and academic institutions, and civil society organizations, which may be engaged in capacity-building, technical support, and awareness-raising activities within the water sector.

On-site stakeholder identification and analysis

Stakeholder identification for the on-site project activities focuses on stakeholders who may be directly affected by site-specific Project activities, particularly infrastructure investments under Component 1 (water supply and wastewater infrastructure) and Component 2 (coastal water security interventions).

Key stakeholder groups

Key stakeholder groups in the WASEC SEP can be summarized as:

- Implementing and oversight institutions: MERS, MAFWM, PROCON (PIU), Technical Support Unit (TSU), Local authorities and service operators: Municipalities/local governments and water & wastewater utilities/operators (including the Regional Water Supply Company for the Montenegrin Coast).
- Project-affected people and communities (PAPs): households and communities in works areas; service users experiencing disruptions and later benefits; coastal and rural populations reliant on water systems.
- Economic and public-service users: local businesses (notably tourism/service sector) and public institutions (schools, healthcare, administration) dependent on continuous services.
- Land and access stakeholders: landowners / land users potentially affected by land acquisition, temporary occupation, or access restrictions.
- Project workforce and supply chain: contractors, subcontractors, supervision consultants, and workers (OHS and labor-related interests).
- Vulnerable and disadvantaged groups: e.g., low-income households, elderly, persons with disabilities, digitally excluded groups, Roma and other marginalized communities.
- Wider interested parties (OIPs): Environmental Protection Agency, other relevant line authorities, NGOs/CSOs, community-based organizations, academia/professional community, and media.

Water supply and wastewater infrastructure stakeholder identification

The following groups have been identified as key on-site stakeholders:

- Local communities and households in areas where construction or rehabilitation works will take place;
- Water supply and sanitation services consumers affected by temporary disruptions and long-term improvements;
- Local businesses, particularly those dependent on reliable water supply (e.g. tourism and service sector);
- Public institutions (schools, healthcare facilities, administrative buildings) located in project areas;
- Landowners and land users potentially affected by land acquisition, temporary occupation, or access limitations;
- Workers and contractors engaged in construction and supervision activities;
- Local government representatives involved in coordination and oversight of activities;
- Local water utilities/operators, responsible for operation and maintenance of infrastructure.

In addition to the abovementioned stakeholders, this SEP also includes national authorities which are essential for project planning and implementation, as well as for implementation of this SEP. Due to their active role in this project, Ministry of Ecology, Sustainable Development and Northern Region Development (MERS) and Ministry of Agriculture, Forestry and Water Management (MAFWM) represent the main institutional stakeholders. In addition to these institutions, and as already mentioned, local municipalities represent key stakeholders who are going to be essential for project implementation. Coupled with them are the Water utility companies as well as other local services.

Water supply and wastewater infrastructure stakeholder analysis

Project area is characterized by a range of diverse stakeholders, ranging from high to low level of interest.

- **High influence - high interest:**
 - Ministry of Ecology, Sustainable Development and Northern Region Development (MERS)
 - Ministry of Agriculture, Forestry and Water Management (MAFWM)
 - Implementing partner of the PIU
 - Technical Support Unit (TSU) (supporting role, but still high influence)
 - Core implementing partners / operators (high influence + direct operational interest)
 - Municipalities / local governments in project areas
 - Public water and wastewater utilities (municipal utility companies/operators)
 - Regional Water Supply Company for the Montenegrin Coast (central to Component 2);
- **Medium influence - high interest**
 - Local businesses / economic operators (especially tourism and service sector)
 - Public institutions in project areas (e.g., schools, healthcare facilities, administrative buildings)
 - Landowners and land users (subject to land acquisition/temporary occupation/access restrictions)
 - Households and local communities in affected areas (high interest; typically, low-to-medium influence depending on local context/organization)
 - Users/consumers of water supply and sanitation services (high interest; influence varies)
 - Vulnerable and disadvantaged groups (high interest; influence usually low individually, but can be medium if represented via CSOs/advocates)
- **Medium influence/high interest in SEPs:**
 - Environmental Protection Agency
 - Non-governmental organizations (NGOs) active in environment/public health/transparency/water sector/public participation
 - Community-based organizations in relevant municipalities
 - Academic and professional community
 - Media

Summary of stakeholder engagement needs and Analysis of their Interest and Influence

Identified stakeholder groups and their level of influence cross-referenced with their interest they may have in the project will determine the type and frequency of engagement activities necessary for each group. Using the color coding of interest and influence matrix below will help determine where to concentrate stakeholder engagement efforts and why.

The table below identifies the key stakeholder groups and categories, the nature of their interest in the project and their level of interest in and influence over the project and is based on the color code in the matrix below

Table 2: Influence and interest matrix

	Low	Medium	High	
Level of Influence				Level of Interest
High	Involve/engage	Involvement/Engage	Partner	
Medium	Inform	Consult	Consult	
Low	Inform	Inform	Consult	

Table 3: Level of stakeholder engagement based on their level of interest and level of influence

The level of engagement is determined based on the stakeholder's level of interest and influence, in accordance with the matrix presented above.

