

OTILOVICI PROJECT

CRITERIA FOR SUSTAINABLE DEVELOPMENT AND INDICATORS TABLE

As established by **Instruction on the procedure and methods of work, content and form of patterns and other issues of importance to the work of the Technical Operating Body For Clean Development Mechanism**

Topic: Economic Development				
Sector	Goals	Indicators	Impact	
Macroeconomic development	Stimulate the development of service industry, tourism and maritime transport.	<ul style="list-style-type: none"> ▪ Production of goods and services in units of measure (eg, quantity, volume or mass of produced goods) 	1	The project activity requires activities and services which will contribute to economic growth: <ul style="list-style-type: none"> - Civil construction: planning, development and realization - Engineering: project and realization of power station, network, ecc - Technical equipment:
		<ul style="list-style-type: none"> ▪ Production of goods and services in monetary value 		
Regional development and employment	Development of SMEs (small and medium enterprises) and increase employment (priority is the northern region and development of mountain and eco-tourism, food production - particularly healthy food and sustainable management of forests	<ul style="list-style-type: none"> ▪ Total number of employees in each phase of the Project 	1	During all the steps of the project (from the planning to the construction and maintenance) there will be mainly an involvement of montenegrin workers from both local companies and EPCG. Excluding electro-mechanical equipment, the cost of the project referring to Civil construction, network connection and engineering represent the 40% of the total investment. Furthermore O&M will involve local companies.
		<ul style="list-style-type: none"> ▪ The types of contracts of employees and average net earnings 	1	
		<ul style="list-style-type: none"> ▪ The number of local companies employees during the Draft of the Project, construction, implementation and maintenance 	2	
		<ul style="list-style-type: none"> ▪ The total number of working days of local staff 	1	
	Improvement of infrastructure (transport, water supply and sewerage, electricity supply)	<ul style="list-style-type: none"> ▪ The development of infrastructure (built roads in km, distributed water in m3 ...) 		
Traffic	Improve the infrastructure, especially in the northern region, through better maintenance of existing structures, construction of new and development of combined transport	<ul style="list-style-type: none"> ▪ Funds allocated for the construction of traffics infrastructure 	1	During the construction of the project, the company will verify the accessibility to the project site and it will build a little road to join the power station.
		<ul style="list-style-type: none"> ▪ New roads (Km) 		
		<ul style="list-style-type: none"> ▪ Maintenance of Roads (Km) 		
		<ul style="list-style-type: none"> ▪ Contribution to the protection of road infrastructure from damage caused by overloading of transport vehicles 		
		<ul style="list-style-type: none"> ▪ The goods transported by combined transport (by volume, weight or quantity) 		
	<ul style="list-style-type: none"> ▪ Activities to increase traffic safety 			
	Full integration of environmental protection projects for the construction of infrastructure,			

