

# **Stakeholder Engagement Plan**

## **Gvozd Windfarm Project**

Green Gvozd d.o.o.

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## 1 Introduction

Green Gvozd d.o.o. (Gvozd, Investor) proposes the development of a 50-megawatt (MW) wind farm in Nikšić (Gvozd village) in Montenegro (the "Project"). The Project is planned to consist of wind turbine generators (WTG), cable lines, overhead transmission lines (OHLs), substations and roads.

For the purposes of issuing state permits in Montenegro, the Project was subject to an environmental impact assessment (EIA), which included all parts of the project.

The first impact assessment was carried out in 2019. and the Investor obtained a Consent Decision on it. Given that the validity of the Decision on environmental consent is 2 years, in the event that a building permit is not obtained during this period, it is necessary to carry out an assessment of the impact on the environment again.

Since, due to the Covid 19 pandemic, the Investor failed to start the construction of the facility within the stipulated time, this Consent Decision became invalid.

For this reason, 2021 the environmental impact assessment was initiated again and the Consent Decision was obtained again.

To meet these stakeholder engagement and public consultation and disclosure requirements, this Stakeholder Engagement Plan (SEP) has been developed and will be implemented by the Investor. The purpose of the SEP is to present how the Project plans to communicate with people who may be affected by the Project or have an interest in it. The Plan also describes a grievance mechanism for people to raise any concerns about the Project. The Investor will periodically review and update this SEP, as important project information becomes available.

## 2 Project Description

The nearest populated place in the area of WF Gvozd is the village of Gvozd, which is located on the southern side of the area. Šavnik is approximately 9 km north of the WF Gvozd facility, while Nikšić is approximately 12 km southwest of the facility. The project occupies an area of approximately 2028 ha.

The construction of WF Gvozd (red color in Figure 1.) is planned at the following locations:

- Obešenjak,
- Oštrajca,
- Jeinjak,
- Grakala and
- Vlaško brdo.

In the vicinity of the project, there is a previously constructed Krnovo WindFarm (black color in Figure 1).

Figure 1 Location of the Gvozd windfarm project



Source: Topographic map 1:25000, sheet Gvozd

The project will have a total installed capacity of 50 MW and will consist of 16 WTGs. Phased construction of the following facilities is planned:

1. WF Gvozd - Phase A
  - wind turbines (WTG),
  - platforms for mounting wind turbines,
  - Accesses and service roads,
  - medium voltage and optical cables,
  - OHL 35 kV (T8-T6), L=1689m,
  - OHL 35 kV (T8-T7), L=1733m,
  - OHL 35 kV (T15-T14), L=867m,
2. SS 33/110 kV Gvozd - Phase B
3. SS 33/110 kV Krnovo (reconstruction) - Phase C
4. OHL 2x110 kV SS Gvozd - TS Krnovo L=2 919m - Phase D.
5. OHL 110 kV SS Gvozd - SS Nikšić L=14730m, reconstruction of SS 35/110 kV Nikšić, unbundling of overhead transmission lines in front of SS Nikšić (Phase E).

#### Wind turbine

It is planned to install wind turbines with a nominal output power of up to 5 MW, and to install up to 16 wind turbine positions. The total power of the wind farm at the point of transmission of electricity to the transmission system is max. 50 MW

#### Substation SS 33/110 kV Gvozd

SS 33/110 kV Gvozd is being built for the purpose of receiving electricity produced at the medium voltage level from the future Wind Farm Gvozd and transforming it to the high voltage level of 110 kV.

#### SS 33/110 kV Krnovo (reconstruction)

The project plans to reconstruct the existing SS 33/110 kV.

#### OHL 2x110 kV SS Gvozd - SS Krnovo

Starting point: Portal in SS Gvozd

End point: Portal in SS Krnovo

#### OHL 110 kV SS Gvozd - SS Nikšić

Starting point: Portal in SS Gvozd

End point: Portal in SS Nikšić

An assessment of the impact on the environment and society was carried out for the three phases of the Project: construction, operation and decommissioning. Impacts are classified as those related to ecology and nature conservation, landscape and visual impacts, traffic and transport, noise, socio-economic impacts, health safety and public nuisance, land and water emissions, air emissions, archeology and cultural heritage, electricity and magnetic fields and electromagnetic disturbances.

Identified impacts will be managed and mitigated in accordance with best practice. Among other things, an important measure is the timely informing of the local population about the relevant issues of the Project and consultation about the appropriate ways of solving them, which is why this SEP was prepared.

The project requires the acquisition of land for several components: construction of VTG, Transformation and distribution plant, transmission lines and access and service roads. The land needed for access and service roads is acquired from the municipality of Nikšić on the basis of the Law on Expropriation (Official Gazette No. 55/00, 12/02, 28/06, 21/08, 30/17, 75/18).