Project Stakeholder Group			Nature of interest	Level of interest	Level of Influence	Level of engagement
Project Affected People	Individuals	Local population / households in project areas	Directly affected by construction activities (noise, dust, traffic disruptions, temporary access restrictions and potential service interruptions), with a strong interest in timely information, mitigation of impacts, and long-term improvements in water supply and sanitation services.	High	Low	Consult
		Local population whose businesses/livelihoods in and around subprojects is temporarily or permanently affected	Risk of disruption to business operations and income during construction, with interest in minimizing impacts, maintaining access, and ensuring fair compensation where applicable.	High	Medium	Consult
		Landowners / Land users	Potential impacts related to land acquisition, temporary land occupation, and access restrictions, with a strong interest in transparent procedures, fair and timely compensation, clear communication of rights, and effective grievance mechanisms.	High	Medium	Consult
	Public utility companies	Public utilities	Concerns about disruption of business and operation activities. Potential disruptions to business operations due to construction activities (restricted access, reduced customer flow, service interruptions), with a strong interest in minimizing impacts, maintaining access, and ensuring continuity of operations	High	Medium	Consult

Project Stakeholder Group			Nature of interest	Level of interest	Level of Influence	Level of engagement
	Government Agencies and institutions	Ministry of Ecology, Sustainable Development and Northern Region Development (MERS)	Main counterpart of the WB for Project implementation and permitting authority. Strategic oversight, environmental compliance, and alignment with national policies and EU directives, with a strong interest in improving water services performance, sustainability and ensuring effective project implementation and adherence to environmental and social standards	High	High	Partner
		Ministry of Agriculture, Forestry and Water Management (MAFWM)	Main counterpart of the WB for Project implementation and permitting authority. Sector governance, water resource management, and policy implementation and compliance with national and EU requirements	High	High	Partner
		Regional Water Supply Company for the Montenegrin Coast	Reliable and sustainable coastal water supply, infrastructure development, and operational performance, with a strong interest in ensuring long-term water security and successful implementation of Component 2 investments	High	High	Partner
Other Interested Parties		Ministry of Finance	Loan Agreement oversight	High	High	Partner
		PIU	Project management and implementation, oversight, reporting, financial, environmental and social risk management, grievance management, SEP implementation and coordination	High	High	Partner
		Technical Support Unit (TSU)	Technical and operational support to project implementation in procurement procedures	High	High	Partner

Project Stakeholder Group			Nature of interest	Level of interest	Level of Influence	Level of engagement
Other Interested Parties	Government Agencies and institution	Local Governments (including line departments: land management, economic development, environment)	Serve as first point of contact, conduct field outreach, facilitate two-way communication	Medium	Low	Inform
		Various Government Inspections such as Labor, Construction etc/	Interested in enforcement of legal requirements in all aspects of project implementation with emphasis during construction activities.	High	Medium	Consult
		The World Bank	Interested in achievement of Project Development Objectives and compliance to E&S Standards of the Project	High	High	Partner
		NGO s	Interested in project benefits Interest in procurement and supply chain, potential environmental and social as well as community health and safety	Medium	Low	Inform
	IFI	National and international Contractors and Engineering Consultancies	Interested in participating in various bidding procedure	High	Medium	Consult
	Associations, NGO	Low-skilled, semi-skilled and high-skilled workers	Positive externalities beneficiaries through potential employment opportunities	High	Low	Consult

Project Stakeholder Group			Nature of interest	Level of interest	Level of Influence	Level of engagement
	Media	National media (Radio, TV, Newspaper)	Enables wide and regular dissemination of information related to the Project, ensures its visibility and facilitates stakeholder engagement	Medium	Low	Inform
Vulnerable group	Individuals	Retired, elderly and people with disabilities and chronic disease; Single parent headed households, male and female; People with low literacy and ICT knowledge; Economically marginalized and disadvantaged groups; Persons living below the poverty line; Women	Potential barriers in accessing project information, consultations, and benefits, with a strong interest in inclusive engagement, accessible communication, and equitable access to improved water supply and sanitation services.	High	Low	Consult

Stakeholder expansion

Each sub-project SEP will need to revisit the list of stakeholders and verify if there is a need to expand the list and engage with other stakeholders in course of the Project. This will be facilitated by filling out the stakeholder expansion questionnaire below at critical points during Project implementation but mandatory during preparation of respective subprojects. A potential update will be part of the Monitoring & Evaluation (M&E) segment of the Project.

Table 4: *Expansion and update questionnaire*

STAKEHOLDER EXPANSION AND UPDATE NEED QUESTIONNAIRE	
☐ YES ☐ NO <i>If No the Project needs to expand the Stakeholder list</i>	Is our current list focused on relevant stakeholders who are important to our current and future efforts? <i>(Answers should be based on knowledge of the Project, feedback received and grievances registered tackling inadequate outreach, real or perceived exclusion and feedback during their Engagement)</i>
☐ Yes ☐ No <i>If No the Needs assessment should be revisited or a supplementary conducted and Stakeholder list revisited</i>	Do we have a good understanding of where stakeholders are coming from, what they may want, whether they would be interested in engaging with the Project, and why? <i>(The answers should be based on the frequency of stakeholders approaching through communication channels other than the Projects, with suggestion for inclusion of groups or eligible activities etc.)</i>
☐ Yes ☐ No <i>If No the Stakeholder list should be revisited as well as admission and evaluation criteria should be revisited</i>	Does the current engagement strategy adequately covers vulnerable groups? <i>(Answers should be based on the result of the feedback received through on-going consultations, Grievance log, and mid-term review of stakeholder engagement during project implementation)</i>

5. Stakeholder Engagement Plan

Stakeholder Engagement Plan is based on core principles which are going to be implemented throughout all stakeholder engagement processes. The postulates of stakeholder engagement are defined below, followed by the project-level stakeholder engagement programme.

Stakeholder engagement goals and objectives

Stakeholder engagement under the Project will be implemented as a continuous and iterative process throughout the entire project life cycle, in accordance with the principles of ESS10. The level and intensity of engagement will be proportionate to the nature of project activities, the level of identified environmental and social risks, and the degree of stakeholder interest.

