



MONTENEGRO

LAND ADMINISTRATION AND MANAGEMENT PROJECT

LOAN 7647 ME

REAL ESTATE ADMINISTRATION

ENVIRONMENTAL ASSESSMENT REPORT

For Construction of Real Estate Administration Office Building in
Podgorica

(Draft for public disclosure)

Podgorica, december 2010

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1 Executive Summary

The government of Montenegro has requested the World Bank's assistance in addressing the challenges and constraints of the land administration, registration, cadastre planning and permitting procedures. The Ministry of spatial planning and environment protection (MSPEP), Ministry of Finance (MF) and the Real Estate Administration (REA) have requested assistance to strengthen their capacities and improve the speed and ease of registering property rights, upgrade access to cadastral maps for municipalities and other users and to help to improve the regulations and procedures for obtaining construction and business operation permits. As a response to above demands the proposed Land Administration and Management Project has been developed.

This Report contains findings of the Environmental Assessment for the Montenegro Land Administration and Management Project, which was prepared by the Real Estate Administration of the Ministry of Finance of Montenegro. The report is prepared under the terms as described in the World Bank OP/BP 4.1 and relevant Montenegrin legislation.

The proposed project has three components, as follows:

- Component A: Land Administration
- Component B. Improving Planning and Permitting
- Component C. Project Management

This project is classified as Category B, requiring partial Environmental Analysis, but not a full-scale Environmental Assessment. An environmental analysis which was carried out as part of the project preparation activities to identify potential direct and indirect environmental impacts associated with the project, found that potential adverse environmental impacts of the project are minor to negligible. In cases where the negative environmental impacts are identified, adequate mitigation measures have been proposed. There are no significant, long-lasting and irreversible negative impacts associated with the project execution and implementation.

The Environmental Management Plan (EMP) describes the existing situation and highlights environmental issues linked to its current operations together with the procedures and processes/ solutions.

Monitoring compliance in accordance with findings of this Report and requirements of EMPs, including progress monitoring on EMP's implementation will be undertaken by REA at least twice per year. The environmental monitoring and supervision reports will be prepared twice per year. Those will be submitted to the World Bank for the review and endorsement.

Agency for the Environmental Protection has made a decision that, according to national legislation, there is no need for the separate environmental assessment for construction of Real Estate Administration office building in Podgorica.

This EMP will be publicly disclosed 15.12.2010. after public disclosure meeting in Montenegro at web site of the Real Estate administration (www.uzn.me).

2 Introduction

Urban land management and planning, construction permitting and inspection are important for the orderly development of any country, and they should promote the general public good without presenting barriers to foreign and domestic investors to start and grow their businesses. Montenegro also plans to join the EU so orderly planning and land management will be needed to meet the EU's standards on environmental protection, rule of law and protection of private property.

The Montenegro Land Administration Management Project will aim to improve the provision of regulatory and administrative services in reference to permitting and property regulation, to the general public and enterprise sector by simplifying and integrating service delivery within each municipality. At the same time, the project will support harmonization of municipal and central government regulatory functions and regulatory framework.

The beneficiaries of the investment will be: (a) the public living within the municipalities, as more order is brought to the built environment; and (b) the business community, as more transparent and efficient processes for the establishment and operations of a business are facilitated. The level of new informal construction and building development should be drastically reduced, such that unsustainable and unattractive developments are curtailed, yet the business community and the private citizens will be able to develop their own assets with greater ease and security. By the end of the project it should be possible for the public to easily access information about the legal situation with regard to a property and the processes required for developing a business or property. The zone plans and the forms and procedures for registering property rights, applying to develop a property or obtain the necessary permits and licenses to establish their business activity should be simplified and easily available. This should result in less illegal developments and informal businesses, and greater investment through formal procedures. The outcomes will be measured by a reduction in percentage of the time spent on the compliance with the regulatory requirements, reduction in the number of steps and days required for registration or receiving permits and other documents, and better access to information.

3 Scope of activities

The biggest problem is at Podgorica, where staff are lacking space to undertake their work and have no suitable space for customer reception.

The planned office building of the Real Estate includes facilities for:

- Regional office Podgorica,
- REA includes:
 1. Sector for state survey and cartography
 2. Sector for cadastres
 3. Sector for geodetic - cadastral information system
 4. Department for inspection
 5. Department of Planning and Standard
 6. Common Affairs Service

All organizational units are currently located on three sites.