Green Gvozd will conduct further work to identify whether the land acquisition has caused/will cause economic displacement, particularly for vulnerable households, in which case the Company will develop and implement mitigation measures to ensure that people's lives are fully restored to their previous level.

More information about the Project, as well as the expected environmental and social issues, together with the planned mitigation measures, is available in the EIA (Institute for Development and Research in the Field of Occupational Safety, Podgorica, September 2019) and in the Report on the Process of Preparation of Environmental Impact Studies environment and social issues (LINK 011, Belgrade, April 2019).

## 3 National and international requirements

### 3.1 National Regulatory Requirements

As the highest legal act in the country, the Constitution of Montenegro ("Official Gazette of Montenegro", No. 1/2007 and 38/2013 - Amendments I-XVI) provides people with rights regarding true, complete and timely access to information and participation in matters of public importance, as well as the right to appeal or use other legal means to protect one's rights and submit suggestions/complaints to public authorities.

These provisions are detailed in the Law on Free Access to Information ("Official Gazette of Montenegro", no. 44/2012 and 30/2017).

As a first step, discovery and consultation steps are undertaken in accordance with the Law on Spatial Planning and Building Construction ("Official Gazette of Montenegro", no. 64/2017 and 82/2020) for the preparation and adoption of spatial and urban planning documents, including regulation plans. The conditions for publication and consultation are described in detail in the Rulebook on the detailed content and form of the planning document ("Official Gazette of Montenegro", no. 91/2020).

Laws and by-laws of Montenegro in the field of environmental protection, including the Law on Environmental Impact Assessment (Official Gazette of Montenegro No. 075/18) and the Law on the Environment (Official Gazette of Montenegro No. 052/16, 073/19, 073/19) and the Law on Nature Protection (Official Gazette of Montenegro 054/16), require the public to be informed and involved in all matters concerning the environment. Public announcement and consultation procedures are organized in connection with the preparation of the project's environmental impact assessment (EIA).

There are several disclosure and consultation activities that authorities undertake prior to EIA approval and they are as follows:

- Informing the public through the media about the details of the publication of the draft EIA (ie, where the electronic version and hard copy are available for review, the dates and times when the hard copy can be reviewed) and inviting citizens/organizations to submit comments and/or attend a public hearing during the period disclosures. Citizens can request that their comments be answered in writing;
- Organizing a public forum to present the EIA draft during the publication period;
- Processing comments received from all interested parties and revising the EIA to reflect them, as well as preparing reports explaining why certain comments were not adopted;
- Submission of the revised EIA and report to the competent authorities (EPA or local government, depending on the type of project) who assess whether the comments have been meaningfully considered and addressed.
- Publication of the Environmental Impact Assessment Decision on the website of the competent authority (EPA or local authority, depending on the type of project).

### **3.2 IFC Requirements**

Projects financed by IFC and other International Financial Institutions (IFIs) must meet international best practice and in particular the requirements for stakeholder engagement and public consultation, as outlined in the IFC Performance Standards on Environmental and Social Sustainability (2012).

These requirements are detailed in IFC Performance Standard 1. In summary, IFIs consider stakeholder engagement to be an ongoing process that includes:

- the client's public and timely disclosure of appropriate information to enable meaningful consultation with stakeholders
- meaningful consultation with potentially affected parties, and
- a procedure or policy by which people can make comments or complaints



## 4 Previous engagement of stakeholders

### 4.1 Previous Activities

So far, stakeholders have had the opportunity to familiarize themselves with the Project and possible impacts, in general within the process of drafting and amending the Spatial Urban Plan of the Municipality of Nikšić (2014/2016) and with details, within the process of drafting and adopting the Local Study of the location 'Gvozd', Nikšić (2018).

In addition, Green Gvozd held meetings with individuals in order to voluntarily purchase the land necessary for the project.

For the purposes of the Project, the urban planning and technical conditions for the WF Gvozd, issued on October 10, 2018 by the Ministry of Sustainable Development and Tourism, and the urban planning and technical conditions for the road infrastructure of the WF issued on October 1, 2018 by the Municipality of Nikšić, were obtained.

In addition, on April 1 and 2, 2019, a team composed of representatives of Green Gvozd d.o.o. from Podgorica, the Institute for Development and Research in the Field of Occupational Safety (ecology sector) from Podgorica and LINK 011 from Belgrade, held meetings with key stakeholders whose results are presented in this chapter.

Meetings were held with the following stakeholders:

- EPCG representative;
- Representatives of Nikšić Municipality;
- Members of the commission for determining the amount of fair compensation, established by the Real Estate Administration, in accordance with the Law on Expropriation of Montenegro;
- Representative of the Real Estate Administration of the Nikšić regional unit;
- Representatives of the Ozone Ecological Movement organization from Nikšić;
- Representatives of the organization Center for the Protection and Study of Birds (CZIP) from Podgorica, a member of the International Union for Conservation of Nature (International Union for Conservation of Nature) and the global umbrella organization Birdlife International;
- Representative of the Agency for Nature and Environmental Protection of Montenegro;
- The owner of the land purchased by Green Gvozd for the needs of the Project.