The stakeholder engagement strategy is based on the following principles:

- timeliness and transparency;
- inclusiveness and accessibility;
- proportionality to risks;
- two-way communication;
- documentation and monitoring;
- **Citizen Engagement:** The project will also engage citizens through various strategies aimed at informing, consulting, collaborating with, and empowering key stakeholders, including agencies, professionals, community partners, and the public. Using online platforms, focus groups, and other channels, the project will ensure broad outreach, particularly to residents near the project sites. Stakeholders will receive clear information on the project's objectives, scope, timelines, and benefits, with their feedback actively sought during planning and construction to minimize disruptions such as traffic and noise while ensuring community priorities are reflected in implementation. A Grievance Redress Mechanism (GRM) will be established to enhance transparency and facilitate timely resolution of concerns related to construction and institutional development activities. Additionally, a beneficiary satisfaction survey at mid-term will help integrate community insights into project execution for improved outcomes. The project team will develop action plans to address stakeholder feedback and communicate these back through the original engagement channels. The effectiveness of these efforts will be tracked using key indicators, including the percentage of beneficiaries in focus groups or town halls who report satisfaction with the engagement process, as captured in the Results Framework (RF).

Approach to public consultation and stakeholder engagement

Meaningful consultations are a central element of the stakeholder engagement process and will be conducted in accordance with ESS10. Consultations, when needed, will be organized as a two-way, inclusive, and continuous process, enabling project-affected and other interested stakeholders to express their views, concerns, and suggestions regarding the Project.

The objective of consultations is to ensure that stakeholder perspectives are taken into account in decision-making related to project activities, environmental and social risk management, and mitigation measures.

Core Principles of Stakeholder Consultations

Stakeholder consultations will be conducted in line with the following principles:

- **timeliness** – consultations will begin at an early stage of the Project and continue throughout the project life cycle;
- **transparency** – relevant information will be disclosed in advance and in an understandable format;
- **inclusiveness** – all relevant stakeholder groups will have opportunities to participate;
- **two-way engagement** – consultations will allow for information sharing and feedback;
- **non-discrimination** – the process will be free from coercion, manipulation, intimidation, or discrimination;
- **proportionality** – the scope of consultations will be commensurate with the nature and level of project risks;
- **documentation** – all consultation processes and outcomes will be recorded.

Timing and Phases of Consultations

Consultations will be conducted during the following phases:

(a) Consultations during the Project Preparation Phase

During this phase, the objective is to familiarize stakeholders with the Project's objectives, scope, and key characteristics, and to identify key issues and concerns.

Activities include:

- initial informational meetings;
- consultations on the draft Stakeholder Engagement Plan (SEP);
- collection of initial comments and suggestions.

(b) Consultations during the Preparation of site specific Environmental and Social Documentation

This phase aims to enable stakeholders to become familiar with potential environmental and social risks and the proposed management and mitigation measures.

Activities include:

- disclosure of draft ESIA and ESMP documents;
- organization of public hearings and consultation meetings;
- provision of opportunities for written comments within a defined timeframe;
- review of comments and preparation of responses.

(c) Consultations during Project Implementation

During implementation, consultations aim to ensure continuous information sharing and timely resolution of issues arising during project execution.

Activities include:

- regular informational meetings with local communities;
- targeted consultations in cases of temporary impacts (e.g. noise, dust, traffic);
- continuous communication through established channels;
- active use of the Grievance Redress Mechanism (GRM).

(d) Consultations during the Project Completion Phase

In the final phase, consultations aim to inform stakeholders about project results and to collect feedback on the overall implementation process.

Activities include:

- final informational sessions;
- disclosure of summaries of achieved results;
- evaluation of the stakeholder engagement process.

Consultation Methods and Tools

Depending on the project phase and target stakeholder groups, the following consultation methods may be used:

- public hearings and public meetings;
- focus group discussions and thematic workshops;
- individual meetings with institutions and key stakeholders;
- submission of written comments (electronically or by mail);
- online consultations, where appropriate.

The selection of methods will be tailored to the local context, number of participants, and the needs of different stakeholder groups.

Notification of Consultations

Stakeholders will be informed about consultations in a timely manner, including information on:

- date, time, and location;
- agenda and discussion topics;
- availability of relevant documentation;
- methods for submitting comments.

Notifications will be disseminated through official websites, local notice boards, and other appropriate channels, in compliance with minimum advance notice requirements.

Engagement of Vulnerable and Disadvantaged Groups

To ensure meaningful participation of vulnerable and disadvantaged groups, additional measures will be applied, including:

- organization of targeted consultations in smaller groups;
- selection of accessible locations and suitable timings;
- use of clear and understandable language;
- cooperation with local institutions and organizations working with vulnerable groups, where applicable.

Documentation of Consultations and Response to Comments

All consultations will be documented through:

- meeting minutes;
- participant lists (to the extent feasible and in compliance with data protection requirements);
- summaries of comments and questions raised;
- comment–response tables demonstrating how comments were addressed and whether they were incorporated into project documents;
- stakeholder engagement logs which are going to contain information about all stakeholder engagement activities (as detailed in Appendix 3).

Evaluation of Consultation Quality

The PIU will periodically assess the quality and effectiveness of consultations, taking into account:

- the level of stakeholder participation;
- diversity of participants;
- nature and number of comments received;
- stakeholder satisfaction with the consultation process.

The results of such evaluations will be used to improve future stakeholder engagement activities.