Topic: Economic Development

Sector	Goals	Indicators	Impact	
	regulation of transport, reduce pollution and increase safety in traffic.	<ul style="list-style-type: none"> Activities to integrate conditions of environmental protection into projects to build infrastructure 		
Tourism	Enriching the tourism offer (development of rural, agri-, eco-, mountain, cultural, sports and other types of tourism, especially in the northern part of the Republic) in order to extend the tourist season and attract the high class visitors	<ul style="list-style-type: none"> Activities to establish balance in the distribution of accommodation facilities Increased number of tourist out of season Increased number of high class tourists Training of staff (training hours) 		N/A
	Integration of sustainability criteria during approval projects in the areas of tourism development (eg. during the adoption and evaluation plans), especially when it comes to the seaside and winter mountain tourism.	<ul style="list-style-type: none"> Investigation of environmental impacts during project implementation 		
Agriculture and Rural Development	Providing a stable and quality supply of food through increased competition of domestic producers and sustainable resource management;	<ul style="list-style-type: none"> Net increase of the seeded surfaces Net increase production of high quality food The introduction of greater efficiency in food production 		N/A
	Rural development and achieving the appropriate standard of living for the population in rural areas	<ul style="list-style-type: none"> Investments in rural infrastructure (roads, water supply and sewerage, electricity supply) Increased income of rural population 		
Energy	Rational use of energy, with increasing energy efficiency of a minimum of 10% till 2010. compared to 2005.	<ul style="list-style-type: none"> Energy consumption per unit of output Increase of energy efficiency per unit of production Losses (%) in transmission and distribution network Increase (%) of renewable energy sources use 	2 2 2 2	Otilovici project will contribute positively to sustainable development of Montenegro for following reasons: <ul style="list-style-type: none"> It will be the first realization of new hydro capacity in Montenegro since 1989 Realization of new renewable power generation complying with Montenegro energy strategic plan and Kyoto strategic plan; Contribution in reducing of import from other countries and of Montenegro balance of payments Improving knowledge in hydropower generation project Otilovici will be an efficient power plan realized according with the practice in hydropower generation
	Reducing dependency on imported energy through the optimum use of available national resources, giving priority to renewable energy sources	<ul style="list-style-type: none"> The share of energy production from renewable sources Reducing the use of solid fuels 	2 1	
Industry	Improving the environmental industry sector	<ul style="list-style-type: none"> Volunteer applied mechanisms (EMAS, ISO) to improve environmental protection 		N/A
New Technologies	Stimulate research, development and innovations	<ul style="list-style-type: none"> Research and development costs 	1	The project will consent to Montenegro to increase knowledge in strategic sector: <ul style="list-style-type: none"> Hydropower generation planning, building and maintenance; Sustainable development: the project will involve A2A Group that help
		<ul style="list-style-type: none"> Hours of local staffs training 		

Topic: Economic Development				
Sector	Goals	Indicators	Impact	
				EPCG in development of CDM Project and, above all, is training EPCG to increase knowledge in sustainable economy and international framework and opportunities on renewable.

Topic: Environment and Natural Resources				
Sector	Goals	Indicators	Impact	
Protection of biodiversity and conservation of natural resources (especially in protected areas)	Increase the territory of national protected areas to 10% of the territory, protect of at least 10% of the territory in the coastal zone till 2009;	<ul style="list-style-type: none"> ▪ Net increase in protected areas ▪ New ecosystems placed under protection regime 		N/A
	Establish an effective system of management of protected nature parks;	<ul style="list-style-type: none"> ▪ Adopted management systems 		
	Improve the legal framework to protect biodiversity, strengthen personnel resources and develop an effective system of monitoring biodiversity.	<ul style="list-style-type: none"> ▪ Not Applicable 		
Water	Provision of sufficient water of good quality;	<ul style="list-style-type: none"> ▪ Improving the processing of water and infrastructure for water supply ▪ Reduction of losses ▪ Improvement of water supply sistem 		N/A
		<ul style="list-style-type: none"> ▪ The impact on water quality: metals (Hg, Pb, Cd, Cr, Cu, Ni, Zn), nitrogen and phosphorus, toxic substances and BOD 		
		<ul style="list-style-type: none"> ▪ Improving the collection and infrastructure for waste water 		
		<ul style="list-style-type: none"> ▪ Increasing the number of stations and / or parameters for monitoring water quality 		
	The introduction of integrated river basin management, with the necessary legal and institutional changes and improvement of quality control and monitoring of waters status.			
Air	To preserve and if possible improve the air quality, especially in urban areas	<ul style="list-style-type: none"> ▪ Atmospheric emissions: non-methane VOC, CO, SOX, NOx, particles, metals 		N/A