Representatives of Nikšić Municipality (Municipal Manager and Main City Architect) expressed their full support for the Project, especially considering the previous project of WF Krnovo, the development and implementation of which was led by the same company. They pointed out the many benefits that the project brought to the local community, from new access roads to Krnovo, the engagement of construction companies from Nikšić and other parts of Montenegro in the construction of the wind farm, procurement of goods and services from local suppliers, improved electricity supply, the beginning of tourism development, etc. There were no negative impacts from the construction of the Krnovo wind farm, not even related to the transport of wind turbines to the project site, which was carried out at night and did not interfere with traffic. They expressed the expectation that the same will continue with the construction of the WF Green Gvozd.

Representatives of the Real Estate Administration and the commission formed to determine the amount of fair compensation explained to the team the process of expropriation and the latest amendments to the Law on Expropriation of Montenegro, informed the team about the stage in which the expropriation for project roads is (the assessment of the value of the land has been completed, and the project is underway parcelling) and expressed their belief that there will be no serious problems regarding the acquisition of land.

During the meeting with the EPCG representative, it was confirmed that both the Government of Montenegro and the EPCG company see the construction of the wind farm as an exceptional contribution to the country's energy system, which is fully in line with the system's development strategy. The fact that the state will become the owner of the wind power plant after 20 years from the start of the Project further strengthens the support that EPCG and the municipality of Nikšić provide to Green Gvozd. The expropriation and acquisition of land for the remaining wind turbines, the construction of transmission lines and substations will be carried out by EPCG, in accordance with the laws of Montenegro, but also with the standards of international good practice, with which EPCG has experience through World Bank projects.

Meetings were also held with two non-governmental organizations, Ozon and CZIP. Both organizations expressed great satisfaction that the shortcomings observed during the preparation of the Krnovo WF project, in terms of information exchange and cooperation, have now been overcome. They also stated that based on their experience with WF Krnovo, they do not expect any serious problems in terms of nature and environmental protection for the Gvozd WF project, but that they hope that the cooperation will continue and that they are willing to share their data in order to contribute to the development of a quality Elaborate on the assessment of the Project's impact on the environment.

The Ozone organization proposed to hold a special meeting with a larger number of organizations at which the Elaboration of the project's impact on the environment will be presented, which the team accepted, and in a later procedure, through participation in public hearings, informed the representatives of these organizations about the date of the public forum.

A meeting was also held with the representative of the Agency for Nature and Environmental Protection, where he informed the team that the Agency is very familiar with the Project, because the representatives of the Agency have already had several meetings with the Project holder. The representative of the Agency was then informed about the meetings that the team previously held and the conclusions and agreements on the next steps, from those meetings. What was particularly highlighted on several occasions by the representatives of the Agency was the satisfaction with the company's approach to cooperation with interested parties. The representative of the Agency believes that the approach is extremely good and that this is what is strived for in all projects, in order to obtain the best results and to ensure that the impact studies are of high quality, and that the number of objections to them is reduced to a minimum. It was emphasized that the project will have the full support of the Agency and that its representatives are available to the company for all the necessary assistance in the further development of the Project, starting with the consideration of the draft Study of the Project's impact on the environment.

During the conversation with one of the owners who sold her plot to the company for the purpose of building wind turbines, it was confirmed that she (and her brother as co-owner of the plot) is extremely satisfied with the offered price, the process of signing the contract

and the speed of payment of the agreed amount. As she owns several other plots in the project area, she expressed her willingness to sell them under the same conditions, if Green Gvozd needs additional land.

She also confirmed that, before the sale, neither she nor her brother used the land, and that she rarely visited the land she inherited. She also confirmed that other owners she knows rarely go to their plots, among other things, due to the very inaccessible terrain (which will now be more accessible due to the construction of access and service roads), and that a small number of them have cottages, but at the foot of the WF Gvozd, which they use only during the summer, and for a shorter period of time due to the strong wind.

#### **4.2 EIA for the wind farm Gvozd**

The disclosure and consultation process related to the Project began with several activities required under Montenegrin legislation, as described in Section 3.1.

As we pointed out in the Introduction, two public debates were held on this project (in 2019 and 2021).

Advertisements about holding public debates and public forums were published on the websites of the EPA and Municipality of Nikšić, as well as in the daily newspaper "Pobjeda" on April 19, 2019, i.e. xx.yy.2021.