4 Existing situation

Site/Facility ownership: Government of Montenegro

EMP prepared: Real Estate Administration

General	
Site Setting	Building whose construction is planned, is located in Podgorica, within the urban parcels 2, Block 1, in grasp of a detailed urban plan, "Service-storage zone" - the amendment, and that makes the cadastral parcel number 4534 / 7 KO Podgorica III. The owner of the parcel is the Government of Montenegro - REA. Photographs illustrating the existing situation are attached as Annex 1 to this report.
Environmental Management Structure	Ministry of Spatial planning and Environment Protection. Compliance with relevant legislation is dealt with through regular management and operational procedures.
Health & Safety Management Structure	Health & Safety procedures and guidelines do not exist, and there are no staff specifically tasked with health and safety issues.

5 Institutional arrangements

The Environmental Assessment (EA) was done in line with relevant national legislation and the World Bank Operational Policy/ Bank Procedure 4.01. As planning, construction, waste management legislation and institutional responsibilities might be of particular relevance for project activities, a brief reminder and supplemental information on the relevant competent authorities, regulations and management arrangements is provided below.

Ministry of Spatial Planning and Environment Protection is competent authority for permits that might be required (construction and operation) and for supervision (inspection).

According to the new Law, construction and reconstruction of facilities is conditional to procurement of construction permit and provision of necessary technical documentation, the latter including project concept, main project and facility maintenance plan. Construction permits are issued based on the project concept or main project, verification (review) of the project and proofs of ownership.

Montenegro has established its own rules and impact assessment procedures that are in line with the requirements of WB for the EIA. The most significant regulatory acts in this area are: the Law on Environmental Protection ("Official Gazette of Montenegro", no. 51/08), Law on Environmental Impact Assessment ("Official Gazette of the Republic of Montenegro", no. 80/05), Regulations on the content of Environmental Impact Assessment ("Official Gazette of Montenegro", no. 51/08), Regulations on projects that require assessment Environmental Impact Assessment ("Official Gazette of the Republic of Montenegro", no. 20/07).

6 Summary of project-related environmental impacts and Mitigation plan

6.1 Design phase

In the design phase, care will be taken that adequate choices are made in respect to layout of premises and construction materials as to ensure that environmental impacts are minimized in the operation phase. The design should aim to create premises that are accessible, energy efficient and in line with relevant construction standards.

6.2 Construction phase

During the construction phase the emphasis is on possible environmental impacts that follow the demolition and construction works. Issues that could be addressed are: construction and other waste management, minimization of dust and noise, site restoration, temporary storage of the material, storage of hazardous materials, traffic management plan, working hours, encroachment into the neighbouring territory.

Noise reduction. Before any beginning of the work it is recommended to inform neighbors either directly or through local billboards or newspapers on the construction activities. The noise should be limited by using good management practice and limiting works on regular daily shift. The equipment and machinery used should be calibrated according to the Regulations on the allowed limit values of sound and noise (Law on Protection from Noise (“Official Journal of Montenegro”, no. 45/06)).

Dust minimization. Temporary technical solutions and measures for dust minimization during construction should be used. For the transportation of earthlike or any other dusty material to the construction site or of the construction site watering or covering of the cargo should be implemented. Reduction of dust on construction site during dry season of the year can be accomplished by watering the ground surface. At the same time, water should not be wasted. Reducing speed of the vehicles can be another applicable measure.

Construction wastes and spills. Wastes where ever possible should be minimized, separated and handled accordingly.

When wastes are separated as advised in the Law on Waste Management (“Official Journal of Montenegro”, no. 80/05) they are more manageable. Some materials like doors or ceramics sinks might be usable on the site again. Non-usable materials should be taken to appropriate place for recycling. For non recyclable wastes, in agreement with municipality the wastes will be deposited on city landfill. Open burning and illegal dumping of any waste is strictly prohibited.

In addition to solid wastes, some amounts of hazardous wastes will be produced on the site: like the remaining from paints, enamels, oiled packaging, oils, material contaminated with oil, insulation material, medical wastes etc. –based on the provisions of the Law on Waste Management (“Official Journal of Montenegro”, no. 80/05), - all wastes have to be collected and handed over to the local self-government body authorized for collection and transportation of hazardous waste, i.e. public communal enterprise “Lim”, Podgorica.

Procurement of construction material. Environmentally sound goods and materials should be selected. Priority should be given to products meeting international and national standards.

