

Environmental and Social Action Plan

Table 1: Environmental and Social Action Plan

#	Task/measure/corrective action	Purpose of action	Source of requirement	Responsibility	Measure of success	Deadline
IFC PS1: Assessment and Management of Environmental and Social Risks and Impacts						
1.1	Submit report to the EBRD in accordance with requirements set out within the Environmental and Social Management Plan (ESMP) on Environmental, Social, Health and Safety (ESHS) performance and including status of each ESAP element and current status of ESHS issues.	To ensure measures within the ESIA and EIA are being implemented	IFC PS1	Green Gvozd	Submission of report on specified schedule	Quarterly reports to be submitted during construction Six monthly reporting during operation
1.2	Appoint and maintain suitably qualified and experienced person(s) to be responsible for environmental, social, and occupational health and safety (OHS) for the Project.	To ensure that suitably qualified and experienced ESHS staff are working on the Project and are accountable to Project management.	IFC PS1	Green Gvozd	Appointment of ESHS personnel confirmed to EBRD	Prior to construction
1.3	Develop an ESMP for Construction (C-ESMP) and Operation (O-ESMP) to implement the management and mitigation measures listed in this ESIA Appendix. Include an organization chart showing the organizational structure of the project management team hierarchy and defining all key management roles, including the ESHS. Update the ESMP with any additional mitigation as needed as the project progresses. Ensure that the Engineering, Procurement and Construction Contractor (EPC) or the EPC Management Contractor (EPCM) develops a Construction and Social Environment Management Plan (C-ESMP) and related sub-plans and monitors the compliance of construction sub-contractors.	Ensure that environmental and social management measures prescribed within the ESIA are implemented	IFC PS1 Best practice	Green Gvozd with assistance from external consultants/ Lenders.	C-ESMP produced	Prior to main construction activities
1.4	Develop an Environmental, Health and Safety Management System (EHSMS) in line with international standards i.e. ISO 14001 (environmental) and OHSAS 18001 (health and safety)	Promote EHS culture within the organization and meet international best practice Documentation of roles and responsibilities within Green Gvozd	IFC PS1 Best practice	Green Gvozd	Evidence of ISO accreditation	During Project lifetime

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1.5	Include contractual clauses within the contractors' agreement that contractually requires compliance with international requirements and with the requirements of the ESMP/ESAP.	Ensure a unified adoption of international environmental, health, safety and social standards by all parties involved in the Project	IFC PSs Best practice	Green Gvozd	Evidence of international environmental, health, safety and social contractual obligations within EPC/EPCM contractor contract	Ongoing from commencement of construction
1.6	Conduct quarterly inspections of construction site and EPC/EPCM contractor's occupational health and safety (OHS) performance. Report on performance to Lenders every three months during construction. Report frequency to be increased in the event of significant issues/incidents on site.	Ensure EPC/EPCM contractor's adoption of international requirements for OHS	IFC PS1	Green Gvozd	Throughout construction	Report available and submitted to Lenders quarterly
1.7	Update C-ESMP for operations (O-ESMP) and decommissioning (D-ESMP), including revision of sub-plans where necessary	To ensure that plans are appropriate to the current phase of the Project	IFC PS1	Green Gvozd	O-ESMP and sub plans D-ESMP and sub plans	Prior to change in phase
1.8	Publish the Project SEP on the Green Gvozd website. Update regularly and implement the stakeholder engagement plan (SEP), including Project performance grievance mechanism. Maintain a register of external communications including minutes of meetings held with stakeholders, as part of the SEP. Publish annual reports of key environmental and social aspects of the Project.	To maintain good stakeholder engagement and framework for sharing information with the public	IFC PS1	Green Gvozd	SEP published Report to Lenders on consultation activities Report to Lenders on all grievances received and how resolved	Throughout Project lifecycle