The public is informed by these announcements/advertisements that:

- the EIA is available in printed form for inspection (in the EPA buildings and municipal secretariats in Nikšić and Šavnik),
- the electronic versions of the EIA are available on the websites of the EPA and the Municipality of Nikšić,
- comments can be submitted before the deadline for public hearings (including information on how and where comments can be submitted),
- public debates will be held on May 17, 2019, or June 17, 2021. in the Nikšić municipality building.

Along with this, the EPA notified the following institutions about the environmental impact assessment process:

- Ministry of Ecology, Spatial Planning and Urbanism - Directorate for Construction,
- Ministry of Ecology, Spatial Planning and Urbanism - Directorate for Ecology,
- Ministry of Capital Investments,
- Ministry of Agriculture, Forestry and Water Management,
- Institute for Public Health,
- Directorate for forests of Montenegro,
- Municipality of Nikšić - Secretariat for Spatial Planning and Environmental Protection.

The first public debate was held on April 15, 2019. until May 20, 2019. in the process of obtaining the Decision on EIA consent. During the public hearing, May 17, 2019. a public forum was held in the Nikšić Municipality building. The public forum was led by Emir Redžepagić and Jasmina Janković Mišnić - representatives of the EPA, and Aleksandar Duborija, Željko Spasojević and Stefan Škorić, representatives of the processor EIA - Institute for Development and Research in the Field of Occupational Safety, Podgorica, Zdravko Todorović, Krešimir Čondić participated in the forum. and Rajo Vulikić - representatives of

D.O.O. Green Gvozd, Sanja Miljanić, Velimirka Perišić, Milena Perišić and Radojica Macanović - representatives of Elektroprivreda Montenegro, Krsto Nikolić - representative of the Real Estate Administration from Nikšić, and Vera Mirković and Nevena Nikčević - representatives of the Nikšić Municipality Secretariat.

The second public debate was held on May 26, 2021 until June 22, 2021, and the public forum was held in the Nikšić Municipality building on June 17, 2021. The public forum was led by Emir Redžepagić - representative of the EPA, and participants in the forum were Aleksandar Duborija, Željko Spasojević and Stefan Škorić, representatives of the processor EIA - Institute for Development and Research in the Field of Occupational Safety, Podgorica, Zdravko Todorović, Krešimir Čondić and Radoman Burić - representatives of D.O.O. Green Gvozd, Velimirka Perišić - representative of Elektroprivreda Crne Gore, and Vera Mirković, Darja Vukanović and Gorica Fatić - representatives of the Nikšić Municipality Secretariat.

On the published EIA during the public debate held in 2019. no comments from institutions and the public have been received.

Also, during the public discussion held in 2021, there were no comments from institutions and the public.

EPA prepared Reports on public debate and consultation process. Draft documents were revised in accordance with the decisions of the EIA Evaluation Committee, and the final documents were approved and published on the EPA website.

The notification on giving consent to the Elaborate was made on the websites of the EPA and the Municipality of Nikšić, as well as in the daily newspaper "Pobjeda" on 07/08/2019, i.e. xx.yy.2021.

#### **4.3 Purchase of land for the Project**

The purchase of land for the construction of wind turbines was carried out by the company Green Gvozd, on a voluntary basis in about 40% of cases. The other turbines will likely have to undergo expropriation proceedings initiated by the EPCG. The main reason is that for one plot there are many owners who mostly live abroad and it is difficult to reach them. As an example, there is one case where the last registered owner of the land dates back to 1876, and today there are over 200 heirs to his land. The owner with whom the team met was very satisfied with the price and the entire process of purchase, which took place without any problems and very quickly. without the owners themselves having any additional costs. The offered (and accepted) price is about four times higher than the market value of the land (0.5 EUR per m<sup>2</sup>, although the demand for this land itself is very low) and amounted to 2 EUR per m<sup>2</sup>. In addition to the land for the wind turbines, a part of the corner poles for the transmission lines was also purchased by Green Gvozd on a voluntary basis, while the land needed for the other poles will also be expropriated, initiated by EPCG. There are no buildings on the subject land. According to the representatives of EPCG, the right of easement will be established on the land under the transmission lines, with compensation to the owners.

The expropriation of the land needed for the construction of access and service roads is carried out by the municipality of Nikšić, through the expropriation process. As the costs of expropriation (and land) will be borne by the company Green Gvozd, the unit price of compensation for land will be the same as for wind turbines, i.e. 2 EUR per m<sup>2</sup>. There are also no buildings on the subject land.

In general, it is about very small areas that are bought), about land that is not fertile (mainly meadows and fields of categories 6 and 7 and karst, as well as very little forest) and is not used for agriculture, and the purchase of which will not affect sources of income of the owner. On the other hand, given that the construction of access roads facilitates access to the surrounding parcels that gain in value, and that the offered compensation is significantly above the market value, it is expected that there will be no major opposition to the expropriation and the offered compensation.

