



INDEPENDENT PROJECT
ACCOUNTABILITY MECHANISM

ANNUAL REPORT 2023



European Bank
for Reconstruction and Development

Independent
Project
Accountability
Mechanism

TABLE OF CONTENTS

Acronyms	3
A message from Victoria Márquez Mees, the EBRD's Chief Accountability Officer	4
Highlights	5
Case Portfolio 2023	8
Case portfolio overview	9
Problem-solving and compliance in 2023	16
Case stories: a focus on outcomes	17
Outreach and knowledge sharing	27
IPAM's new webpage	28
External outreach	28
Internal outreach	29
Knowledge sharing and collaboration	29
20th IAMnet Annual Meeting	30
IPAM Resources	
Our staff	31
IPAM budget and execution	31
Annexes	32
2023/09 Indorama	33
2023/08 Corridor Vc 2 (Request #3)	34
2023/07 Port of Brcko	35
2023/06 Toplana Zenica d.o.o.	36
2023/05 Corridor Vc 2 (Request #2)	37
2023/04 Corridor Vc in FBH – Part 3 (Request #2)	38
2023/03 Business Ombudsman of the Kyrgyz Republic	39
2023/02 Albanian Railways	40
2023/01 Corridor Vc - Doboj Bypass	41
2022/03 Titan 2027 Eurobond	42
2022/02 DFF Adriatic Metals	43
2022/01 Ulaanbaatar Darkhan Road	44
2021/03 Maritsa East Mines	45
2021/01 Belgrade Solid Waste PPP Request	46
2020/06 Corridor Vc in the Federation of Bosnia and Herzegovina (FBH) - Part 3	47
2020/02 Lydian (Amulsar Gold Mine) Extension	48
2020/01 North-South Corridor (Kvesheti-Kobi) Road Project	49
2019/01 Shuakhevi HPP (Request #2)	50
2018/09 MHP Corporate Support Loan, MHP Biogas	50
2018/01 Kozloduy International Decommissioning Support Fund	51

ACRONYMS

ADB	Asian Development Bank
AIIB	Asian Infrastructure Investment Bank
AIP	Access to Information Policy
BEH	Bulgarian Energy Holding
CAO	Chief Accountability Officer
CSEU	Civil Society Engagement Unit
CSO	Civil society organisation
EBRD	European Bank for Reconstruction and Development
EIB	European Investment Bank
ESDD	Environmental and Social Due Diligence
ESIA	Environment and Social Impact Assessment
ESP	Environmental and Social Policy
ExCom	Executive Committee
FBH	Federation of Bosnia and Herzegovina
HPP	Hydroelectric power plant
IAIA	International Association for Impact Assessment
IAM	Independent accountability mechanism
IAMnet	Independent Accountability Mechanisms Network
IFC	International Finance Corporation
IPAM	Independent Project Accountability Mechanism
JSC	Joint-stock company
LLC	Limited liability company
MAP	Management Action Plan
PAP	Project Accountability Policy
PCM	Project Complaints Mechanism (IPAM's predecessor)
PLC	Public limited company
PPP	Public-private partnership

A message from Victoria Márquez Mees, the EBRD's Chief Accountability Officer

As I review the activities, products, and outcomes of our work in 2023, I can only stand in awe. During this period, we saw the largest number of incoming cases since IPAM's inception. We received 18 complaints, 9 of which became active cases to be added to the 14 that were already under active management, making a grand total of 23 cases.

This caseload is quite substantial, not only for a young and small mechanism, but also in comparison with the smaller caseloads of other accountability mechanisms, which are larger and more seasoned than IPAM.

Nevertheless, 2023 was a year of significant outcomes that have provided redress to complainants and highlighted areas of the Bank's operations that need strengthening.

We are dedicating this annual report to our problem-solving team, which ended the year with two agreements: one in Serbia and the other in Albania. Although each one has its own characteristics and challenges, the team was able to flex and adapt its dispute resolution toolbox so that the parties could reach common ground. You can read summaries of how the agreements were reached and watch visual testimonials in this report.

The work of the compliance team involved greater challenges: a high number of cases, limited resources and a steep learning curve. Despite this, the team completed two investigations that went to the Board. The findings in both represent the start of a pattern of systemic issues that will feed into our institutional learning programme next year and have already become the subject of recommendations for the current review of the Environmental and Social Policy.

IPAM is based on an internal expert model; we build that expertise not only by bringing talent into the Bank, but also by sharing knowledge and experience. In 2023 we hosted



two knowledge sharing events: a technical training workshop that brought together representatives from several independent accountability mechanisms to learn from each other and update their technical skills; and the 20th Annual Independent Accountability Mechanisms Network Meeting, a three-day programme of discussion, standard-setting and exchange attended by over 80 representatives.

During the year we welcomed two new staff members, Miguel Santana and Filip Zivkovic, and said goodbye to another, Sushma Kotagiri. Our team is in flux and will continue to expand next year.

Lastly, 2023 saw the start of the Project Accountability Policy review process, which will get into full swing in 2024. Change is the only constant, as they say!

As I near the end of my first four-year mandate, I would like to thank the Board and the President for their support, my team for their energy, but mostly all those that put their trust in our process.

We are committed to building a stronger, more responsive, and effective mechanism. Please read on to find out how we are working towards that.

Warmest regards
Victoria Márquez Mees
Chief Accountability Officer

A handwritten signature in black ink, appearing to read 'V. Márquez Mees', written in a cursive style.

2023 HIGHLIGHTS




2023 HIGHLIGHTS

Case 2021/01

Belgrade Solid Waste PPP (Serbia) Problem-solving

IPAM facilitated the first multi-party agreement in its history. In July 2023 IPAM presided over two private signing ceremonies after the parties in Case 2021/01 reached an agreement that provides 17 Roma families involuntarily resettled by the Belgrade Solid Waste PPP project (46758) in Belgrade, Serbia, with affordable social housing, access to social benefits, household appliances, employment opportunities, vocational training and equipment for the self-employed.

Go to [page 18](#) to find out more about this case and [watch the testimonials](#). 



Case 2023/02

Albanian Railways (Albania) Problem-solving

At the end of 2022, IPAM was approached by a group of residents and business owners from the Bexull community in Albania, concerned with the impact that the rehabilitation of the railway under the Albanian Railways project (48466) would have on their daily lives and businesses. Six months later, IPAM brokered an agreement between the parties, guaranteeing unrestricted access to businesses, homes and religious buildings.

Find out more on [page 21](#).

2023 HIGHLIGHTS

Completion of two compliance reviews: are we starting to see a pattern?

The IPAM team brought two compliance review reports to the EBRD Board of Directors: these concerned [Case 2020/01 North-South Corridor \(Kvesheti-Kobi\) Road Project \(50271\)](#) in Georgia and [Case 2020/06 Corridor Vc in FBH - Part 3 \(49058\)](#) in Bosnia and Herzegovina. In both cases, IPAM found that the Bank had failed to comply with its [2014 Environmental and Social Policy](#) as regards early identification of impacts at the environmental and social appraisal stage, which limited the breadth and depth of the mitigation plans agreed with the client. In addition, IPAM found that stakeholder engagement undertaken did not meet the Bank's standards in either of the two projects. To find out more about the projects involved, IPAM's findings and institutional learnings, [visit page 23](#).



Collaborative approaches provide remedy and sustainability

The EBRD's 2023 Annual Meeting and Business Forum held in Samarkand, Uzbekistan in May was the perfect setting for participants of our problem-solving initiative in Serbia to showcase the value of multi-party collaboration as a means of achieving remedy. [Find out more on page 18](#).



Building capacity and sharing knowledge

As part of the Independent Accountability Mechanisms Network (IAMnet), in June IPAM hosted the first Accountability Talent Workshop, attended by the technical teams of 13 IAMs. It also co-hosted the 20th Annual Meeting of Independent Accountability Mechanisms with the Accountability Mechanism of the World Bank. [Go to page 30](#) to find out about the topics of discussion and main takeaways.

2023 CASE PORTFOLIO



2023 CASE PORTFOLIO OVERVIEW

The IPAM case management procedure involves reviewing the eligibility of new requests received in any given year and the continued processing of cases carried over from previous years. Any request that is deemed eligible for IPAM processing is registered as a case. The case portfolio for any given year is the sum of newly registered requests and cases registered in previous years that are still under active management.

In addition, during the year the IPAM team receives and reviews requests that do not meet the registration criteria (see Box 1). These requests are not disclosed in the virtual public registry and are handled according to the procedure set out in the 2019 Project Accountability Policy.