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1.9	<p>Develop and implement contractor/subcontractor Management Plan to manage ESHS planning and performance of construction and other contractors, including at a minimum:</p> <ul style="list-style-type: none"> Inclusion of relevant ESAP requirements in contracts/subcontracts. Clear assignment of Green Gvozd and contractor ESHS responsibilities. Contractor reports to include relevant data in reports to Lenders, and to allow evaluation of need for corrective actions. Verification of training and/or proper credentials for contractor staff/managers responsible for ESHS 	ESHS management of contractors and subcontractors	IFC PS1	Green Gvozd	Development and implementation of contractor management system ESHS reports to lenders on contractors' oversight	Ongoing from commencement of construction
1.10	<p>Publish the Non-Technical Summary (NTS) of the ESIA addendum on the Green Gvozd website. Make hard copies of documents available in Green Gvozd offices and municipal offices.</p>	To inform the public on foreseen impacts and planned mitigation measures	IFC PS1	Green Gvozd	NTS published, hard copies available	Prior to construction
IFC PS2: Labor Working Conditions						
2.1	<p>Develop/maintain written HR policies and procedures in accordance with national legislation and PS2 requirements and ensure the relevant policies are available to all employees in their language(s). The HR policy/procedure should contain an enforceable code of conduct applicable to all workers, including in particular those who are not of local origin, or a stand-alone code will need to be developed.</p>	To ensure that worker rights are protected and code of conduct communicated	IFC PS2	Green Gvozd Contractors	HR policy available to all workers	Ongoing from commencement of preparation for construction
2.2	<p>Integrate and maintain mitigation measures relating to labor and working conditions identified in the ESMP into the C-ESMP</p>	Prevent employee or contractor disputes from grievances	IFC PS2 Best practice	Green Gvozd Contractors	Development of C-ESMP Limited number of labor grievances which are quickly resolved	Prior to construction
2.3	<p>Monitor contractor and supplier performance in management of recruitment and labor issues, including management of worker grievances</p>	Prevent worker grievances	IFC PS2 Best practice	Green Gvozd	Limited number of labor grievances which are quickly resolved	Ongoing from commencement of preparation for construction

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2.4	<p>Develop and implement an OHS plan(s) to guide all activities on project site during site preparation, construction, and operation and ensure that all contractors adopt these plans. Requirements to include, at a minimum:</p> <ul style="list-style-type: none"> • Job and task-specific hazard analysis and controls for all activities • Provision of personal protection equipment (PPE), requirements for use of PPE, and enforcement of PPE use • Safety training for all personnel in their language, covering hazards and safety protocols of their jobs • Special training for specific hazards: working at heights, in excavations, with electricity • Review and approval of contractors' OHS plans • Oversight of contractor OHS implementation, including mandatory reporting • Recording incident statistics, including total work hours, lost time incidents, major injuries, fatalities, etc. 	Promote OHS and prevent any incidents	IFC PS2 Best practice	Green Gvozd Contractors	OHS plans developed Zero incidents	Ongoing from commencement of preparation for construction

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IFC PS3: Resource Efficiency and Pollution Prevention						

3.1	<ul style="list-style-type: none"> ● Integrate and maintain mitigation measures associated with pollution prevention identified in the ESMP into the C-ESMP. This should include as a minimum: <ul style="list-style-type: none"> ● Maintain equipment and take other measures to keep noise to a minimum, including avoiding/minimizing use of equipment at night. Monitor for noise at receptor locations upon request by affected people. Implement appropriate mitigation if noise exceeds applicable standards. ● Develop and implement construction phase dust suppression plan to ensure dusty loads are sheeted and unsealed roads are damped-down. ● Develop and implement waste and hazardous materials management plans for construction and operation phases, to cover all liquid and solid wastes and materials (chemicals, fuel, construction debris, excess spoil, domestic/household wastes, spill cleanup debris, etc.). Maximize waste reduction, reuse, recycling, etc. ● Earthen material management measures: <ul style="list-style-type: none"> – Segregate and store in stable piles all topsoil and subsoil salvaged from construction areas. – Store rock in stable piles. – Protect all storage piles with covers, including vegetative cover (native grass species) as needed to prevent wind/water erosion and desiccation. – Use best practices to prevent or retard run-off. – Reinstate all disturbed areas by covering with topsoil and seeding/planting with native species, or returning to tillage. ● Water protection measures <ul style="list-style-type: none"> – The location of the project is in the wider zone of sanitary protection of Vidrovanske vrele. – Ensure that refueling, oil and lubricant replacement are performed on an impermeable surface with special care to ensure that fuel refueling or oil or lubricant replacement does not spill into the surrounding soil and water. – Waste oils generated during the overhaul, store in specially designated containers, stored on an impermeable surface, until collection by this type of waste. 	<p>Promote EHS culture within the organization and meet international best practice.</p>	<p>IFC PS3 Best practice</p>	<p>Green Gvozd Contractors</p>	<p>Development of C-ESMP No environmental incidents</p>	<p>Prior to and throughout construction</p>
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PS4: Community Health, Safety and Security						
4.1	<p>Implement safe practices through C-ESMP during construction to minimize potential impacts on local communities during construction as specified in the ESMP</p> <p>Plans and procedures to include, as a minimum:</p> <ul style="list-style-type: none"> • Occupational health and safety study • Fire protection project • Traffic management plan. • Public notices on hazards related to works and equipment during construction and operation. • Emergency preparedness and response plan. • Safety measures to prevent unauthorized access during construction and to minimize access to the interior of the substation and turbine during operation. • Develop and implement traffic and transport management plan(s) to include access, routing, diversions, exceptional loads, and driver training. Consult with local stakeholders and provide timely information to users of land of times access to their land may be necessary, or limited. Contracts must ensure compliance with plan(s). Plans must cover transport of turbines, rock/stone, and other materials to be brought to or removed from the site. • During construction and operation, monitor noise at residences upon request and take actions to reduce or control noise as needed to meet applicable standards. Ensure proper noise controls on vehicles and equipment. When designing the substation, use technology whose specifications ensure that noise standards will not be exceeded. 	Promote good practice during construction and to protect the health and safety of local communities.	IFC PS4 Best practice	Green Gvozd Contractors	Development of C-ESMP No community grievances/complaints	Throughout construction
IFC PS5: Land Acquisition and Involuntary Resettlement						
5.1	Integrate and maintain mitigation measures relating to land acquisition and compensation identified in the ESMP into the C-ESMP	<p>Prevent economic displacement resulting from land acquisition and/or Project related transport and traffic</p> <p>Prevent grievances from affected land owners and users</p>	IFC PS2 Best practice	Green Gvozd Contractors	Development of C-ESMP Limited number of grievances which are quickly resolved	Prior to construction and throughout Project lifecycle