#### **4.4 Support for local initiatives**

To date, Green Gvozd has invested in a number of local activities and initiatives in the area of improving infrastructure and sports, and has met with their representatives and/or participated in their sponsored events<sup>1</sup>. This activity will continue with the implementation of the Community Investment Fund Project (see Annex 2 - Community Investment Fund).

Participation in helping the community was as follows:

- Municipality of Nikšić - €5,598.95 - 02.10.2017. - for lighting
- KK Sutjeska, Nikšić - €5,000.00 - 18.07.2018. - help to the club
- KK Sutjeska, Nikšić - €3,000.00 - 30.10.2019. - help to the club
- Municipality of Nikšić - €1,000.00 - 03.01.2020. - holiday decoration

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<sup>1</sup> From 2010 to the end of 2016, over 37,000 euros were donated to various local institutions, associations and organizations.

## 5 Stakeholder Identification and Analysis

Project stakeholders have been identified based on proximity to Project components, potential degree of impact on them during construction and operation and interest in and concerns about the Project, as well as the level of influence they may have on the Project.

Stakeholder identification was initiated at the Project planning stage and was carried out for this SEP, on the basis of the following information:

- Analysis of all Project related materials and documents, including the Detailed Regulation Plans, the national EIA, expropriation elaborates, etc.;
- Analysis of information about the affected area (location in relation to villages, towns, infrastructure, natural resources, etc.);
- Analysis of information about the communities in the Project area;
- Analysis of currently available information about owners of land which has been or will be acquired for the Project;
- Field activities and meetings carried out to date in relation to land acquisition and resettlement;
- Consultations with local authority representatives (local communities and municipalities);
- Analysis of minutes of previous public consultation meetings held for the development of Detailed Regulation Plans and EIAs;
- Analysis of the NGOs / associations that have already shown an interest in the Project through participation in meetings and communication with Ivicom;
- Analysis of the donations that were provided to local activities and initiatives by Ivicom to date;
- Analysis of D.O.O. Green Gvozd internal stakeholders (employees, contractors, sub-contractors and suppliers).

**Error! Reference source not found.** below provides an overview of stakeholder groups identified by D.O.O. Green Gvozd to date. It will be periodically updated to include any newly identified stakeholders and to plan future engagement activities and timeframes. If you are not on the list, but would like to be included and kept informed about the Project, please contact the responsible D.O.O. Green Gvozd representative using the contact details provided in Section 9 of the SEP.

Table 1. Project Stakeholders

Stakeholders	Type of communication and the proposed Method	Responsibility	Time frame
<b>External stakeholders</b>			
People directly affected during construction and operation phases: <ul style="list-style-type: none"> <li>• Housing or land use in areas affected by the Project</li> </ul> This includes the following local	Information provided to residents / businesses using the land or operating in areas affected by the Project, through community meetings, as well as public notice boards (in the municipalities and in local communities) and safety signs.	D.O.O. Green Gvozd and site manager	Throughout the implementation of the Project, as appropriate

Stakeholders	Type of communication and the proposed Method	Responsibility	Time frame
communities: Gvozd, Ivanje, Lukovo and Rubeža.	Local media: <ul style="list-style-type: none"> <li>daily newspaper "Pobjeda"</li> <li>municipal website</li> <li>website of DOO Green Gvozd</li> </ul> EIA, Report on the process of preparation of environmental impact studies and social issues, Action Plan for environmental protection and social issues and SEP published on the website of D.O.O. Green ( <a href="https://green-gvozd.com">https://green-gvozd.com</a> ).		
Owners of land expropriated for the construction and upgrading of access and service roads. Users of land (who are not the owners) acquired for the Project.  Users of land disrupted during any of the Project phases (damages to crops, trees, etc.).	As above. Household level land acquisition impact assessment interviews, to determine if the households are vulnerable and/or if they have been economically displaced by land acquisition.  Participation in valuation of damages done by court certified valuers and meetings with Green Gvozd for compensation.	D.O.O. Green Gvozd and site manager	Prior to construction  During construction, operation and decommissioning phases.
Respective contractor for planning, acquiring land and constructing OHLs	Regular communication by phone or through meetings, project progress updates and reports	D.O.O. Green Gvozd and EPCG	Prior to and throughout construction
Local community representatives (presidents) - Gvozd, Ivanje, Lukovo i Rubeža.	Regular communication by phone or through meetings, project progress updates and reports	D.O.O. Green Gvozd and site manager	All phases of the Project
Nikšić municipal government Competent Secretariats	Official correspondence and meetings, updates and project progress reports  Procedures for issuing permits  Meetings with representatives of the Municipality of Nikšić within the Community Investment Fund	D.O.O. Green Gvozd and EPCG	Prior to starting of construction activities and during implementation
Relevant national level authorities for example: <ul style="list-style-type: none"> <li>Ministry of Ecology, Spatial Planning and Urbanism</li> <li>Ministry of Economic Development and Tourism</li> <li>Ministry of Capital Investments</li> <li>Ministry of Agriculture, Forestry and Water Management</li> <li>Relevant municipal departments for traffic</li> <li>Police department</li> </ul>	Official correspondence and meetings, progress reports  Procedures for issuing permits	D.O.O. Green Gvozd	During project design, construction and implementation