Approach to information disclosure

Information disclosure under the Project will be implemented in a structured and coordinated manner at both central and local levels, ensuring that all stakeholders have timely and accessible access to relevant project information.

At the central level, the Project Implementation Unit (PIU) will be responsible for the disclosure of key project documents and information, including the Stakeholder Engagement Plan (SEP), environmental and social instruments (ESIA/ESMP), project updates, and information on the Grievance Redress Mechanism (GRM). These materials will be published on the official websites of the responsible Ministries and the PIU, ensuring transparency and compliance with World Bank requirements.

At the local level, municipalities will support the dissemination of information through local communication channels, including municipal websites, public notice boards, and direct engagement with local communities. Municipalities will also facilitate access to project information for stakeholders who may have limited access to digital platforms.

In addition, contractors will be responsible for site-specific information disclosure during the implementation phase. This will include advance notification of construction activities, potential temporary impacts (e.g. noise, dust, traffic disruptions), and safety measures. Such information will be communicated through on-site notice boards, community meetings, and direct communication with affected stakeholders.

To ensure broad outreach and inclusiveness, information will also be disseminated through local and national media, as well as social media channels, particularly at the municipal level, where these platforms represent an effective means of communication with local communities.

This multi-level approach ensures that information is disclosed in a timely, transparent, and accessible manner, tailored to the needs of different stakeholder groups, including vulnerable and disadvantaged populations.

Types of Information to Be Disclosed

During the different phases of the Project, the PIU will disclose the following types of information and documents:

- the Stakeholder Engagement Plan (SEP), in both draft and final versions;
- environmental and social documentation prepared in accordance with the ESF, including:
 - Environmental and Social Impact Assessments (ESIA),
 - Environmental and Social Management Plans (ESMP),
 - Non-Technical Summaries (NTS);
- information on planned project activities, timelines, and implementation phases;
- information on potential temporary impacts during implementation (e.g. noise, dust, traffic), including descriptions of mitigation measures;
- information on environmental and social risk management and mitigation measures;
- information on the Grievance Redress Mechanism (GRM), including contact details, submission procedures, and response timelines;
- periodic updates on project progress and key milestones;
- summaries of consultation outcomes and responses to stakeholder comments (comment–response matrices, in summarized form).

The scope and level of detail of disclosed information will be proportionate to the nature of project activities and the level of associated risks. The timing of disclosure is going to be commensurate with the level of readiness of the project documentation.

Timing and Frequency of Information Disclosure

Information will be disclosed in line with the different phases of the Project, as follows:

- during the project preparation phase: basic information on project objectives, scope, and institutional arrangements;
- prior to public consultations: draft environmental and social documentation, with sufficient time provided for public review;
- during project implementation: regular updates on progress, planned works, and temporary impacts, including advance notice of activities of interest to local communities;

- in the event of significant project changes: information on the changes and associated risks, accompanied by appropriate consultations;
- upon completion of key phases: summary information on achieved results and relevant monitoring and management measures.

Information disclosure will be conducted in a timely manner to enable meaningful stakeholder participation.

Information Disclosure Channels

Information will be disclosed through a combination of electronic and traditional channels to ensure accessibility for a broad range of stakeholders, including vulnerable and disadvantaged groups.

Primary disclosure channels include:

- the official website of the Ministry of Ecology, Sustainable Development and Northern Region Development (MERS) and Ministry of Agriculture, Forestry and Water Management (MAFWM);
- the PIU website;
- websites and notice boards of relevant local governments;
- public meetings, workshops, and information sessions;
- local and national media outlets, where appropriate, particularly when rapid dissemination of information is required for activities that may cause temporary disturbances.
- social media platforms (e.g. the PIU, municipal Facebook or Instagram accounts and other widely used channels), which represent an effective tool for timely and direct communication with local communities, particularly during the implementation phase.

Language, Format, and Accessibility

All information and documents will be disclosed in the Montenegrin language, in formats that are clear, understandable, and appropriate for different stakeholder groups.

Measures to ensure accessibility include:

- use of simple and non-technical language in summaries;
- preparation of Non-Technical Summaries for complex technical documents;
- availability of hard copies of documents at municipal offices or other public institutions, where needed;
- adaptation of communication formats for persons with limited access to digital channels.

Special attention will be given to ensuring that information is accessible to vulnerable and disadvantaged groups.

Record-Keeping of Information Disclosure

The PIU will maintain records of all information disclosure activities, including:

- the type of document or information disclosed;
- the date and disclosure channel;
- the target stakeholder group, where applicable;
- the period of information availability.

These records will serve as the basis for reporting to the World Bank and for internal quality control of the stakeholder engagement process.

Stakeholder Engagement Programme

Table 5: Stakeholder Engagement Programme

<u>Stakeholder</u>	<u>Phase</u>	<u>Topic</u>	<u>Methods</u>	<u>Timing/frequency</u>	<u>Responsibility</u>	<u>Outputs</u>
Office-based activities						
Participants in capacity-building programs, workshops, certification programs, and on-the-job training	Preparation	Introduction to project objectives, scope and opportunities for participation	Informational sessions; workshops; written materials; email communication	Early stage; as required	PIU/TSU	Attendance lists; training reports; feedback summaries
National and local government institutions (MERS, MAFWM, REGAGEN)	Preparation	Alignment on project objectives, institutional roles and coordination needs	Coordination meetings; written communication	Early stage; as required	PIU	Attendance lists; training reports; feedback summaries
Municipalities and Public utility companies	Preparation	Familiarisation with project scope, governance framework, and institutional roles	Workshops; meetings; internal briefings	Early stage; as required	PIU+Municipalities	Meeting minutes, participants lists
Municipalities and communities benefiting from improved sector planning and data system	Preparation	Access to information and inclusive participation in office-based activities	Targeted information sessions; cooperation with local institutions	As required	Municipalities	Attendance lists; feedback summaries
All PAPs and OIPs	Preparation of E&S documentation	Review of potential environmental and social risks and management measures	Disclosure of draft documents; public consultations; written comments	During disclosure period	PIU+Municipalities	Comment-response table and meeting minutes
All stakeholders engaged in office-based activities	Implementation	Continuous information-sharing, transparency and grievance management	Regular updates, meetings as necessary, communication regarding GRM	Ongoing	PIU	Stakeholder engagement log and GRM reports