BOX 1. Registration criteria

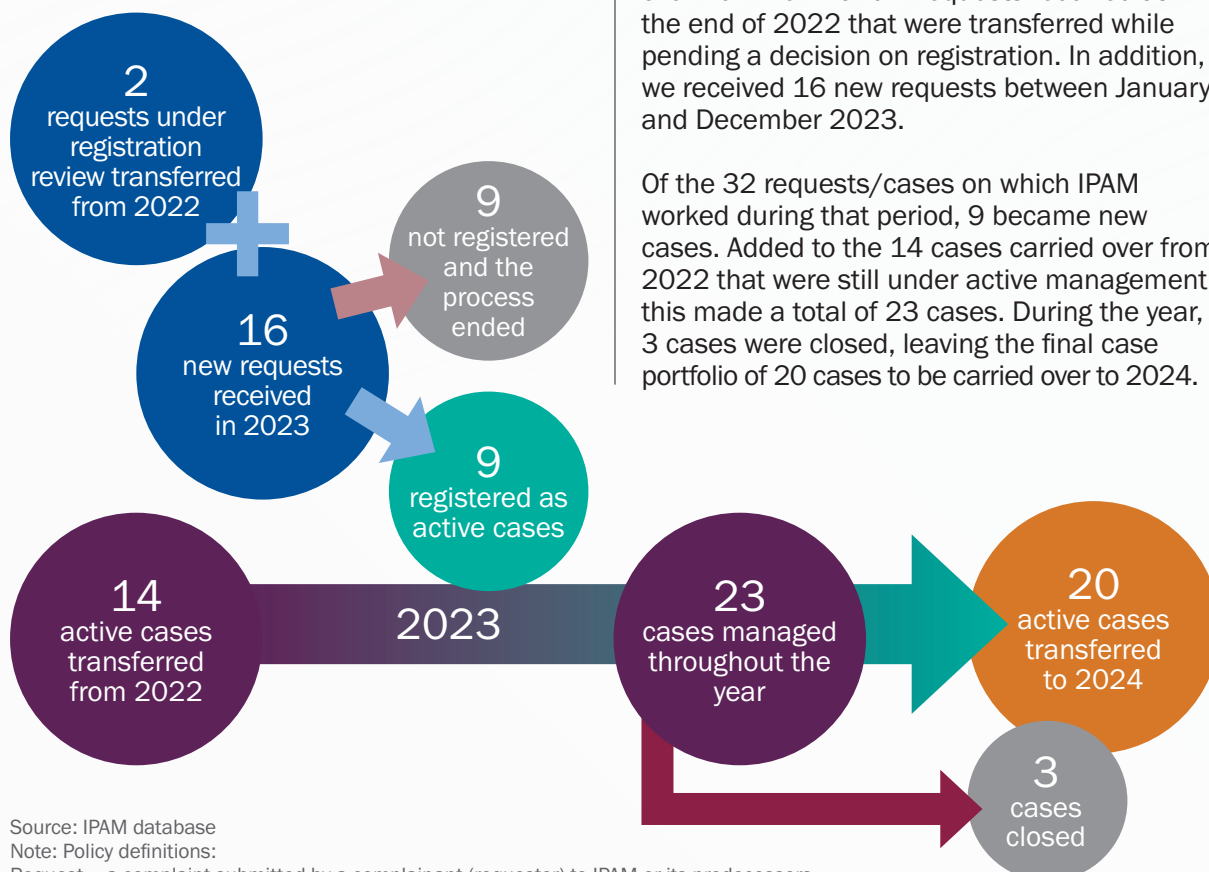
For requests to be registered, the 2019 Project Accountability Policy states that they must:

- include all the mandatory information required for processing
- raise issues related to specific obligations of the EBRD under its ESP and/or the project-specific obligations of the AIP
- be submitted in relation to a project that has been approved and still within 24 months from the date that the Bank ceased to have a financial interest in the project.

Additionally, a request will not be registered if any of the five exclusions listed in the Policy apply.

IPAM started 2023 managing 14 cases carried over from 2022 and 2 requests received at the end of 2022 that were transferred while pending a decision on registration. In addition, we received 16 new requests between January and December 2023.

Of the 32 requests/cases on which IPAM worked during that period, 9 became new cases. Added to the 14 cases carried over from 2022 that were still under active management, this made a total of 23 cases. During the year, 3 cases were closed, leaving the final case portfolio of 20 cases to be carried over to 2024.



Source: IPAM database

Note: Policy definitions:

Request – a complaint submitted by a complainant (requester) to IPAM or its predecessors.

Case – a request registered under the PAP criteria.

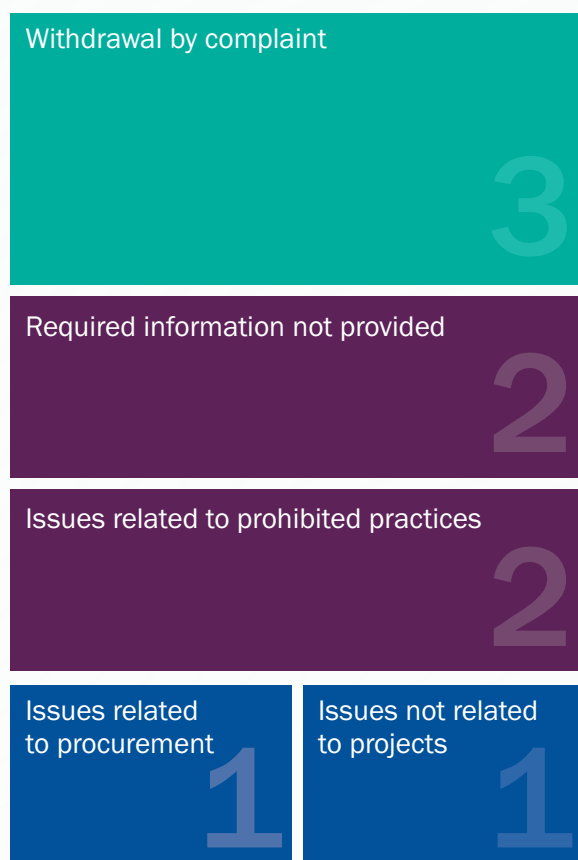
2023 CASE PORTFOLIO OVERVIEW

The nine requests that did not meet the registration criteria were closed within 20 business days of receipt or after the 10-business-day extension provided to complainants to provide the information required for processing. The requests that related to prohibited practices were transferred to the Office of the Chief Compliance Officer, while the request on procurement was sent to the procurement team.

In two separate requests from Jordan, the complainants opted to withdraw from the IPAM process. Their decision followed reassurances and plans from the clients and management, assuring a swift resolution of the issues. These assurances were satisfactory from the complainants' perspective. In a third instance, a complainant from Uzbekistan withdrew from the process. The individual concerned had secured new employment during the registration process, and consequently decided not to pursue the matter further.

The three closed cases were Case [2017/05 Southeast EEF II](#), Case [2017/07 Lukoil Shah Deniz Stage II](#) and Case [2022/03 Titan 2027 Eurobond](#). The first two were closed after IPAM determined that the related management action plans under its monitoring had been completed. The third was closed at the assessment stage, as after further analysis IPAM found that it did not meet the registration criteria.

FIGURE 2. Reasons for non-registration of requests in 2023



Source: IPAM database

2023 CASE PORTFOLIO OVERVIEW

Table 1. Portfolio of cases, 2023

Case code	Case name	Project number	Country
2023/09	Indorama Agro Capex Loan	50879, 51011, 54302	Uzbekistan
2023/08	Corridor Vc 2 (Request #3)	47372	Bosnia and Herzegovina
2023/07	Port of Brcko	47546	Bosnia and Herzegovina
2023/06	Toplana Zenica d.o.o.	49253	Bosnia and Herzegovina
2023/05	Corridor Vc 2 (Request #2)	47372	Bosnia and Herzegovina
2023/04	Corridor Vc in FBH Part III (Request #2)	49058	Bosnia and Herzegovina
2023/03	Business Ombudsman of Kyrgyz Republic	10698	Kyrgyz Republic
2023/02	Albanian Railways	48466	Albania
2023/01	Corridor Vc - Doboj Bypass	50603	Bosnia and Herzegovina
2022/03	Titan 2027 Eurobond	52337, 48507, 49709	Egypt
2022/02	DFF Adriatic Metals	52342	Bosnia and Herzegovina
2022/01	Ulaanbaatar Darkhan Road	50766	Mongolia
2021/03	Maritsa East Mines	50221, 48556	Bulgaria
2021/01	Belgrade Solid Waste PPP II	46758	Serbia
2020/06	Corridor Vc in FBH Part III	49058	Bosnia and Herzegovina
2020/02	Lydian Amulsar Gold Mine	48579	Armenia
2020/01	North-South Corridor (Kvesheti-Kobi) Road	50271	Georgia
2019/01	Shuakhevi HPP II	45335	Georgia
2018/09	MHP Corporate Support Loan	49301, 47806	Ukraine
2018/08	Nenskra HPP	46778	Georgia
2018/01	Kozloduy International Decommissioning Support Fund	n/a*	Bulgaria
2017/07	Lukoil Shah Deniz Stage II	46766	Azerbaijan
2017/05	Southeast EEF II	34894	Kosovo

Source: IPAM database

* The transactions do not have a Project Summary Document (PSD).

Note: The 23 cases in IPAM's 2023 portfolio relate to 28 projects (some cases relate to one or more projects or investments).

2023 CASE PORTFOLIO IN NUMBERS

About the requesters

The IPAM process is initiated when affected individuals, communities or civil society organisations (CSOs) submit a request for consideration. The Project Accountability Policy allows for the affected people to file a complaint on their own behalf or through a representative.