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Sector	Goals	Indicators	Impact	
		<ul style="list-style-type: none"> ▪ The adopted strategy for the management of air quality 		
Soil	Improving the management and prevention of the causes of soil degradation and soil damage.	<ul style="list-style-type: none"> ▪ Systems for monitoring and mapping of dangerous and harmful substances in the soil 		N/A
		<ul style="list-style-type: none"> ▪ introduced systems of control of soil fertility 		
		<ul style="list-style-type: none"> ▪ Rational use of artificial fertilizers 		
		<ul style="list-style-type: none"> ▪ Re-cultivated degraded land 		
		<ul style="list-style-type: none"> ▪ Measures to protect soils from erosion 		
Forests	Obtain a certificate for the sustainability of forests (in accordance with the FSC methodology of the Council for forest management)	<ul style="list-style-type: none"> ▪ Established systems for monitoring and control 		N/A
	Reconstruction and rejuvenation of degraded forests	<ul style="list-style-type: none"> ▪ Reconstructed and newly constructed forests roads 		
Spatial planning	Adoption of new spatial planning, updating and integration of the existing conditions of sustainability in spatial plans and supporting documentation;	<ul style="list-style-type: none"> ▪ Not Applicable 		N/A
	Protection of natural and cultural landscape.	<ul style="list-style-type: none"> ▪ Surface of protected area 		
The sea and coastal area	The introduction of integrated coastal area management;	<ul style="list-style-type: none"> ▪ The adopted action plans to manage 		N/A
	Reduction of pollution of the sea and coastal zones.	<ul style="list-style-type: none"> ▪ Discharge of waste water in the sea environment (N, P, BOD, COD, TSS) 		
Climate change and ozone layer protection	Climate change and ozone layer protection	<ul style="list-style-type: none"> ▪ Atmospheric emission of CH₄, N₂O, NO_x, Sox, CFC 		N/A
		<ul style="list-style-type: none"> ▪ Atmospheric emissions BFC, HCFC, CFC 		
Waste	Harmonization with EU legislation, with capacity building for proper waste management and improving the database on waste	<ul style="list-style-type: none"> ▪ Production of hazardous waste 		N/A
		<ul style="list-style-type: none"> ▪ Production of no- hazardous waste 		
		<ul style="list-style-type: none"> ▪ Reducing waste (municipal solid waste, special waste, hazardous waste) 		
		<ul style="list-style-type: none"> ▪ The percentage of produced waste to be recycled 		
		<ul style="list-style-type: none"> ▪ The percentage of produced waste to be treated in incinerators or instalment for processing waste 		

Topic: Social Development

Sector	Goals	Indicators	Impact	
Public administration and public participation in making decisions	Improving law enforcement and implementation of strategic documents, plans and programs, with the provision of adequate public participation in the process of their preparation;	<ul style="list-style-type: none"> ▪ Evidence of consultation with interested parties / stakeholders support the local project 	2	The development of the project is conducted respecting transparency and prescription established by Montenegrin law like public participation for environmental impact assessment and transparency in procurement process. Furthermore, EPCG has involved local administration and public in a stakeholder consultation process where has been possible to acquire any information about the project and to give comments. The organization of the stakeholder process consultation has been conducted by EPCG involving interested parties
	Prevention of Corruption	<ul style="list-style-type: none"> ▪ Evidence of transparency in decision-making process and implementation of policies 	2	
	Decentralization	<ul style="list-style-type: none"> ▪ Activities on the prevention of corruption 	2	
		<ul style="list-style-type: none"> ▪ The activity to improve local capacity 	2	
Health System	1. Improving quality of life in the field of health (promoting healthy lifestyles);	<ul style="list-style-type: none"> ▪ Emissions of particles - SOX, NOx, VOC 		
	The preservation and improvement of public health with special attention to vulnerable groups	<ul style="list-style-type: none"> ▪ Discharge of waste water - N, P, BOD, COD, SS 		
		<ul style="list-style-type: none"> ▪ Not Applicable 		
Equality and Social Protection	Improving the quality of social and economic empowerment of vulnerable persons;	<ul style="list-style-type: none"> ▪ Increase earning potential for the local population 		
		<ul style="list-style-type: none"> ▪ Activities for the provision of social welfare and child protection 		
	Strengthening of gender equality.	<ul style="list-style-type: none"> ▪ Employees by gender ▪ Activities to prevent discrimination 		
Urban development	Stopping of illegal construction and legalization of buildings in accordance with respect for the principles and objectives of the Vienna Declaration and using the positive experiences of other countries in the fight against illegal construction;	<ul style="list-style-type: none"> ▪ Not Applicable 		
	Improving quality of life and security in urban areas, with particular attention to living conditions of specific target groups and the establishment of responsible behavior of citizens towards the environment in the urban area.			