National institutions, municipalities, training and academic institutions, CSOs	Completion	Communication of project results and evaluation of engagement process	Final information sessions; dissemination of results summaries; feedback collection	End of project	PIU	Final project implementation report, including project results and outcomes
On-site activities						
Households located in project areas	Preparation	Early awareness of remediation activities, project scope, and identification of concerns	Local community meetings; small-group sessions; information materials	Early stage	PIU + Municipalities	Minutes; participant lists; issues log
Local municipalities	Preparation	Coordination of site access, safety arrangements	Individual and group meetings, official correspondence	Early stage	PIU + Municipalities	Stakeholder engagement log, meeting minutes
Public institutions	Preparation of E&S documentation	Review of draft ESIA/ESMP, impacts, and mitigation measures	official correspondence; written comments	Disclosure period	PIU	Comment-response table, meeting minutes
Residents, land users, workers, vulnerable groups,	Implementation	Management of temporary impacts (dust, noise, access, safety), information flow, and GRM use	Regular local updates; noticeboards; meetings; targeted engagement; GRM	Continuous	Contractors + PIU	Engagement log, GRM register, site visit reports
Local community; local authorities; NGOs, final users,	Completion	Communication of remediation results and closure of outstanding issues	Final community meeting; disclosure of results summary	End of project	Municipalities	Final project implementation report, including project results and outcomes

6. Grievance Mechanism

In accordance with ESS10, a Grievance Redress Mechanism (GRM) will be established under the Project to receive and address concerns and grievances from all project-affected and other interested stakeholders.

The Grievance Redress Mechanism (GRM) will be implemented through a coordinated system involving both central and local levels, ensuring accessibility, efficiency, and timely resolution of grievances.

At the central level, the Project Implementation Unit (PIU) will be responsible for the overall management of the GRM. This includes maintaining the central grievance registry, monitoring the status of all grievances, ensuring compliance with defined procedures and timelines, and reporting to the World Bank. The PIU will also be responsible for handling complex or escalated grievances and coordinating with relevant institutions.

At the local level, municipalities and contractors will serve as the first point of contact for stakeholders, particularly for grievances related to site-specific activities. Municipalities will facilitate communication with local communities and support the submission of grievances, especially for stakeholders with limited access to digital channels.

Contractors will be responsible for the immediate handling of operational and site-related grievances (e.g. construction impacts such as noise, dust, access restrictions, and safety concerns), in coordination with the PIU. All grievances received at the local level will be promptly forwarded to the PIU for registration in the central grievance system.

This two-tier structure ensures that grievances are addressed as close as possible to their source, while maintaining centralized oversight, consistency, and accountability.

Regardless of the entry point, all grievances will be recorded, tracked, and reported through the central GRM system managed by the PIU.

Use of the GRM is free of charge and does not limit the right of complainants to access judicial or administrative remedies.

The grievance mechanism shall be further equipped to receive, register, and facilitate the resolution of SEA/SH complaints, including through the referral of survivors to relevant gender-based violence service providers, all in a safe, confidential, and survivor-centered manner.

The Grievance Redress Mechanism (GRM) defined under this SEP represents a **single, project-wide GRM** applicable to all components of the WASEC. All grievances will be recorded, processed, monitored, and closed through the central GRM system managed by the Project Implementation Unit (PIU), in accordance with the procedures and timelines defined in this document.

Principles of the GRM

The GRM will be guided by the following principles:

- **accessibility** – the mechanism is open to all individuals and entities;
- **transparency** – procedures and timelines are clearly defined and publicly disclosed;
- **confidentiality** – personal data of complainants will be protected;
- **non-discrimination** – all complainants will be treated equally;
- **non-retaliation** – submission of a grievance will not result in any adverse consequences;
- **timeliness** – grievances will be addressed within defined timeframes;
- **proportionality** – the approach to resolution will be commensurate with the nature and complexity of the grievance.

Special Procedures:

- **SEA/SH grievances** will be handled through confidential and survivor-centered protocols, separate from the general grievance chain, in line with World Bank guidelines.

World Bank Grievances Redress Service:

Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit: <http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>

Accountability:

- The PIU will manage the centralized grievance register, monitor progress on complaint resolution, and prepare quarterly summaries of GRM performance for internal and World Bank reporting.
- The PIU will ensure grievance data is disaggregated (e.g., by gender, type, vulnerable status) and analyzed to identify trends.
- Final decisions on complex or escalated grievances will rest with the PIU, which will liaise with relevant Directorates, Working Groups (WGs), and the Technical Services Unit (TSU) under the Ministry of Finance, as needed.

Eligibility to Submit a Grievance

Grievances may be submitted by:

- any individual or legal entity;
- individuals or groups;
- directly affected or other interested stakeholders;
- community representatives or organizations.

Grievances may be submitted anonymously, should the complainant so wish.