In the 2023 portfolio, the majority of cases (18) were filed directly by project-affected individuals (43 per cent) or project-affected communities (35 per cent). In 8 cases, CSOs acted as representatives.

FIGURE 3.
Cases by requester type (2023)



Source: IPAM database

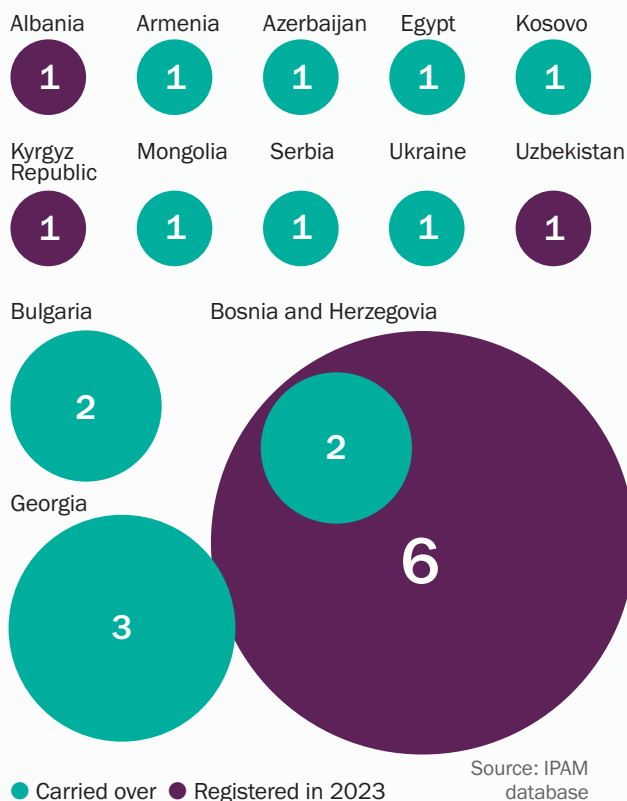
Geographic location

The 23 active cases are located in four of the regions (Central Asia, eastern Europe and the Caucasus, south-eastern Europe and the southern and eastern Mediterranean region) where the Bank operates.

Most cases are located in south-eastern Europe (13) and eastern Europe and the Caucasus (6).

In 2023, six of the new cases registered came from Bosnia and Herzegovina (6). During the year IPAM also registered cases from countries that had no previous presence in the case portfolio: Albania (1), Egypt (1), the Kyrgyz Republic (1) and Uzbekistan (1).

FIGURE 4.
Case portfolio by country (2023)



● Carried over ● Registered in 2023

Source: IPAM database

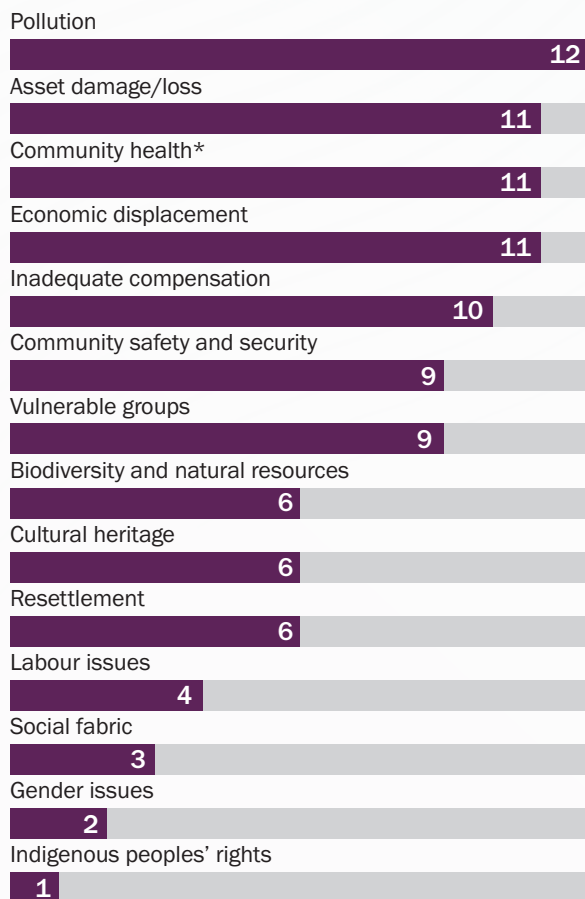
2023 CASE PORTFOLIO IN NUMBERS

Concerns raised

The concerns raised in the requests vary, depending on the type of project, its location and the impact it has on the requesters. In 2023 the most common allegations of harm concerned community health, pollution and economic displacement or asset damage/loss.

Most allegations of harm in 2023 stemmed from concerns about the assessment of impact

FIGURE 5.
Case portfolio by concerns raised (2023)



at the very early project appraisal stages and, as a consequence, doubt that the Bank had ensured proper mitigation measures. These concerns relate to the Environmental and Social Policy provisions set out in Performance Requirement 1.

Poor or non-existent stakeholder engagement and information disclosure come in second as a source of concern and relate to the obligations set out in Performance Requirement 10.

FIGURE 6.
Case portfolio by performance requirements raised (2023)



Source: IPAM database

*IPAM has reviewed the concerns raised in two cases (2017/07 and 2018/08) and has identified that they also raise concerns about community health. In the 2022 Annual Report, this was underreported.

2023 CASE PORTFOLIO IN NUMBERS

Sources of funding

Twelve of the 23 cases in the 2023 portfolio are related to projects in which other international financial institutions have also invested. When we have more than one financial institution involved in the financing of a project subject of a complaint, the accountability mechanisms of the other institutions may also be involved in addressing similar concerns as those raised to IPAM. IPAM coordinates with all relevant mechanisms when this happens and may decide to undertake joint problem-solving or investigative activities to increase efficiency and promote better outcomes.

The table lists the cases in which there are other multilateral lenders in addition to the EBRD.

Case	ADB	AIIB	EIB	IFC
2023/09				✓
2023/04*			✓	
2023/01			✓	
2022/01	✓			
2021/01				✓
2020/06*			✓	
2020/02				✓
2020/01	✓			
2019/01	✓			✓
2018/09				✓
2018/08	✓	✓	✓	
2017/07	✓			

*The two cases refer to the same project.

Sectors

The projects that are under review by IPAM belong to different sectors, with the highest number of cases related to the transport sector, followed by cases in the manufacturing and services sector.

FIGURE 8.
Case portfolio by project sector (2023)*



Source: IPAM database

*Kozloduy (involved in 2018/01 and 2021/03), 49058 (in 2020/06 and 2023/04) and 47372 (in 2023/05 and 2023/08) have been counted just once.

2023 CASE PORTFOLIO IN NUMBERS

Project categorisation

Regarding the environmental category, the 2023 case portfolio is equally balanced between projects categorised as A and projects categorised as B.

For category B projects, the environmental and social assessment requirements are usually less stringent, as the impacts can be readily identified. However, two of the cases registered in 2023 that were related to railway rehabilitation projects and categorised as B raised the lack of assessment of impacts on nearby communities as a concern.

BOX 2. Project categorisation

The EBRD categorises proposed projects as A/B/C/FI based on environmental and social criteria to:

- reflect the level of potential environmental and social impacts and issues associated with the proposed project
- determine the nature and level of environmental and social assessment, information disclosure and stakeholder engagement required for each project, taking into account the nature, location, sensitivity and scale of the project and the nature and magnitude of its possible environmental and social impacts.

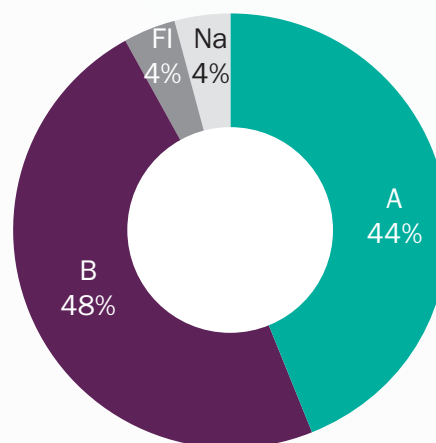
A project is categorised as A when it could generate significant adverse environmental and/or social impacts that, at the time of categorisation, cannot be readily identified or assessed and which, therefore, require a formalised and participatory environmental and social impact assessment.

A project is categorised as B when its potential adverse environmental and/or social impacts are typically site-specific and/or readily identified and can be addressed through mitigation measures. Environmental and social appraisal requirements may vary depending on the project and are determined by the EBRD on a case-by-case basis.

A project is categorised as C when it is likely to have minimal or no potential adverse environmental and/or social impacts.

A project is categorised as FI if the financing structure involves the provision of funds through financial intermediaries, with the financial intermediary undertaking the task of sub-project appraisal and monitoring.

FIGURE 9. Case portfolio by environmental category (2023)



Source: IPAM database

2023 CASE PORTFOLIO PROBLEM- SOLVING AND COMPLIANCE



Problem-solving and compliance in 2023

The IPAM case process involves four main stages: registration, assessment, problem-solving and compliance. During the first two stages, the team reviews the request to determine if it is within IPAM's mandate. The following two stages largely depend on the interests of the complainants, the status of the project and the issues raised.