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5.2	Consider all grievances received in relation to compensation for affected land and assets or damages, including those under the responsibility of the municipality (e.g. expropriation) and address them/cooperate with responsible authorities to address them	Prevent economic displacement resulting from land acquisition and/or Project related transport and traffic Prevent grievances from affected land owners and users	IFC PS2 Best practice	Green Gvozd	Development of C-ESMP Limited number of grievances	Prior to construction and throughout Project lifecycle

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FC PS6: Biodiversity Conservation and Sustainable Management of Living Material						
6.1	<p>Integrate and maintain mitigation measures relating to biodiversity and sustainable management of living materials identified in the ESMP into the C-ESMP and O-ESMP</p> <p>This should include as a minimum:</p> <ol style="list-style-type: none"> 1) Appoint qualified professionals with expertise in birds and bats to: <ol style="list-style-type: none"> a) undertake pre-construction tree surveys for roosting bats, including ground level inspections, tree climbing and/or emergence/re-entry surveys to inform mitigation measures prior to and/or during felling. b) undertake a breeding bird survey of habitats affected during construction to determine locations of active nests, should works be undertaken between March and August. c) devise a methodology for bird and bat carcass monitoring of the WTGs and OHL over a minimum of three years from the first year of operation. <p>The aim will be to:</p> <ul style="list-style-type: none"> - Assess adequacy of previous characterizations of bird/bat use, residence, and passage - Re-evaluate impacts on birds and bats - Recommend changes to operating parameters (such as rotation speed or operating hours during sensitive periods/hours) and/or other mitigation - Reassess cumulative impact assessment on birds and bats and recommend additional mitigation, if required. <ol style="list-style-type: none"> 2) No protected plant species were observed at the project site. However, it is necessary to appoint a qualified expert (s) in order to monitor the possible endangerment of the plant world. 	Minimize habitat loss and meet international best practice.	IFC PS6 Best practice.	Green Gvozd Contractors	Development of C-ESMP Limited habitat loss	Prior to and throughout construction and operation
IFC PS7: Indigenous Peoples						
-	Not applicable					

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IFC PS8: Cultural Heritage						
8.1	Develop and implement mitigation measures as part of the C-ESMP as identified in the ESMP	Minimize potential loss of cultural heritage Meet international best practice.	IFC PS8 Best practice.	Green Gvozd Contractors	Development of C-ESMP Compliance with chance finds procedure	Prior to construction

Appendices

A.	Environmental and social legislation of Montenegro	10
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A. Environmental and social legislation of Montenegro

A list of key applicable regulations and standards to be applied to the Project is presented below.