Site organization and restoration. Construction site should be fenced off in order to prevent entry of public, and general safety measures would be imposed. The projection is that there would not

be any major temporary inconveniences regarding traffic or other due to reconstruction works, and the ones that arise will be minimized through planning and coordination with contractors, neighbours and authorities. The traffic in the part of Street Bracana Bracanovica will be somewhat burdened by trucks supplying construction material and removing waste, but not to the extent of having to stop the traffic, or having it rerouted. Therefore, during reconstruction, the traffic would remain uninterrupted, and it is the Contractor's responsibility to make sure this is the case throughout the reconstruction phase. After completion of works the site should be restored as planned in the design. All wastes and machinery should be removed from the location.

Temporary storage of material (including hazardous materials). Stockpiling of construction material should be avoided if possible. If not, construction material should be stored on the construction site, and protected from weathering. Hazardous materials like paints, oils, enamels and others should be kept on impermeable surface, and adsorbents like sand or sawdust should be kept for handling small spillage. Handling with the material should be consistent with the instructions on Material Safety Data Sheets.

Encroachment into neighbouring territory. There is no need for encroachment into neighbouring territory and it is not permitted.

Archaeological and cultural monument. If encountering archaeological finds during preparation of the site for the construction, the contractor should stop the works, respond immediately and notify the municipal authorities, the Republic Bureau for Cultural Heritage Protection of Montenegro and the LAMP project team.

Working hours. To avoid noise and disturbance of neighbours the works should be conducted in a daily shift, meaning from 7 am to 6 pm. For other working hours special permits are required.

6.3 Operation

During the operation the main emphasis should be on proper waste management. All impact minimization and/or avoidance measures for both construction and operation phases are summarized in the table presented below.

6.4 Environmental Mitigation Plan

PHASE	ISSUE	MITIGATION MEASURES	COSTS	INSTITUTIONAL RESPONSIBILITY	COMMENTS
DESIGN	Technical control of rehabilitation /expanding projects	Implementation of mitigation measures specified in the section 6.1.; 6.2.; and 6.3	This is regular task of technical controller	Project team and technical controller	
REHABILITATION	Construction site	Fencing the construction site with protection fence and putting up the warning sign for prohibited access for non-staff. Placing outdoor toilets on the construction site. Since the location is a morphological form of terrace, and having in mind the Project character, there will be no erosion of land. Since the Project is located in the town, the traffic may be somewhat burdened by transport of construction material and waste. It is necessary to develop a plan of supplying the material and dispatch of waste in order to mitigate the impact.	The prescribed mitigation measures are stipulated by binding national regulation (Law on Construction of Facilities	Contractor	
CONSTRUCTION	Noise	Machinery has to possess attest (needs to be calibrated for certain noise level)	This is a part of regular annual technical inspection of construction machines and equipment, and there should be a working certificate.	Contractor	

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PHASE	ISSUE	MITIGATION MEASURES	COSTS	INSTITUTIONAL RESPONSIBILITY	COMMENTS
	Dust	<p>Dust from demolition and transportation of construction material and wastes will be minimized by use of water, by minimizing speed of vehicles and enclosing of cargo.</p> <p>Dust from the object can be prevented by enclosing of construction site if necessary.</p>	<p>The prescribed mitigation measures are stipulated by binding national regulation (Law on Waste Management)</p>	Contractor	
	Construction debris	<p>Hazardous waste is expected in small quantities and it has to be separated from solid waste.</p> <p>For hazardous wastes (paints, oils, etc.) contractor has to follow procedure for hazardous wastes management, this implies collection, handing over the waste to authorized company for hazardous wastes management and fulfilling accompanying documentation.</p> <p>All recyclable fractions have to be separated from non recyclable wastes and taken to appropriate collection points with accompanying documentation</p> <p>Non recyclable wastes have to be taken to an approved landfill.</p> <p>The building site will be cleaned and all debris and waste materials will be disposed of in accordance with clauses specified in the bills of quantities.</p> <p>Burning or illegal dumping of wastes are strictly forbidden.</p>	<p>Modest. To be included in construction cost. (no hazardous wastes expected to occur).</p> <p>The prescribed mitigation measures are stipulated by binding national regulation (Law on Waste Management)</p>	Contractor	
	Replacement of hazardous materials	<p>Replace not environmental friendly material from the building.</p>		Contractor	