At the problem-solving stage, IPAM acts as a third-party facilitator, assisting the client and the complainants to find common ground and explore possible solutions to the concerns raised. The ultimate objective is to reach an agreement that addresses those concerns and ensures that any measures agreed on are implemented. In 2023 IPAM dealt with two cases in problem-solving, both reaching agreements and initiating monitoring within the year.

At the compliance stage, IPAM acts as an impartial investigator to determine if the allegations of harm raised are caused by non-

compliance with the EBRD's Environmental and Social Policy and Access to Information Policy. The ultimate objective is to rectify the non-compliance. The caseload for compliance in 2023 totalled 12 cases at different stages of processing – three in compliance assessment; five in compliance review; and four in monitoring of management action plans. By the end of the year, two compliance reviews had been completed and transferred to monitoring, while two cases in monitoring were closed after IPAM deemed that the measures taken by management had been implemented.

Case outcomes matter to IPAM, and reaching an agreement is a milestone of success in its process. 2023 was a stellar year for the problem-solving function, reaching agreements in two of its cases. These positive outcomes were achieved using different dispute resolution tools, but most importantly by assessing the needs, urgency and limitations faced by the parties early on. In all cases, keeping EBRD management engaged and informed was a key element for success.

2023 CASE STORIES: A FOCUS ON OUTCOMES



2023 CASE STORIES: A FOCUS ON OUTCOMES

Case 2021/01

Belgrade Solid Waste PPP (Serbia) Problem-solving

Approximately 12 km west of Belgrade city centre and adjacent to the Danube, a typical non-hygienic landfill, Vinča, was created over a period of more than 40 years of works. The creation and operation of this landfill has led to pollution of the waters of the Ošljan stream and contamination of the surrounding agricultural land and air. The site was operated by the waste management company owned by the City of Belgrade. The Vinča landfill required rehabilitation and expansion to enable it to meet international operational standards.

On 21 August 2015, as part of the City of Belgrade's waste management system, the city authorities decided to improve solid waste disposal practice through a public-private partnership (PPP). Two years later, Beo Čista Energja was awarded a contract to carry out the work.

The Vinča project receives funding from the EBRD and the IFC, among other financial

institutions and donors. It includes the remediation of the existing landfill, construction of a new sanitary landfill, an energy from waste facility producing electrical and thermal energy, a leachate collection system and treatment plant, a landfill gas collection system destined to fuel a cogeneration plant for the production of electricity and heat and the creation of a construction and demolition waste processing plant.

PPPs play a crucial role in the global search for more widespread and better-quality delivery of sustainable infrastructure. Nowadays they are a mechanism for governments to procure and implement public infrastructure and/or services using the resources and expertise of the private sector. PPPs combine the skills and resources of both the public and private sectors through the sharing of risks and responsibilities. Under the right conditions, PPPs deliver a higher-quality service at a lower cost over the long-term. However, at times the structure might fail to address environmental and social impacts effectively and end up harming the most vulnerable.



2023 CASE STORIES: A FOCUS ON OUTCOMES

On 18 September 2019 the EBRD Board of Directors approved an A loan facility of up to €70 million to Beo Čista Energja (a private consortium) to finance the Belgrade Solid Waste PPP project (46758). The project was categorised as A under the EBRD's 2014 Environmental and Social Policy (ESP) owing to its environmental and social impacts. Under the project agreement, the City of Belgrade was responsible for land acquisition and resettlement.

In November 2020, Serbian civil society organisation A11 - Initiative for Economic and Social Rights submitted a complaint to IPAM related to the Belgrade Solid Waste PPP Project (46758) on behalf of the 17 Roma families involuntarily resettled in 2018 from the Vinča landfill site. The complaint raised concerns regarding the affected families' physical resettlement and the loss of their livelihoods, as they had not only lived on the landfill site, but also worked there as waste pickers.

Once the complaint had been registered as Case 2021/01, the IPAM problem-solving team started working with representatives from all sides to reflect the public-private partnership nature of the project. The process included A11 and Bankwatch, acting on behalf of the affected families, Beo Čista Energja and public officials from the City of Belgrade, the City of Šabac and the Municipality of Vladimirci (as the entities responsible for the resettlement). All the parties committed time, energy and creativity to a dispute resolution process that lasted over two years.

The first joint dialogue meeting took place in Belgrade in November 2021 after long months of preparation and bilateral meetings. IPAM's role as facilitator involved helping the parties to set the dialogue agenda, establish ground rules for respectful and constructive engagement and work around some issues to schedule site visits and joint meetings.



In May 2022 some partial agreements had been reached, but the process was losing momentum. The 2019 Project Accountability Policy establishes a timeframe of 12 months for the problem-solving process. Serbia was holding elections, which resulted in a major change in public sector representation within the IPAM process. As the dialogue neared the policy deadline, the discussion was being reconfigured with new participants that had to be brought up to speed on the nature of the project, the EBRD's environmental and social requirements, IPAM and the situation that the 17 families had been experiencing since 2018.

To counteract this, the IPAM team started engaging more proactively with other stakeholders that could help reactivate the process. Shuttle diplomacy interventions included weekly meetings with the Bank's project team, conversations with the IFC, and periodic updates to the relevant Board constituency. These third parties were not formal participants in the process, but their support was key to advancing it.

After months of inactivity, in September 2022 the IPAM team joined an EBRD-IFC project supervision mission. Together we visited some of the affected families, met with the client and the City of Belgrade officials, and travelled to Šabac and Vladimirci to meet their mayors. We were accompanied by representatives from A11 and Bankwatch at all the meetings. Things started moving again.

2023 CASE STORIES: A FOCUS ON OUTCOMES

With a gentle nudge from IPAM and its shuttle diplomacy efforts, the parties identified practical solutions to the issues and, in one last meeting held in December of that year, agreed on a set of actions to be taken regarding housing, utility debts, access to benefits and livelihood restoration alternatives. It would take six more months of dialogue for the terms of the agreement to be accepted by all.

On 4 July 2023 complainants, civil society organisations, public sector officials and IPAM met in Belgrade to sign the agreement, which included provisions for social housing, affordable utilities, guaranteed access to social benefits, and livelihood restoration measures tailored to the needs of each family.

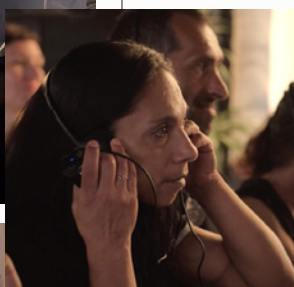
This process broke ground in Serbia, as feedback from the parties showed. Danilo



Curcic from A11 confirmed that before approaching IPAM, his organisation had not heard of this process, and now considered it an example for other institutions.

The same views were shared by Aleksandra Čamagic, Head of the Secretariat for Social Welfare of the City of Belgrade, who acknowledged that the City of Belgrade Council had not participated in this type of initiative before and that at times it had been challenging. Nevertheless, she considered that the process represented a new way of dealing with unintended harm. “People are important to us and in the future, we will be more careful when implementing processes that can cause harm. I am glad we took part in this initiative,” said Aleksandra during the signing ceremony.

IPAM’s purpose is to facilitate the resolution of issues raised in a request, and to do so effectively. As the managing directors of Beo Čista Energija confirmed: “In this process, IPAM focused on those who had been directly affected (the Roma families) and not on what other parties thought or found fault with.”



The signing ceremony marked an important milestone for the case. It was a moment of celebration not just for the 17 families, but also for all those who had worked together for over two years to find mutually agreeable solutions to their vulnerable situation.

This case shows that IPAM’s dispute resolution methodology can lead to positive outcomes in a faster and more focused fashion than traditional mediation. However, the signing of agreements did not close this case. The parties agreed to carry out several actions that are currently being monitored by IPAM; a stage as complex and challenging as the dialogue itself. Watch the case video and listen to the participants’ testimonials here. [!\[\]\(6a9b39b98eb945faa14c645ec99e4eaa_img.jpg\)](#)

2023 CASE STORIES: A FOCUS ON OUTCOMES

Case 2023/02 Albanian Railways (Albania) Problem-solving

On 30 November 2016 the EBRD Board of Directors approved a sovereign loan to the Republic of Albania for the benefit of the public sector company Albanian Railways. Part of the loan would finance the rehabilitation of the existing railway between the cities of Tirana and Durres. The project was designed to improve the regional integration of Albania by improving connections between its main cities, the Port of Durres and Tirana International Airport.

Prior to the rehabilitation project, the railway was not fenced, allowing for free access to the tracks and numerous informal crossings for both vehicles and pedestrians. In its due diligence, the Bank found that in the design process there had been little engagement with key stakeholder groups using the track, with no consultation regarding the illegal crossings and how these were being used by local communities and vulnerable groups such as the elderly and children.

At the end of 2022, IPAM was approached by a group of residents and business owners from the Berxull community concerned with the impact that the rehabilitation of the railway under the Albanian Railways project (48466) would have on their daily lives and businesses.