Stakeholders	Type of communication and the proposed Method	Responsibility	Time frame
<ul style="list-style-type: none"> <li>Directorate for Forests of Montenegro</li> </ul>			
<p>Interested NGOs and other organisations:</p> <ul style="list-style-type: none"> <li>NGO Society of Young Environmentalists</li> <li>NGO Ozone</li> <li>NGO CZIP</li> <li>NGO Green Home</li> </ul>	<p>Local media:</p> <ul style="list-style-type: none"> <li>daily newspaper "Pobjeda"</li> <li>municipal website</li> <li>website of DOO Green Gvozd</li> </ul> <p>EIA, Report on the process of preparation of environmental impact studies and social issues, Action Plan for environmental protection and social issues and SEP published on the website of D.O.O. Green (<a href="https://green-gvozd.com">https://green-gvozd.com</a>).</p>	D.O.O. Green Gvozd and site manager	Throughout the implementation of the Project
Forest Directorate	<p>Official correspondence</p> <p>Meetings to plant forests on or off site, as compensation for areas lost in the Project</p>	D.O.O. Green Gvozd and site manager	Upon completion of construction
Institute for the Protection of Cultural Monuments	Official correspondence and meetings, in case of chance findings.	D.O.O. Green Gvozd and site manager	During construction
<b>Internal stakeholders</b>			
EPCG and D.O.O. Green Gvozd employees	<p>Grievance procedure</p> <p>Code of conduct</p>	D.O.O. Green Gvozd and EPCG	Throughout the implementation of the Project
D.O.O. Green Gvozd and EPCG senior management	Regular reporting on project progress, impacts and undertaken measures	D.O.O. Green Gvozd and site manager	Throughout the implementation of the Project
Temporary construction workers and subcontractors	<p>Information in contract, bulletin board, training.</p> <p>Grievance procedure.</p> <p>Code of conduct</p>	D.O.O. Green Gvozd and site manager	Upon the selection of subcontractors and during construction



## 6 Planned Stakeholder Engagement Activities

### 6.1 Pre-construction engagement activities

On July 1<sup>st</sup>, 2022., the following draft documents will be publicly disclosed and available for comments for a period of 60 days:

- Environmental and Social Action Plan (ESAP)
- Stakeholder Engagement Plan (SEP)

The documents will be published on the D.O.O. Green Gvozd(<https://green-gvozd.com>) official website in Serbian and in English.

Hard copies will be available in the following location:

- D.O.O. Green Gvozd - 17c Đoka Miraševića Street, Podgorica, Julija Prelević, +382-20-265-136

During the 60-day disclosure period, consultative meetings will be held in the municipality of Nikšić. The exact date, time and venue of this event will be announced in this SEP at least three weeks in advance.

Advertisements will also be posted on the official website of D.O.O. of Green Gvozd (<https://green-gvozd.com>) and convenient locations (bulletin boards, pillars, etc.) in the territories of the local communities of Gvozd, Ivanje, Lukovo and Rubeža.

Topics which will be covered in the meetings include:

- Project description including transport routes and expected timelines for construction and operation
- Results of the additional environmental and social impact assessment and proposed mitigation measures contained in the EIA framework (e.g., increased noise caused by construction machines and the most appropriate time of day for certain activities near sensitive receptors)
- Planned stakeholder communication (Stakeholder Engagement Plan)
- Project grievance mechanism
- Community Investment Fund

### 6.2 Land acquisition impact assessment on household

D.O.O. Green Gvozd will carry out an assessment of impacts caused by land acquisition, at household level, before construction begins. The aim of the survey will be to determine if a household has been economically displaced by the land acquisition and if the affected household is vulnerable, so that adequate mitigation measures can be defined and implemented to address any negative impacts, as required by industry practice.

Households who will take part in the survey will be contacted individually for setting up an interview. The assessment will target primarily households whose land has been acquired by municipalities for the access and service roads, however some interviews may also include

households who are using land which has been acquired through voluntary transaction, but who are not the owners of that land.

### **6.3 Engagement during construction and operation**

This SEP will be updated to provide more detailed information for stakeholder engagement during the construction phase, with the aim of:

- Providing contact details of contractor(s) and presenting their planned engagement activities with stakeholders;
- Notifying affected communities in advance of any activities which may result in short term impacts, disruptions;
- Providing individuals and communities with information on the progress of construction and its implications;
- Monitoring the implementation of mitigation measures and assessing the impacts of construction on affected stakeholders and communities;
- Monitoring community attitudes and grievances during the construction phase.