- Constitution of Montenegro ("Official Gazette of Montenegro", No. 1/07 and 38/13)
- Law on Environment ("Official Gazette of Montenegro", No. 52/16 and 73/19)
- Law on Nature Protection ("Official Gazette of Montenegro", No. 18/19)
- Law on Air Protection ("Official Gazette of Montenegro", No. 73/19)
- Law on Waters ("Official Gazette of the Republic of Montenegro", No. 27/07 and "Official Gazette of Montenegro", No. 73/10, 32/11, 47/11, 48/15, 52/16, 55/16, 02/17, 80/17, 84/18)
- Law on Environmental Noise Protection ("Official Gazette of Montenegro", No. 02/18)
- Law on Waste Management ("Official Gazette of Montenegro", No. 64/11 and 39/16)
- Law on Amendments to the Law on Integrated Prevention and Control of Environmental Pollution ("Official Gazette of Montenegro", No. 55/18)
- Law on Strategic Environmental Assessment ("Official Gazette of the Republic of Montenegro", No. 80/05 and "Official Gazette of Montenegro" No. 73/10 and 40/11, 59/11 and 52/16)
- Law on Environmental Impact Assessment ("Official Gazette of Montenegro" No. 75/18)
- Law on Municipal Wastewater Management ("Official Gazette of Montenegro", No. 2/17)
- Law on Protection of Cultural Heritage ("Official Gazette of Montenegro", No. 49/10, 40/11, 44/17, 18/19)
- Law on Expropriation ("Official Gazette of the Republic of Montenegro", No. 55/00, 12/02, 28/06 and "Official Gazette of Montenegro", No. 21/08,)
- Law on Energy ("Official Gazette of Montenegro", No. 05/16, 51/17, 82/20)
- Law on Property-Legal Relations ("Official Gazette of Montenegro", No. 19/09)
- Law on Spatial Planning and Construction of Facilities ("Official Gazette of Montenegro" No. 64/17, 44/18, 63/18, 11/19 and 82/20)
- Law on Free Access to Information ("Official Gazette of Montenegro" No. 44/12 and 30/17)
- Law on Ratification of the Convention on Access to Information, Public Participation in Decision-Making and the Right to Legal Protection in Environmental Matters ("Official Gazette of Montenegro", No. 03/09)
- Labor Law ("Official Gazette of Montenegro", No. 74/2019 and 8/2021)
- Law on Occupational Safety and Health ("Official Gazette of Montenegro", No. 34/14 and 44/18)
- Law on Amicable Resolution of Labor Disputes ("Official Gazette of Montenegro", No. 145/21)
- Law on Strike ("Official Gazette of Montenegro", No. 11/15)
- Law on Prevention of Harassment at Work ("Official Gazette of Montenegro", No. 30/12, 54/16)
- Anti-Discrimination Law ("Official Gazette of Montenegro", No. 46/10, 40/11, 18/14 and 42/17)
- Law on Preventing Discrimination Against Persons with Disabilities ("Official Gazette of Montenegro", No. 39/11)
- Law on Vocational Rehabilitation and Employment of Disabled Persons ("Official Gazette of Montenegro", No. 49/08, 73/10, 39/11 and 55/16)

- Pension and Disability Insurance Law "Official Gazette of the Republic of Montenegro", No. 54/03, 39/04, 61/04 - Constitutional Court decision, 79/04, 81/04 - amended, 29/05, 14/07 - Constitutional Court decision and 47/07 and "Official Gazette of Montenegro", No. 12/07, 13/07, 79/08, 14/10, 78/10, 34/11, 40/11, 66/12, 39 / 11, 36/13, 38/13, 61/13, 6/14, 60/14, 10/15, 44/15 - Constitutional Court decision, 42/16, 55/16 and 80/20)
- Law on Road Traffic Security ("Official Gazette of the Republic of Montenegro", No. 33/12, 58/14, 14/17 - Constitutional Court decision and 66/19)
- Law on Health Care ("Official Gazette of the Republic of Montenegro", No. 03/16, 39/16, 02/17, 44/18, 24/19, 82/20 and 08/21)
- Law on Protection and Rescue ("Official Gazette of the Republic of Montenegro", No. 13/07, 05008, 86/09, 32/11, 54/16 and 146/21)
- Rulebook on waste classification and waste catalog ("Official Gazette of Montenegro", No. 83/16)
- Rulebook on the content of the study on the assessment of acceptability for the area of the ecological network ("Official Gazette of Montenegro", No. 45/17)
- Rulebook on detailed criteria for determining the area of the ecological network ("Official Gazette of Montenegro", No. 45/17)
- Rulebook on limit values of noise in the environment, the manner of determining noise indicators and acoustic zones and methods of assessing the harmful effects of noise ("Official Gazette of Montenegro", No. 60/11)
- Decree on Determining Types of Pollutants, Limit Values and Other Air Quality Standards ("Official Gazette of Montenegro", No. 25/12).