On 6 February 2023 the complaint was registered as Case 2023/02, and the IPAM problem-solving team visited the area in April 2023. The community of Berxull had been using the informal crossing for the last 30 years to access their homes and businesses and to attend the local mosque. Although in favour of increased connectivity and safety, they feared that they would be left isolated once the fence was erected.



2023 CASE STORIES: A FOCUS ON OUTCOMES

In their conversations with IPAM, they confirmed that there had been no consultation process, and added that their efforts to contact Albanian Railways and other authorities had been fruitless. Their intent was simply to secure vehicular and pedestrian access to meet the needs of the community.

Although the officials from Albanian Railways were already working on a technical solution, they had had limited engagement with the affected population. IPAM proposed assisting to ensure the solution would meet the needs of the community.

Three months after that first visit, IPAM returned to Berxull and brokered an agreement between the community, the client and other authorities in the region. The agreement involved a consensual technical solution to be implemented by Albanian Railways within an agreed timeframe. In addition, the community would be guaranteed unrestricted access to businesses, homes and religious buildings in

the meantime, and the client would be able to continue the railway rehabilitation works.

In this case, IPAM promoted an early resolution of the concerns raised and committed to monitoring the implementation stage. It also took on the task of actively informing the community on progress to ensure they remained supportive of the initiative.



2023 CASE STORIES: A FOCUS ON OUTCOMES

Compliance review

In 2023 IPAM's compliance review team completed two investigative processes, one in Georgia and the other in Bosnia and Herzegovina. The two cases are related to road projects financed by the EBRD under sovereign loans, with co-funding from other multilateral development banks.

In both cases, the complainants approached the accountability mechanisms of the two lenders and the investigative findings were of a similar nature.

The question remains as to whether these findings can be considered common systemic issues that need to be addressed more generally, rather than in relation to one project.

Case 2020/01 North-South Corridor (Kvesheti-Kobi) Road Project Compliance

The National Trust of Georgia (NTG), a local civil society organisation dedicated to protecting and preserving Georgian cultural heritage, submitted a request to the previous EBRD grievance mechanism (PCM) on 27 September 2019 in relation to the North-South (Kvesheti-Kobi) Road Project (50271).

The complainants alleged that the chosen route of the road through the Khada Valley, a pristine area known for its historical military towers and mountainous landscapes, would permanently affect the cultural heritage of the area and limit the development of the eco-tourism sector.

According to the request, the Bank had failed to adequately assess the impacts that the road would have on cultural heritage and eco-tourism. Furthermore, they alleged that the decision had been taken without proper consultation of interested parties.



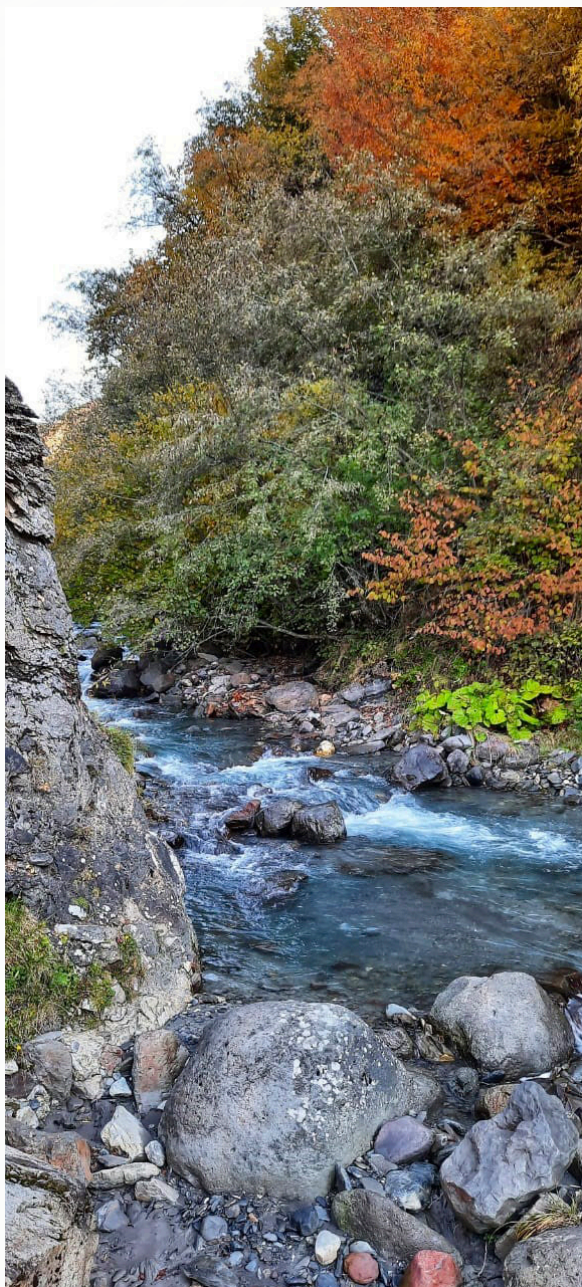
The North-South (Kvesheti-Kobi) Road Project was approved by the EBRD Board of Directors on 2 October 2019. It consisted of a sovereign loan of €53.4 million granted to the Government of Georgia to co-finance the construction of the Tskere-Kobi tunnel (Lot 1) with the Asian Development Bank (ADB). The tunnel forms part of the Kvesheti-Kobi Road section (the project) and is located on the Jinvali-Larsi Road (North-South Corridor). The greenfield project was categorised as A under the EBRD's 2014 Environmental and Social Policy owing to the potential of impact a new road between Kvesheti and Kobi would have on the environment and those living nearby.

IPAM's findings confirmed the following allegations raised by NTG:

- the project had not commissioned archaeological studies that would provide updated information on the cultural heritage inventory of the project area
- cultural heritage experts and organisations in Georgia had not been consulted.

These two early omissions resulted in an inaccurate assessment of the impact that the proposed road would have on the cultural heritage of the Khada Valley.

2023 CASE STORIES: A FOCUS ON OUTCOMES



Why is this important?

The key feature of the “valley of the sixty towers”, as the Khada Valley is known, is its tower system. Against a backdrop of churches, villages, orchards and pastureland, the landscape contains the vestiges of multiple layers of human occupation, including archaeological sites, fortified structures and religious shrines. The area is home to several communities.

A lack of comprehensive information during the scoping and appraisal stages of the project has had two important implications:

- 1.** The decision on the road’s route was made without full consideration of its adverse impacts and might lead to a less than optimal decision.
- 2.** The mitigation measures proposed may be insufficient to avoid or mitigate the harm caused; procuring additional resources for a more robust mitigation plan at a later stage may not be feasible.

What have we learned?

Basing decision-making on robust information is key to sustainable development. For that purpose, the Bank has two effective tools within its ESP: recent and robust baselines and effective stakeholder engagement. These two complementary sources of information should feed into decisions on project-siting and resource allocation.

The outcome of this case should be the effective protection of cultural heritage.

2023 CASE STORIES: A FOCUS ON OUTCOMES

Case 2020/06

Corridor Vc in FBH - Part 3 Compliance

On 5 January 2020 a community group from Malo Polje, Bosnia and Herzegovina (BiH) submitted a complaint to the EBRD in relation to the construction of the Mostar South-Tunnel Kvanj road section, which is covered by Tranche 2 of the Corridor Vc in FBH - Part 3 Project (49058).

The request raised concerns regarding the selected route of that section of the Corridor Vc motorway. The requesters argued that the approved road route would adversely impact the rich agricultural land of the region and the area's residents. They argued that the decision on the route had been taken without consulting the affected population and that no consideration had been given to the multiple adverse environmental, economic and cultural impacts it would have on the South Mostar region, and in particular on the homes and businesses of Serbian returnees to the area.

Most importantly, they claimed that no assessment had been made of the impacts on the region and the community.

The EBRD is a key financier of the Corridor Vc project in Bosnia and Herzegovina. Since 2008 a series of sovereign loans have been granted to the Government of the Federation of Bosnia and Herzegovina, to be implemented by Motorways of the Federation of Bosnia and Herzegovina (the client). The Mostar South-Tunnel Kvanj section is funded in Tranche 2 of the Corridor Vc in FBH - Part 3 project (49058). A sovereign loan of up to €180 million was approved by the EBRD Board of Directors on 5 September 2018. Owing to its environmental and social impacts, the project was categorised as A under the EBRD's 2014 Environmental and Social Policy. In 2018 the second tranche (€60 million) remained uncommitted, as the route of the subsection had recently changed



(in 2016) from that originally approved in 2011, and the Environmental and Social Due Diligence (ESDD) was pending.

IPAM's findings confirmed the following allegations raised by the residents of Malo Polje: the ultimate decision on the road's route was taken without a proper assessment of its impacts, owing to the use of outdated baselines and the fact that the project developer had not consulted with the affected population.

2023 CASE STORIES: A FOCUS ON OUTCOMES



These two early omissions resulted in an incomplete assessment of the impacts that the proposed road would have on the communities, biodiversity and economic activities of the region. At this stage, the project has not yet initiated construction and is required to fully assess the impacts and establish adequate mitigation or compensation measures. This means commissioning updated baseline studies, disclosing the results and consulting with the community.