As the project transitions into the operation phase, the SEP will again be updated to present activities which will be implemented in this phase, with the aim of:

- Reporting on the implementation of the SEP and grievance management;
- Communicating the results of environmental and social monitoring and auditing carried out during the operations phase to stakeholders;
- Managing and monitoring the effectiveness of any corrective actions implemented as a result of stakeholder concerns or complaints during operations

## 7 Resources and Responsibilities

Since the beginning of Project planning, D.O.O. Green Gvozd has been allocating time and financial resources for engaging with a wide variety of stakeholders, as presented in Section 4. In the earliest stages of project preparation, most of the engagement was carried out by D.O.O. Green Gvozd employees and representatives, which was later complemented by work undertaken by externally contracted consultants. An important activity for local communities has been the financial support for local activities and initiatives, which will continue with the implementation of the Community Investment Fund (see **Error! Reference source not found.**).

Upon the finalization of this SEP, responsibility for stakeholder engagement will be formalized and assigned to a Community Liaison Officer (CLO), who will report directly to the D.O.O. Green Gvozd Site Manager and whose tasks will involve:

- Communication and implementation of the Project's SEP
- Communication and management of the Project's Project performance grievance mechanism
- Undertaking visits to Project-affected communities to talk to community representatives about grievances logged
- As required undertaking investigations to address community grievances raised (through coordination with the site manager)
- Keeping records of all stakeholder engagement notes
- Keeping records of all grievances logged and how issues are addressed
- Reporting of stakeholder engagement and information disclosure activities to the Ivicom site manager
- Reporting of non-conformances with SEP and any grievances to the D.O.O. Green Gvozd Site Manger
- Updating of the SEP as scheduled therein and/or when new stakeholders are identified, the Project scopes changes, and before operation commences

D.O.O. Green Gvozd Site Manager will develop annual environmental and social reports which will describe Project impacts, undertaken mitigation and enhancement activities and a summary of processed external grievances. In addition, a report will be developed on the implementation of the Community Investment Fund. These reports will be posted annually on the D.O.O. Green Gvozd website and will be provided all other interested stakeholders.

## 8 Grievance Mechanism

D.O.O. Green Gvozd and the Contractor(s) once appointed, will receive and consider all comments and complaints associated with the Project. A sample of the Project Public Grievance Form is provided at the end of this document (Annex 1). Any person or organization may send comments and/or complaints in person, by phone or via post or email using the contact information provided in Section 9 of the SEP).

D.O.O. Green Gvozd and the Contractor(s), once appointed, will set up complaint boxes at the construction site, one for citizens and one for workers.

The contractor will appoint a contact person (contact information will be visibly/publicly disclosed at the construction site) for communication with citizens and interested parties.

All comments and complaints will be responded to either verbally or in writing, in accordance with the preferred method of communication specified by the complainant, if contact details of the complainant are provided. Complaints may also be anonymous, although of course there will be no direct response to those who complain in this way.

All grievances will be registered and acknowledged within 5 working days and responded to within 20 working days of receiving the grievance. Individuals who submit their comments or grievances have the right to request that their name be kept confidential.

D.O.O. Green Gvozd site manager will monitor the way in which grievances are being handled by the Contractor(s) and ensure they are properly addressed within deadlines specified above. D.O.O. Green Gvozd site manager will keep a grievance log of all grievances (including those received and addressed by the Contractor(s), based on which grievance management reports will be produced and included in the annual environmental and social reports, posted on the Green Gvozd website.

In cases when the complainant is not satisfied with the way his / her grievance has been responded to or handled and re-submits it, D.O.O. Green Gvozd will invite representatives of the relevant local community to participate in the process so that a mutually agreed solution is identified and implemented. At all times, complainants are also able to seek legal remedies in accordance with the laws and regulations of the Republic of Montenegro.

A separate, internal grievance mechanism is available for D.O.O. Green Gvozd employees and will also be made available for contracted workers, once they begin working.

## 9 Contact details for the Project

Name: Julija Prelević  
Position: Executive Director  
Address: D.O.O. Green Gvozd, 17c Đoka Miraševića street, 81000 Podgorica,  
Montenegro  
Telephone: +382-20-265-136  
Email: ralexrrb@t-com.me