Channels for Submitting Grievances

Grievances may be submitted through the following channels:

- electronic mail (official PIU email address);
- telephone (PIU contact number);
- written submission (by post or in person at PIU or municipal offices);
- during public meetings or consultations (with recording by the PIU).

Contact person: TBD

Position: TBD

Email: grievances_wasec@procon.me

Phone: +38220201545

Address: "Project-Consulting" - Podgorica Ltd. (PROCON), Moskovska 65, I floor, 81000 Podgorica, Montenegro

Website: www.procon.me

The official Grievance Form (available in Appendix 2) is going to be duly available via the Ministry's website, PIU website, at the construction site, as well as at the relevant local self-government offices. Information on the GRM, including contact details and procedures, will be publicly disclosed and regularly updated in the form of Public Grievance Leaflet (Appendix 1), which contains the GRM contact information.

Grievance Handling Procedure

The PIU is responsible for Grievance Management by ensuring that complaints and feedbacks are received, recorded, and responded and resolved in a timely manner. The grievance handling process consists of the following steps:

Step 1: Receipt and Registration of the Grievance

All grievances received will be registered in a central grievance log maintained by the PIU. Where the identity of the complainant is known, an acknowledgment of receipt will be provided within three (3) working days.

Step 2: Screening and Categorization

The PIU will conduct an initial review to determine:

- whether the grievance is related to the Project;
- the grievance category (e.g. environmental issues, social issues, safety concerns, informational requests);
- the level of complexity and urgency.

This step will be completed within five (5) working days of receipt.

Step 3: Review and Resolution

The PIU, in cooperation with relevant institutions, contractors, or competent authorities, will review the grievance and propose appropriate corrective or remedial measures.

The standard timeframe for grievance resolution is fifteen (15) working days. For complex cases, this period may be extended up to thirty (30) working days, with prior notification to the complainant.

Step 4: Response to the Complainant

A written response will be provided to the complainant, including:

- a summary of the grievance;
- actions taken or proposed;
- timelines for implementation of actions;
- information on escalation options if the complainant is not satisfied with the outcome.

Step 5: Closure of the Grievance

A grievance will be considered closed once corrective actions have been implemented or the complainant has accepted the response. The closure status will be recorded in the grievance log.

Grievance Escalation

If the complainant is not satisfied with the resolution, they may:

- request a review by the PIU management;
- submit the grievance to relevant competent authorities;
- pursue judicial or administrative remedies.

Grievance Record-Keeping and Reporting

The PIU will maintain an up-to-date grievance registry, including:

- a unique grievance identification number;
- date of receipt;
- subject and category;
- status and timelines;
- actions taken and outcomes.

Aggregated information on grievances will be included in periodic reports to the World Bank, without disclosure of personal data, while the Grievance Registry which is going to be used for managing the overall process is available in Appendix 3.

Disclosure of GRM Information

Information on the GRM will be:

- included in this SEP;
- made available on the websites of MESDNRD and the PIU;
- presented during public consultations;
- available at municipal offices involved in the Project.

7. Resources and responsibilities

Effective implementation of the Stakeholder Engagement Plan (SEP) requires clearly defined institutional responsibilities, adequate human capacity, and secured financial resources. In line with the requirements of ESS10, roles and responsibilities for SEP implementation are clearly allocated among the key actors involved in project implementation.

Institutional and implementation arrangements

The Ministry of Ecology, Sustainable Development and Northern Region Development (MERS) and Ministry of Agriculture, Forestry and Water Management (MAFWM) along with Project implementation Unit (PROCON) hold overall responsibility for ensuring compliance of the Project with the World Bank Environmental and Social Framework (ESF).

The Ministry of Ecology, Sustainable Development, and Northern Region Development (MERS) and Ministry of Agriculture, Forestry and Water Management (MAFWM) will be responsible for overall project management, coordination, and oversight of the project. Given their mandate to formulate and implement national water management strategies, policies, and regulations, as well as to ensure compliance with environmental legislation, both ministries will cooperate in leading the project. Both Ministries will provide strategic direction and ensure that project activities are aligned with Montenegro's national environmental and water management priorities, as well as the country's EU accession agenda. The MERS and MAFWD will work in close collaboration with the PIU and municipalities (which are final beneficiaries) and will serve as key implementation partners, particularly under Component 1, which focuses on strategic investments in water services infrastructure. As well, same approach will be applied for Component 2, which will support the sustainable coastal water supply managed by the Regional Water Supply Company for the Montenegrin Coast, and will ensure infrastructure improvements and will guarantee continuous water supply in the southern region - particularly during the peak summer period - thereby contributing to the sustainability and resilience of tourism as the country's leading economic sector. For Component 3, the ministries will lead activities in strengthening the legislative and regulatory framework, improving tariff methodology, developing a national water services strategy and data systems, and enhancing institutional and human capacities to ensure sustainable, efficient, and universally accessible water supply and sanitation services.

To ensure effective and timely implementation, under Component 4, a role of the Project Implementation Unit (PIU) will be delegated to National project implementation unit in the field of communal services and environment (PROCON). The PIU will be responsible for day-to-day management, coordination, and technical oversight of all project activities. It will ensure compliance with the World Bank's fiduciary, environmental, and social standards, monitor progress toward achievement of the Project Development Objective (PDO), and prepare all required reports and documentation. The PIU will be composed of the following: a PIU Coordinator, who will provide overall leadership and coordination, serve as the main point of contact with the World Bank, the TSU, and other stakeholders, and ensure timely preparation of work plans, budgets, and progress reports; an Environmental Specialist and a Social Specialist, who will oversee the preparation and implementation of the Environmental and Social Framework (ESF) instruments, monitor compliance with the Environmental and Social Commitment Plan (ESCP), and ensure that environmental and social risks are effectively managed throughout the project cycle; a Civil Engineer (Technical Expert on Water/Wastewater Management), who will provide technical guidance on design, supervision, and quality assurance of infrastructure works and other technical activities; Monitoring and evaluation specialist, who will be responsible for development and implementation of M&S systems, data collection and etc. a Project Assistant, who will support administrative and logistical functions. The PIU will report directly to the MERS and MAFWM, ensuring high-level accountability and strong institutional ownership.