Why is this important?

The sustainability of the project needs to go beyond the financial aspect. A project that is not environmentally and socially sustainable can lead to loss, harm and conflict.

What have we learned?

Once again, sustainable decisions require robust information which must be available at the time of the decision, not after. Furthermore, disclosing information and consulting those who are directly impacted by the project provides decision-makers with valuable perspectives. Considering all those impacted serves to preserve community cohesion and prevent conflict.

OUTREACH AND KNOWLEDGE SHARING



OUTREACH AND KNOWLEDGE SHARING



IPAM's new webpage

This year we launched a new webpage for IPAM. Accessibility and transparency are two key principles that help ensure our effectiveness as a complaint mechanism. Both these principles require that any potentially affected individual can access our services and is able to understand our mandate and process easily. The web platform is an essential tool for engaging with our stakeholders, and it is vital that we update our offering in line with the Bank's high standards of communication and outreach.

We have worked hard to make the page simpler. We have developed new content and introduced a new look and structure for easier navigation, ensuring that our constituencies in different countries are catered for. The webpage provides basic information about IPAM and the team, but also gives visitors the possibility to access outreach materials in different languages, download our annual reports and, as always, follow our cases in the virtual case registry.

Be sure to visit www.ebrd.com/ipam and send any feedback to our communications team at: ipam_comms@ebrd.com.

External outreach

IPAM's external outreach programme in 2023 included active participation in the EBRD's Annual Meeting in Samarkand, Uzbekistan. IPAM hosted a panel on the Belgrade Solid Waste case with Danilo Curcic, representative of the requesters, and Boško Maravić, representative of the client, Beo Čista Energija. During the meeting, IPAM also met several civil society organisations (CSOs) from Uzbekistan and other Central Asian countries. The participants highlighted the challenges faced by affected people when they try to raise concerns regarding EBRD-funded projects.


In addition, IPAM organised sessions with its network of CSOs in London and other locations to promote access to the mechanism and to listen to their perspectives on multilateral finance.

Month	Place	Event
March	London	Participation in the CSEU-CSOs steering committee
April	London	CSOs delegation in London
	Albania	Access Promotion Workshop with Albanian CSO
May	Malaysia	IAMnet outreach session at the IAIA Annual Meeting
	Samarkand	Session on "Remedy and sustainability through conflict resolution" as part of the Civil Society Programme at the EBRD Annual Meeting
	Samarkand	Access Promotion Workshop attended by 40 CSOs from Central Asia
June	Global	Policy Review Proposed Action Plan – IPAM initial consultation with CSOs
September	Europe	Presentation on Development Finance Institutions and Remedy at the European Business and Human Rights Working Group Meeting
October	London	Session with CSOs organised within the scope of the IAMnet Annual Meeting hosted by the EBRD
November	Switzerland	Participation in the UN Business and Human Rights Forum
December	Global	One-to-one interviews as part of the IPAM Policy Review Forum

OUTREACH AND KNOWLEDGE SHARING

Internal outreach

In 2023 IPAM delivered an intensive programme of presentations to Bank teams with the objective of promoting greater understanding of the accountability architecture within the EBRD.

In November we co-organised a panel discussion on how the accountability functions of the Bank promote a stronger institution. The President of the EBRD, Odile Renaud-Basso, was guest speaker, and the panel was composed of the Chair of the Audit and Risk Committee, Rosmarie Schlup, Chief Accountability Officer Victoria Márquez Mees, Chief Evaluator Veronique Salze-Lozac'h and Chief Auditor Fotoulla Charalambous. During the discussion, a video co-produced by the three independent offices was presented. Watch the video here. 

Month	Area	Event
January	Independent Evaluation	Introduction to IPAM
	Internal Audit	Introduction to IPAM
February	Civil Society Engagement Unit	Introduction to IPAM
	Infrastructure TMEA	Introduction to IPAM
	Agribusiness	Introduction to IPAM
	AMPEM	Introduction to IPAM
March	Infra Europe	Introduction to IPAM
May	London	Policy review presentation to ExCom
June	London	Breakfast with the President
July	Albania Resident Officer	Introduction to IPAM
September	Board	Board Refresher
November	All Bank staff	Joint panel presentation on the EBRD's independent functions: Contributing to a stronger and more effective EBRD



Knowledge sharing and collaboration

As part of IPAM's participation in the Independent Accountability Mechanisms Network, the Chief Accountability Officer convened a working group aimed at strengthening the capacity of IAMs and their talent pools. In 2023 IPAM hosted the first ever Accountability Talent Training Meeting, with 32 accountability colleagues from 13 different IAMs participating. The two-day event included training sessions on security and risk of retaliation, remedy and dispute resolution. The robust discussions were very informative and gave everyone a great deal to think about. The group had the opportunity to network and strengthen working relationships. As an unexpected treat, they also had the chance to see the Mexican Navy's Training Vessel, which was docked in Canary Wharf.

In the words of one of the participants: "It was incredibly useful to meet each other, to connect and network, discuss career and work-related issues and generally unwind from demanding work life. We all shared the view that such training and networking opportunities should continue periodically, exploring existing and emerging issues from a different perspective."

OUTREACH AND KNOWLEDGE SHARING

20th IAMnet Annual Meeting

The Independent Accountability Mechanism Network (IAMnet), a group of around 60 accountability professionals who work together on issues in the sector as well as good governance and best practices, held its 20th Annual Meeting in 2023.

The Accountability Mechanism of the World Bank and IPAM co-hosted the event at the EBRD's headquarters in London, bringing together colleagues from across the globe. The heads of the 22 accountability mechanisms attended a three-day in-person

meeting, during which there was a great deal of discussion on independence and a strong focus on remedy. A full day was dedicated to the theme of civil society engagement, focusing on the challenges that accountability mechanisms face in delivering redress to affected communities.

IPAM hosted a dinner at the House of Commons, a place many of the attendees had only ever seen from the outside. This was a wonderful opportunity to strengthen professional bonds between all the mechanisms in the inspirational setting of London.



IPAM RESOURCES



Our staff

Change is the only constant in any organisation. In 2023 the IPAM team bid farewell to some and welcomed others.

Sushma Kotagiri, a founding member of IPAM, decided to leave the EBRD in August 2023. Sushma joined IPAM in August 2020, first to provide maternity cover and then as Outreach and Engagement Lead. She implemented an ambitious internal and external outreach programme. In 2023 she organised 14 awareness-raising sessions with different departments, where we had the opportunity to exchange knowledge and share our mandate with other colleagues in the Bank.

Sushma also led our engagement with civil society organisations and formed a strong relationship with the Civil Society Engagement Unit. She also facilitated IPAM's presence at the Bank's annual meetings in Morocco and Samarkand, where we discussed accountability and engaged with organisations from around the world.

IPAM budget and execution

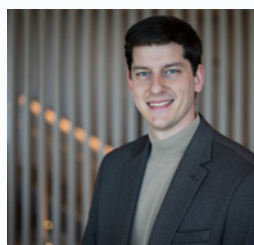
Items	Budget for 2023 GBP	Spent in 2023 GBP
Staff costs	1,181,000	1,132,977
Consultancy fees	107,000	45,892
Travel	49,740	50,864
Hospitality	14,000	20,937
Miscellaneous (including translations)	36,000	66,872
Total	1,387,740	1,317,542



Recent joiners

Miguel Santana, a Portuguese national, has joined IPAM's Compliance Review team as an Associate. Before joining the EBRD, he worked for the

Ministry of Environment and Spatial Planning in Portugal, the World Trade Organization, International Finance Corporation, Marubeni Corporation and the World Bank. Miguel's previous experience includes research and advisory on E&S due diligence, risk management and complaints response, engaging with project-affected people and CSOs, and supporting investigations of accountability mechanisms in the context of projects financed by international financial institutions.



Filip Zivkovic, a Serbian national, is an Analyst in IPAM's Registration and problem-solving team. Filip has a master's degree in quality control and environmental engineering, with

practical experience in environmental assessment and client compliance with EU, EBRD, IFC or respective environmental and social legislation and/or Bank policies. Before joining the EBRD, he worked in the private sector in various locations in Europe, Central America and Africa.

2023 ANNEXES



2023 ANNEXES

2023/09 Indorama

The request

Case status: Open

Location: Uzbekistan

Complainant(s): Uzbek Forum for Human Rights on behalf of 14 residents of Uzbekistan

Confidentiality: Yes

Date of receipt: 3 August 2023

Function: Compliance

The Uzbek Forum for Human Rights submitted a request on behalf of 14 residents of Uzbekistan. The requesters, who asked for confidentiality owing to fear of retaliation, raise allegations of loss of livelihoods, violation of labour rights, environmental pollution, lack of environmental impact assessment and mitigation, lack of meaningful stakeholder engagement, ongoing retaliation and reprisals and potential future harm in connection with the EBRD-funded projects Indorama Agro Capex Loan (50879), Indorama Agro Working Capital Loan (51011) and Indorama Kokand WC II (54302). In the request it is alleged that the EBRD's environmental and social due diligence and monitoring of the projects has been inadequate, and that it has failed to address the harm the projects have caused to the requesters.

