

## Environmental and Social Data Sheet

### Overview

Project Name: ROAD REHABILITATION AND CITY BYPASS  
Project Number: 2011-0626  
Country: Montenegro  
Project Description: Rehabilitation of main and secondary roads and construction of city bypasses

EIA required: yes

Project included in Carbon Footprint Exercise<sup>1</sup>: no

(details for projects included are provided in section: "EIB Carbon Footprint Exercise")

### Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

Due to the nature and scale of the components, the project is likely to have low to moderate adverse environmental and social impacts. The main social impact is related to the land expropriation and potential economic or physical displacement of affected households. No significant environmental impacts are expected and the mitigation measures to be undertaken as part of the project are expected to improve certain environmental aspects in comparison to the "without project" case, in particular in terms of reduction of emissions in inhabited areas and road safety.

Some of the components are still in the design phase therefore the full extent of the impacts is not known and the mitigation measures not fully defined. Consequently, the Promoter shall prepare and submit to the Bank:

- (i) a Resettlement Policy Framework before the first disbursement under the loan,
- (ii) a Resettlement Action Plan, if one is required in accordance with the Resettlement Policy Framework, before disbursements against works for each component,
- (iii) Screening decision and the Environmental Management Plan and,
- (iv) if an Environmental Impact Assessment is required, the relevant studies and Non-Technical Summary,
- (v) the relevant environmental permits as well as written confirmation from the competent authority on the impacts of the project on nature conservation sites.

Subject to the above conditions, the project is acceptable for financing by the Bank.

### Environmental and Social Assessment

#### Environmental Assessment

If located within EU, the project would not require an SEA, as it is not part of a plan or programme, as defined in the SEA Directive.

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<sup>1</sup> Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO<sub>2</sub>e/year absolute (gross) or 20,000 tons CO<sub>2</sub>e/year relative (net) – both increases and savings.

If located in the EU, some of the schemes (new construction) would fall under the provisions of Annex II of the EU EIA Directive 2011/92/EU, whereas the others (rehabilitation) would not fall under the provisions of either Annex II or Annex I.

Some of the components are still in the design phase therefore the full extent of the residual impacts is not known. One of the schemes is more advanced and has been screened out. However, given the type and scale of the investments, the impacts are expected to be low. The negative impacts will be mainly related to land take and severance whereas the positive impacts will be reduced emissions in inhabited areas and improved road safety.

Compliance with the provisions of the local Law and the principles of the Habitats Directive will be checked for each scheme prior to the disbursement of Bank's funds against the respective components.

### **Social Assessment, where applicable**

Some of the project components will require land expropriation and may cause economic and/or physical displacement of affected households. The number of affected households will be determined during the project design. In general, the legislative framework for expropriation in Montenegro is broadly compatible with IFI policies (EBRD PR 5 and EIB Standard 6), but, if there are some discrepancies between the two frameworks, adjustments will be made to cover the gaps.

The Promoter has prepared a draft Resettlement Policy Framework (RPF), which is being reviewed by the Bank Services to ensure compliance with the EIB Standards. Subsequently, the Promoter will develop individual Resettlement Action Plans, for each section, if required in accordance with the agreed RPF.