The Project Implementation Unit (PIU) is responsible for the day-to-day management and operational implementation of the SEP, as well as for coordinating all stakeholder engagement activities under the Project.

Roles and Responsibilities

Roles and responsibilities of individual entities, i.e. the most relevant groups of stakeholders which are in charge of project planning, implementation, monitoring and overall project management, are presented in the sections below.

Project Implementation Unit (PIU)

The PIU plays a central role in SEP implementation and is responsible for:

- planning and implementing stakeholder engagement activities in accordance with this SEP;
- identifying and regularly updating the stakeholder list throughout the project life cycle;
- organizing and facilitating public consultations, meetings, and other engagement activities;
- ensuring timely disclosure of information in accordance with Section 7 of this SEP;
- establishing, managing, and overseeing the Grievance Redress Mechanism (GRM);
- maintaining records of consultations, communications, and grievances;
- preparing periodic reports on SEP implementation for submission to the World Bank;
- coordinating with other institutions, local governments, contractors, and consultants on stakeholder engagement activities.

The PIU will designate one or more responsible staff members to oversee stakeholder engagement activities and the functioning of the GRM.

Local Governments

Local governments covered by the Project will have a supporting role in SEP implementation, including:

- assisting in informing local communities about project activities;
- providing venues for public meetings and consultations;
- supporting dissemination of information through local communication channels;
- cooperating with the PIU in addressing grievances related to local-level issues.

Contractors and Consultants

Contractors and engaged consultants will be contractually required to:

- cooperate with the PIU in implementing stakeholder engagement activities;
- provide timely information on planned works that may affect local communities;
- participate in the resolution of grievances related to their activities;
- designate contact persons for communication with the PIU and local communities.

Human Resources and Capacity

For the implementation of the SEP, the PIU will ensure the availability of adequate human resources, including:

- an environmental and social specialist;
- a staff member responsible for stakeholder engagement and communications;
- administrative support for record-keeping and reporting.

Where necessary, the PIU will organize training for staff and other relevant actors on:

- ESS10 requirements;
- consultation processes;
- grievance management;
- communication with vulnerable and disadvantaged groups.

Financial Resources

The costs associated with SEP implementation, including:

- organization of consultations and public meetings;
- preparation and dissemination of information materials;
- administration and operation of the GRM;
- training and capacity building activities;

will be covered under the Project budget, through the PIU's operational budget. Ensuring adequate financial resources is considered a key prerequisite for effective SEP implementation.

Coordination and Reporting

The PIU will establish internal coordination mechanisms to ensure consistent application of the SEP across all phases of the Project.

Reporting on SEP implementation will be carried out through:

- regular project progress reports;
- environmental and social monitoring reports submitted to the World Bank;
- updates to the Environmental and Social Commitment Plan (ESCP), as required.

8. Monitoring and Reporting

Monitoring and reporting on the implementation of the Stakeholder Engagement Plan (SEP) will be carried out throughout the entire project life cycle, with the objective of assessing the effectiveness of stakeholder engagement activities, identifying potential gaps, and ensuring continuous improvement of the engagement process in line with ESS10 requirements.

Monitoring of SEP Implementation

The Project Implementation Unit (PIU) will be responsible for regular monitoring of SEP implementation. Monitoring activities will include tracking:

- implementation of planned stakeholder engagement activities;
- levels of participation of project-affected and other interested stakeholders;
- effectiveness of communication and consultation methods;
- functioning of the Grievance Redress Mechanism (GRM);
- inclusion of vulnerable and disadvantaged groups.

Monitoring will be conducted on a continuous basis through the collection and analysis of data from records of consultations, communications, and grievances.

Monitoring Indicators

For monitoring purposes, both qualitative and quantitative indicators will be used, including but not limited to:

- number of consultations and meetings organized by project phase;
- number of participants in consultations, where feasible, disaggregated by stakeholder category;
- number of information disclosure activities, types of information disclosed, and communication channels used;
- number of grievances received through the GRM;
- categories of grievances;
- average response and resolution time for grievances;
- percentage of grievances resolved within defined timeframes;
- number of engagement activities targeting vulnerable and disadvantaged groups;
- stakeholder feedback on the quality and effectiveness of consultations.

These indicators will be regularly reviewed to assess the effectiveness of SEP implementation.

Reporting

The PIU will prepare reports on SEP implementation as part of regular project progress reporting. Such reports will include:

- a summary of stakeholder engagement activities carried out;
- monitoring results against the defined indicators;
- an overview of grievances received and resolved;
- identified challenges and corrective actions undertaken;
- recommendations for improving stakeholder engagement processes.

Monitoring and reporting at the project level will cover aggregated indicators for all WASEC components. Detailed monitoring and reporting on stakeholder engagement activities at individual locations will be carried

out in accordance with the relevant documentation, and the results will be integrated into regular reporting to the World Bank.