The project

Project name: Indorama Agro Capex Loan (50879) and Working Capital Loan (51011)

Client: FE Indorama Agro LLC

Approval date: 10 February 2021

Status: Repaying

Environmental category: A

The Indorama Agro Capex Loan (50879) and Working Capital Loan (51011) will support a significant private sector investment in the cotton farming sector in Uzbekistan, through the cotton/textile clusters recently created in the country. The project is being implemented by Indorama Agro LLC. It comprises two loans of up to €63 million, in aggregate, to support

the company's capital expenditure and working capital needs. The goal of the project is to promote mechanised cotton harvesting and bring significant environmental and operational improvements to the cotton farming sector in Uzbekistan.

Name: DFF - Indorama Kokand WC II (54302)

Client: Indorama Kokand Fertilisers and Chemicals JSC

Approval date: 9 May 2023

Status: Disbursing

Environmental category: B

The DFF - Indorama Kokand WC II (54302) €4.5 million senior working capital loan will support Indorama Kokand Fertilisers and Chemicals, a leading manufacturer of phosphate fertilisers in Uzbekistan, and its existing operations in the production of fertilisers, ahead of its planned programme of expansion into new fertiliser products, including potassium-based fertilisers.

IPAM processing in 2023

The request was registered on 4 September 2023 as Case 2023/09, having met the criteria for registration established in the 2019 Project Accountability Policy. Owing to the risk of retaliation and given the confirmation from the requesters that they were not interested in a problem-solving process, the case was transferred directly to the compliance function, whereupon the team initiated the compliance assessment process. IPAM undertook a series of virtual and in-person meetings with the requesters, Bank management, representatives of the client and its CAO, and carried out a desk review of documentation. It also asked management and the client for a written response to the request. The case is currently undergoing a compliance assessment to determine whether it is eligible for a compliance review.

2023 ANNEXES

2023/08 Corridor Vc 2 (Request #3)



The request

Case status: Open

Location: Bosnia and Herzegovina

Complainant(s): Mr Ilijas Sakic

Confidentiality: Not requested

Date of receipt: 13 Jul 2023

Function: Problem-solving and compliance

On 13 July 2023 Mr Ilijas Sakic, a resident of Bosnia and Herzegovina, sent a request in relation to the Corridor Vc 2 project. The request raises allegations of structural damage to his property and dust pollution caused by the continuous traffic of heavy vehicles involved in the construction stage of the project. Mr Sakic contacted the client and contractor, but no solution was provided.

The project

Name: Corridor Vc 2 (47372)

Client: Motorways of the Federation of Bosnia and Herzegovina

Approval date: 28 October 2015

Status: Repaying

Environmental category: A

The Corridor Vc 2 Project (47372) is a sovereign loan to Bosnia and Herzegovina of up to €80 million for on-lending to the Federation of Bosnia and Herzegovina and on further to Motorways of the Federation of Bosnia and Herzegovina (the client). The main contractor under the project is Euroasfalt d.o.o., which is in charge of the construction of the motorway. The project was approved on 28 October 2015 as category A under the EBRD's 2014 Environmental and Social Policy.

According to the Project Summary Document, the proceeds of the loan will be used to construct four four-lane motorway sections to international standards, one of which covers approximately 3.9 km between the village of Donja Gračanica and the Zenica tunnel.

The Donja Gračanica village is the area most affected by the construction, traffic noise, air pollution and visual impact. Traffic noise from the road could potentially cause significant nuisance to the nearby communities. Although during construction noise emissions will increase, this will be temporary and limited to the daytime, since that is when construction will take place. During this time, noise due to tunnelling and other works may disturb the local population.

During construction, negative impacts on surrounding communities will occur, especially in relation to construction traffic and the use of local access roads. In addition, disturbance during tunnelling works at the Zenica bypass is expected. However, these impacts will be temporary, and will be mitigated and monitored in line with the environmental and social action plan.

IPAM processing in 2023

The request was registered by IPAM on 24 August 2023 as Case 2023/08, initiating the assessment stage, which is expected to be concluded in January 2024. IPAM undertook an in-depth analysis of the request and reviewed the additional documentation provided by the parties, held online meetings with the Bank team responsible for the project, representatives of the client and the contractor, and the requester. IPAM also conducted a site visit to Bosnia and Herzegovina from 18 to 21 September 2023, meeting in person the requester, the client, the contractor and the project operations leader to explore parties' willingness and capacity to engage in a problem-solving process. The IPAM team also visited the requester's home in Zenica.

Based on the activities undertaken during the assessment stage, IPAM determined that the case should proceed to problem-solving, as all relevant parties (the requester, client, contractor and Bank management) expressed their willingness to engage in that process. The assessment report is expected to be issued in January 2024 following consultations with the parties, after which the case will be transferred to the problem-solving stage.

2023 ANNEXES

2023/07 Port of Brcko

The request

Case status: Open

Location: Bosnia and Herzegovina

Complainant(s): Mr Samir Muranjikovic

Confidentiality: Not requested

Date of receipt: 16 May 2023

Function: Problem-solving

On 16 May 2023 Mr Samir Muranjikovic, a resident of Brcko District, sent a request in relation to the Port of Brcko (47546) project. The request raises allegations of noise due to the construction of the project and its future operation. According to the requester, who lives with his family at the side of the railway under construction, the noise is particularly harmful to vulnerable members of the household.

The project

Name: Port of Brcko (47546)

Client: District of Brcko

Approval date: 30 November 2016

Status: Repaying

Environmental category: B

The Port of Brcko Project (47546) consists of a sovereign loan of up to €10 million to the government of Bosnia and Herzegovina. The facility was on-lent to the District of Brcko, and the funds are being used to rehabilitate and upgrade facilities at the Port of Brcko and optimise road and railway access to the port.

The project will improve the operational efficiency of the port and increase its cargo handling capacity, which is currently limited by difficult rail access and outdated infrastructure. The project is expected to lead to a change in transport method from road to primarily rail for the port's traffic, providing a cost-effective and environmentally friendly transport route for local traders of commodities. In addition, the project is expected to improve the efficiency and safety of rail operations in the city of Brcko by enabling the existing railway line, which currently passes through the central urban area, to be relocated.



The rehabilitation of the railway in the vicinity of the requester's house is part of the project's component B, which entails the reconstruction of industrial railway track on the line from the Port of Brcko to the Brcko Novo train station and reconstruction of connections to the industrial zone.

According to the Project Summary Document, potential environmental and social impacts are expected to be temporary and associated mainly with the construction stage. The project was approved on 30 November 2016 as category B under the EBRD's 2014 Environmental and Social Policy and the loan is currently being repaid.

IPAM processing in 2023

The request was registered by IPAM on 15 August 2023 as Case 2023/07, initiating the assessment stage, which lasted until November 2023. IPAM undertook an in-depth analysis of the request and reviewed the additional documentation provided by the parties, held online meetings with the Bank team responsible for the project, representatives of the client and the requester. IPAM also conducted a site visit to Brcko on 20 September 2023, meeting in person with the requester and the client to explore the parties' willingness and capacity to engage in a problem-solving process and visiting the project area relevant to the request.

Based on the activities undertaken at the assessment stage, IPAM determined that the case should proceed to problem-solving, as all relevant parties (the requester, the client and Bank management) expressed their willingness to engage in that process. IPAM offered to serve as a third-party independent facilitator to support the requester and the client during the negotiations on the proposed technical solution and monitor its implementation, and the parties accepted. At the end of 2023 the client was in the process of undertaking a noise assessment near the requester's house to measure the level of noise coming from the railway and propose mitigation measures.

2023 ANNEXES

2023/06 Toplana Zenica d.o.o.



The request

Case status: Open

Location: Bosnia and Herzegovina

Complainant(s): Eko Forum Zenica

Confidentiality: Not requested

Date of receipt: 7 May 2023

Function: Problem-solving and compliance

On 7 May 2023 Eko Forum Zenica, a CSO consisting of a group of citizens from the city of Zenica, Bosnia and Herzegovina, submitted a request to IPAM as an affected organisation. The complainant alleges that although the EBRD project, namely the renovation of the combined heat and power system at the Arcelor Mittal Zenica steel plant, will be an improvement on the previous system, it cannot be considered compliant with the EBRD's 2014 Environmental and Social Policy, as the plant will be fueled by residual gases from steel production that have not been previously treated. It is alleged that this will cause health issues for the city's residents.

The project

Name: Toplana Zenica d.o.o.

Client: Toplana Zenica d.o.o.

Approval date: 14 November 2018

Status: Repaying

Environmental category: B

The Toplana Zenica d.o.o. Project (49253) comprises a long-term senior loan of €41 million to the joint venture Toplana Zenica d.o.o. for the construction of a new combined heat and power plant. The project will replace and modernise the existing plant and provide a sustainable source of power and heat for the city of Zenica and Arcelor Mittal Zenica. The project will also substitute the use of coal with the use of process gases from the steelworks as fuel, achieving a substantial reduction in CO₂ emissions, as well as lower dust, NO_x and SO₂ emissions.