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PHASE	ISSUE	MITIGATION MEASURES	COSTS	INSTITUTIONAL RESPONSIBILITY	COMMENTS
CONSTRUCTION WORKS	Degradation of important historical or culturally important sites – “chance findings”	Supervision of construction works. If archaeological sites are found during expanding, the Contractor must stop the works and follow the procedure to notify authorities.	Not expected. In case this occurs, any additional cost, as subsequently agreed, will be borne by investor and national authorities.	Contractor	Notify municipal authorities, the Republic Bureau for the Protection of Cultural Monuments of Montenegro, and LAMP Project Team
FUNCTIONING	Heating system and storage tanks for crude oil or gas, if any	Fire protection measures must be implemented and Action Plan must be prepared for events of accidents in accordance with the relevant Law.	Pursuant to binding national regulation (Law on Construction of Facilities) the Study on protection against fire must be part of the project design.	Ministry of Interior	Take all measures in line with unplanned events by competent organisation (Sector for Emergency Situations of the MoI of Montenegro)
	Storage of hazardous material	Hazardous material should be stored according to Material Safety Data Sheets.	Part of the annual operating cost.	REA	Throughout life of the building.

7 Monitoring Plan and Supervision

The EIA study specifies also the monitoring activities. Parameters to be monitored, frequency, modality and schedule of monitoring activities are presented in the Table 7.1.

The project implementation will be supervised by the local ecological and environmental construction inspectors and REA site supervisor.

The construction company will present semi-annually short reports on EMP implementation to the REA. The reports will be sent to WB for its review and comments.

Table 7.1: Monitoring Plan

PHASE	WHAT is the parameter to be monitored?	WHERE is the parameter to be monitored?	HOW is the parameter to be monitored??	WHEN is the parameter to be monitored? (frequency)?	WHY is the parameter being monitored?	COST	RESPONSIBILITY
Designing	Implementation of EMP guidelines	Design project for construction, reconstruction and adaptation.	Review of elaborates and adaptation designs.	Prior approval for construction as part of project monitoring program.	Recommended due to Montenegrin legislation requiring a construction permit.	Should be part of the Project	Ministry of Spatial planning and Environment Protection. Contractor LAMP team
Construction	Dust level; Noise level; Construction wastes; Presence of oil spills; Hazardous wastes;	On the construction site	A part of regular inspection by the Ministry of Spatial planning and Environment Protection. and the Communal Police of Podgorica Municipality. Supervising engineer appointed UZN	During construction and prior to issuance of the Operation permit	Regular review stipulated in the Law, and if any public complaint is sent to the Ministry of Spatial planning and Environment Protection or the Communal Police.	Included in the construction phase, costs of Contractors	Supervision Engineer, inspectorate of the Ministry of Spatial planning and Environment Protection. and the Communal Police of Podgorica municipality

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PHASE	WHAT is the parameter to be monitored?	WHERE is the parameter to be monitored?	HOW is the parameter to be monitored??	WHEN is the parameter to be monitored? (frequency)?	WHY is the parameter being monitored?	COST	RESPONSIBILITY
		Supporting documents for waste, which is submitted to the competent communal enterprise	A part of regular inspection by the Ministry of Spatial planning and Environment Protection. and the Communal Police of Podgorica Municipality	After reporting on waste management	Needed in accordance with the waste-related regulations	Expenditure of the Ministry of Spatial planning and Environment Protection. and the Communal Police of Podgorica municipality and low costs for the Contractor	Supervision Engineer, inspectorate of the Ministry of Spatial planning and Environment Protection. and the Communal Police of Podgorica municipality
Operation	Non Hazardous wastes; Hazardous wastes; Waste waters; Air emissions from the heating system	Based on the supporting documents for waste, which is submitted to the Ministry of Spatial planning and Environment Protection.	Reports to the Ministry of Spatial planning and Environment Protection.	After reporting to the Ministry of Spatial planning and Environment Protection. on waste management.	Should be monitored in line with the regulations on waste management.	Costs of READ and the Ministry of Spatial planning and Environment Protection.	READ, competent communal company and the Ministry of Spatial planning and Environment Protection.

8 Public disclosure

This EMP will be publicly disclosed 15.12.2010. after public disclosure meeting in Montenegro at web site of the Real Estate administration (www.uzn.me).

Record of the public consultation meeting will be attached as Annex 2 after public disclosure meeting to this report.

Decision of the Agency for the Environmental Protection of Montenegro no need to prepare separate EMP is attached as Annex 3 to this report.