Updating of the SEP

The SEP is a living document and will be updated within 6 months of project effectiveness to further detail out the GM and thereafter during project implementation in the following circumstances:

- in the event of significant changes to the project scope, design, or locations;
- if new or more significant environmental and/or social risks are identified;
- if new stakeholder groups emerge or if the level of interest or influence of existing stakeholders changes;
- if monitoring results indicate that existing engagement measures are insufficient or ineffective.

All updates to the SEP will be consulted upon, disclosed in an appropriate manner, and submitted to the World Bank in accordance with ESF procedures.

Role of the World Bank

The World Bank will oversee SEP implementation through:

- regular supervision missions;
- review of periodic monitoring and progress reports;
- oversight of the functioning of the GRM;
- provision of recommendations for improving stakeholder engagement practices.

The PIU will cooperate with the World Bank to ensure that stakeholder engagement activities are implemented in accordance with the ESF and good international practice.

9. Appendices

Appendix 1: Public Grievance Leaflet

The MERS/MAFWM/PIU is committed to ensuring that the establishment and implementation of the Montenegro Water Security and Climate Adaptation Project does not cause adverse impacts on residents, landowners, business owners or other stakeholders affected by the Project. However, should any issues arise, we encourage you to share any concerns or grievances related to Project activities.

What type of grievance can be submitted?

Any individual may submit a grievance if they believe that Project activities are having a negative impact on them personally, their property or on their local environment. Examples include, but are not limited to:

Increased noise, restricted access to private property, or other disturbances during construction works;

Environmental, health, or safety concerns resulting from improper waste management, dust, or noise caused by the Project activities

Damages on private property caused by the Project activities

Inadequate implementation of the Stakeholder Engagement Plan by MERS/MAFWM/PIU

How can a grievance be submitted?

Grievances can be submitted to the MERS/MAFWM/PIU (contact information provided below) or to the contractor/supervision engineer (once construction commences). Submission is free of charge to the complainant and may be made in the following ways:

a. Verbally: in person or by telephone;

b. In writing: either by completing the attached Project Grievance Form or using another preferred format, and submitting it by personal delivery, post, or e-mail.

CONTACT INFORMATION:

Contact person: TBD

Position: TBD

Email: grievances_wasec@procon.me

Phone: +38220201545

Address: "Project-Consulting" - Podgorica Ltd. (PROCON), Moskovska 65, I floor, 81000 Podgorica, Montenegro

Website: www.procon.me

Grievances may also be submitted anonymously. If you prefer your grievance to remain confidential, the CGES/PIU will ensure that your name and contact details are not shared without your consent. Only members of the GCES/ PIU team directly involved in addressing your grievance will have access to this information. In cases where a full investigation is not possible without disclosing your identity or the content of your grievance, you will be notified in advance.

How the MERS/MAFWM/PIU handles your grievance

Receipt and Registration of the Grievance

- All grievances received will be registered in a central grievance log maintained by the PIU. Where the identity of the complainant is known, an acknowledgment of receipt will be provided within three (3) working days.

Screening and Categorization - The PIU will conduct an initial review to determine:

- whether the grievance is related to the Project;
- the grievance category (e.g. environmental issues, social issues, safety concerns, informational requests);
- the level of complexity and urgency.
- This step will be completed within five (5) working days of receipt.

Review and Resolution

- The PIU, in cooperation with relevant institutions, contractors, or competent authorities, will review the grievance and propose appropriate corrective or remedial measures.
- The standard timeframe for grievance resolution is fifteen (15) working days. For complex cases, this period may be extended up to thirty (30) working days, with prior notification to the complainant.

Response to the Complainant - a written response will be provided to the complainant, including:

- a summary of the grievance;
- actions taken or proposed;
- timelines for implementation of actions;
- information on escalation options if the complainant is not satisfied with the outcome.

Closure of the Grievance

- a grievance will be considered closed once corrective actions have been implemented or the complainant has accepted the response. The closure status will be recorded in the grievance log.

Appendix 2: Project Grievance Form

Reference Number	
Full name (optional) - I wish to raise my grievance anonymously. - I request that you do not disclose my identity without my consent.	
Contact information Please mark how you wish to be contacted (mail, telephone, e-mail).	By Post: Please provide mailing address: _____ _____ By Telephone: _____ By E-mail: _____
Preferred language of communication	- Montenegrin - English (if possible) - Other (e.g. Roma)
Description of Incident for Grievance	What happened? Where did it happen? Who did it happen to? What is the result of the problem?
Date of Incident / Grievance	
	- One-time incident/grievance (date _____) - Happened more than once (how many times? _____) - On-going (currently experiencing problem)
What would you like to see happen?	

Appendix 3: Grievance Registry

No.	Name of complainant	Complainant profile	Contact information	Date received	Date acknowledged	Type (topic) of problem	Responsible party	Grievance description	Proposed corrective action	Due date for action	Results of action	Date of closure	Grievance follow-up	Recurrence (Y/N)	Notes
	Enter name or 'anonymous'														

Note: Any personal data will be processed in line with the Montenegro Law on Personal Data Protection

Appendix 4: Stakeholder Engagement Log

No.	Name/type of stakeholder ((e.g., individual, local community, NGO, business, public institution, land or property owner, other (specify))	Contact information	Date of consultation	Type and place of consultation (e.g., live, online, telephone, group, personal, etc.)	Concern /topic description	Name, surname, and position of the MESDNRD/PIU representative	Name, surname, and position of the Municipality/Local Community representative (if applicable)	Proposed Action/ Response (Immediate / Long-term)	Start and end time of the consultation or meeting duration	Are further meetings planned, and if so, within what time frame?	Follow-up	Notes

Note: Any personal data will be processed in line with the Montenegro Law on Personal Data Protection