## ANNEXES

## Annex 1-Grievance Form

<b>Reference No:</b> (to be filled in by D.O.O. Green Gvozd)	
<b>Full Name</b>	
<b>Contact information and preferred method of communication</b>  Please mark how you wish to be contacted (mail, telephone, e-mail).	<input type="checkbox"/> <b>By Post: Please provide postal address:</b> _____ _____ _____ <input type="checkbox"/> <b>By Telephone:</b> _____ <input type="checkbox"/> <b>By E-mail:</b> _____ _____
<b>Description of incident or grievance:</b> What happened? Where did it happen? Who did it happen to? What is the result of the problem? Source and duration of the problem?	
<b>Date of incident/grievance</b>	
<input type="checkbox"/> <b>One time incident/grievance (date _____)</b> <input type="checkbox"/> <b>Happened more than once (how many times? _____)</b> <input type="checkbox"/> <b>On-going (currently experiencing problem)</b>	
<b>What would you like to see happen to resolve the problem?</b>	

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Please return this form to:**

Name: Julija Prelević

Position: Executive Director

Address: D.O.O. Green Gvozd, 17c Đoka Miraševića street, 81000 Podgorica, Montenegro  
Telephone: +382-20-265-136  
Email: [ralexrb@t-com.me](mailto:ralexrb@t-com.me)



## Annex 2 Community investment fund

At the beginning of 2023, D.O.O. Green Gvozd will determine the annual budget for investments in the community that will be used to finance local initiatives in the next year in the Municipality of Nikšić, in the territory of the communities of Gvozd, Ivanje, Lukovo and Rubeža, which will be most affected by the project.

Once a year, the municipality will be asked to publish an invitation to interested communities, associations and organizations from the territory of the municipality of Nikšić, that D.O.O. Submit their proposals for financing from the anticipated annual budget to Green Gvozd. Proposals will be considered in the following areas:

- Minor improvements to community infrastructure
- Education and sports
- Support for vulnerable people (eg the elderly, people with disabilities, young people or children)
- Environmental protection
- Local customs and traditions
- Tourism development

Priority for funding will be given to initiatives aimed at directly affected communities, namely: Gvozd, Ivanje, Lukovo and Rubeža.

Applicants will be required to include the following sections in their proposals:

- Name of the local community, organisation, association submitting the proposal and contact details of the responsible person
- Description of the proposed activity
- Duration of the activity and implementation period
- Budget breakdown
- Explanation of how the action is expected to contribute to local development and/or further socially desirable goals
- Other relevant information

Once all proposals are collected, D.O.O. Green Gvozd will organize a meeting with representatives from both municipalities to discuss and vote on the proposals which will be financed from the community investment fund in the forthcoming year.

The number of proposals to be funded will depend on their respective budgets, i.e. those that jointly fit within the allocated budget may be funded. In choosing the applications for funding, D.O.O. Green Gvozd and the municipalities will take into account the feasibility of

the proposed activity, the sustainability of the action, the number of beneficiaries, and compliance with community investment guidelines.

A list of successful proposals will be published on the official websites of the municipality and on D.O.O. Green Gvozd website along with a brief description, including the name of the action, location, anticipated implementation period and budget.

The municipality will monitor the implementation of activities selected for funding on their territory and will send quarterly monitoring reports to D.O.O. Green Gvozd. Based on this information, a community investment annual report will be developed by D.O.O. Green Gvozd describing all funded activities and achieved results. The report will also be published on the company website.

The community investment fund will be continually improved and revised to suit local needs and respond to feedback received from the communities.

## Annex 3-Inv

At the beginning of 2023, D.O.O. Green Gvozd will determine the annual budget for investments in the community that will be used to finance local initiatives in the next year in the Municipality of Nikšić, in the territory of the communities of Gvozd, Ivanje, Lukovo and Rubeža, which will be most affected by the project.

Once a year, the municipality will be asked to publish an invitation to interested communities, associations and organizations from the territory of the municipality of Nikšić, that D.O.O. Submit their proposals for financing from the anticipated annual budget to Green Gvozd. Proposals will be considered in the following areas:

- Minor improvements to community infrastructure
- Education and sports
- Support for vulnerable people (eg the elderly, people with disabilities, young people or children)
- Environmental protection
- Local customs and traditions
- Tourism development

Priority for funding will be given to initiatives aimed at directly affected communities, namely: Gvozd, Ivanje, Lukovo and Rubeža.

Applicants will be required to include the following sections in their proposals:

- Name of the local community, organisation, association submitting the proposal and contact details of the responsible person
- Description of the proposed activity
- Duration of the activity and implementation period
- Budget breakdown
- Explanation of how the action is expected to contribute to local development and/or further socially desirable goals
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Once all proposals are collected, D.O.O. Green Gvozd will organize a meeting with representatives from both municipalities to discuss and vote on the proposals which will be financed from the community investment fund in the forthcoming year.

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The municipality will monitor the implementation of activities selected for funding on their territory and will send quarterly monitoring reports to D.O.O. Green Gvozd. Based on this information, a community investment annual report will be developed by D.O.O. Green Gvozd describing all funded activities and achieved results. The report will also be published on the company website.

The community investment fund will be continually improved and revised to suit local needs and respond to feedback received from the communities.