According to the Project Summary Document, the project will comply with national and EU environmental standards (such as Best Available Techniques Conclusion Notes) and the project has been designed to meet the Bank's environmental and social requirements. The project will also significantly improve the reliability of the heating supply to the city of Zenica. The project was approved on 14 November 2018 as category B under the EBRD's 2014 Environmental and Social Policy.

IPAM processing in 2023

The request was registered by IPAM on 18 July 2023 as Case 2023/06, initiating the assessment stage, which is expected to be concluded in January 2024. IPAM undertook an in-depth analysis of the request and reviewed the additional documentation provided by the parties, held online meetings with the Bank team responsible for the project, and representatives of the client and the requester. IPAM also conducted a site visit to Bosnia and Herzegovina from 18 to 21 September 2023, meeting in person with the requester, the client and the project operations leader to explore the parties' willingness and capacity to engage in a problem-solving process. It also visited the project area relevant to the request.

Based on the activities undertaken at the assessment stage, IPAM determined that the case should proceed to problem-solving, as all the relevant parties (the requesters, the client and Bank management) had expressed their willingness to engage in that process.

2023 ANNEXES

2023/05 Corridor Vc 2 (Request #2)



The request

Case status: Open

Location: Bosnia and Herzegovina

Complainant(s): Ms Sadka Smajlagic

Confidentiality: Not requested

Date of receipt: 6 June 2023

Function: Problem-solving and compliance

On 6 June 2023, Ms Sadka Smajlagic, a resident of Donja Gračanica, in the district of Zenica, Bosnia and Herzegovina, submitted a request to IPAM related to the Corridor Vc 2 project. The request raises allegations of lack of access to her property due to the construction of the highway. According to the requester, her family's direct access to the road had been limited during construction, and now that the highway construction stage is complete, a steel barrier has completely closed off that access. She alleges that to access the property, the family must cross their neighbours' land, which has no paved access, making it impossible for heavy trucks or emergency vehicles to enter. Furthermore, she alleges that when access was closed, the businesses that had been renting part of the land left, causing a drop in the family's income. The requester seeks to have adequate access to her property restored.

The project

Name: Corridor Vc 2

Client: Motorways of the Federation of Bosnia and Herzegovina

Approval date: 28 October 2015

Status: Repaying

Environmental category: A

The Corridor Vc 2 Project (47372) is a sovereign loan to Bosnia and Herzegovina of up to €80 million for on-lending to the Federation of Bosnia and Herzegovina and then on to the Motorways of the Federation of Bosnia and Herzegovina (the client). The project was approved on 28 October 2015 as category A under the EBRD's 2014 Environmental and Social Policy. The objective of the loan was to finance the construction of four four-lane motorway sections to international standards,

one of which covers approximately 3.9 km between Donja Gračanica and the Zenica tunnel.

As regards its environmental and social impact, the project was expected to have traffic noise, air pollution and visual impacts on the village of Donja Gračanica and its surroundings. Traffic noise from the road could potentially cause a significant nuisance for the nearby communities. These impacts were expected to be temporary. At the end of 2023 the project was in repaying status.

IPAM processing in 2023

The request was registered by IPAM on 12 July 2023 as Case 2023/05, initiating the assessment stage, which will last until January 2024. IPAM undertook an in-depth analysis of the request and reviewed the additional documentation provided by the parties, held online meetings with the Bank team responsible for the project, representatives of the client, and the requester. IPAM also conducted a site visit to Bosnia and Herzegovina from 18 to 21 September 2023, meeting in person with the requester, the client, and the project operations leader to explore the parties' willingness and capacity to engage in a problem-solving process. It also visited the project area relevant to the request.

IPAM facilitated a joint meeting between the requester and the client on 16 November 2023, during which the parties discussed conditions for participation in a problem-solving initiative and identified potential topics to be addressed.

Between the end of November and early December 2023, IPAM engaged bilaterally with the requester on potential ways to address her concerns, either under the problem-solving mechanism or the compliance mechanism. However, at the end of December 2023, the requester informed IPAM that she had decided to withdraw her request and was considering raising her concerns in the local courts.

In January 2024, IPAM will recommend that the EBRD Board of Directors close Case 2023/05, based on the decision of the requester, and will share the assessment report with the parties, making the virtual case file for Case 2023/05 available in both English and Bosnian.

2023 ANNEXES

2023/04 Corridor Vc in FBH – Part 3 (Request #2)

The request

Case status: Suspended

Location: Bosnia and Herzegovina

Complainant(s): Resident of Malo Polje

Confidentiality: Yes

Date of receipt: 26 April 2023

Function: Problem-solving and compliance

On 26 April 2023 a resident of Malo Polje, Bosnia and Herzegovina, submitted a request to IPAM related to the Corridor Vc in FBH - Part 3 project. Allegations are presented in relation to the expropriation process, misinformation and lack of consultation. The request also raises issues of unfair treatment and lack of consideration of the vulnerable status of members of the requester's family. The requester also claims that there is a secular cemetery on the property that has not been assessed. Owing to fear of retaliation, the identity of the requester is not to be disclosed.

The project

Name: Corridor Vc in FBH - Part 3 (49058)

Client: Motorways of the Federation of Bosnia and Herzegovina

Approval date: 5 September 2018

Status: Repaying

Environmental category: A

On 5 September 2018, the EBRD Board of Directors approved a sovereign loan of up to €180 million payable to the Motorways of the Federation of Bosnia and Herzegovina (the client) to fund Corridor Vc in FBH - Part 3 (49058) (the project). The project involves the construction of four new key sections of Corridor Vc, covering a total length of approximately 15.8 km, as part of the Western Balkans Core Road Network and the wider pan-European transport corridor. The project was categorised as A under the EBRD's 2014 Environmental and Social Policy.

The loan is composed of two tranches: (i) the first tranche finances the construction of three motorway sections (the construction of Tunnel Ivan, approximately 2 km long) and co-finances the construction of a motorway section running from Poprikusa to Nemila with the European Investment Bank; and (ii) the second tranche will finance the construction of a motorway section from the Mostar South Interchange to the Kvanj tunnel, covering approximately 9.1 km.

When the project was approved in 2018, the environmental and social due diligence (ESDD) for the latter section had not taken place. The commitment of €60 million to finance that section was therefore made conditional on the satisfactory completion of the ESDD. On 25 February 2021 the EBRD Board of Directors approved the disbursement of the second tranche.

IPAM processing in 2023

IPAM registered the request on 6 June 2023 as Case 2023/04 and initiated the assessment stage. Throughout June and July, the IPAM team engaged virtually with the client, the EBRD project team and the requesters to gain a better understanding of the project and the issues raised in the request. At the beginning of August 2023, the requester asked IPAM to temporarily suspend the assessment of the case until the compliance review process for Case 2020/06 Corridor Vc in FBH - Part 3 had been completed.

2023 ANNEXES

2023/03 Business Ombudsman of the Kyrgyz Republic

The request

Case status: Open

Location: Kyrgyz Republic

Complainant(s): Ms Safarbek Kyzy Aisanat, Mr Azamatov Aziz Azamatovich

Confidentiality: Not requested

Date of receipt: 10 February 2023

Function: Problem-solving and compliance

On 10 February 2023 Ms Safarbek and Mr Azamatov, residents of Bishkek, Kyrgyz Republic, submitted a request to IPAM in relation to the Business Ombudsman Institution (BOI) project, funded at the time by the EBRD's Shareholder Special Fund (SSF). They raised allegations of unfair treatment regarding the renewal of their employment contracts with the BOI.

The project

Name: Business Ombudsman of the Kyrgyz Republic

Client: The Government of the Kyrgyz Republic

Approval date: 30 October 2018

Status: Closed

Environmental category: N/A

The Business Ombudsman of the Kyrgyz Republic (TCRS 10698) is a third-party recourse mechanism for businesses. The project is funded by the EBRD's Shareholder Special Fund and was approved on 30 October 2018 to support the BOI in its start-up and operational phases. A separate legal entity was established and a grant agreement was signed by the EBRD on 13 December 2019, with grant amendments being signed in August 2021 and February 2023. At the end of April 2023, the EBRD ended its financial support for the BOI. The main client/beneficiary of the project is the Government of the Kyrgyz Republic.

IPAM processing in 2023

The request was registered by IPAM on 22 March 2023 as Case 2023/03, initiating the assessment stage, which lasted until mid-September 2023. IPAM undertook an in-depth analysis of the request and reviewed the additional documentation provided by the parties, held several online meetings with the Bank team responsible for the project, the client and the requesters. IPAM determined that there were no grounds to initiate a problem-solving initiative, as the parties were involved in a legal dispute in the local courts and the Bank had ceased its financial interest in the project. IPAM transferred the case to the compliance function to determine its eligibility for a compliance review, and it is now under compliance assessment.

2023 ANNEXES

2023/02 Albanian Railways

The request

Case status: Open

Location: Albania

Complainant(s): Residents of the Lagjia Xhamia e Re neighbourhood

Confidentiality: No

Date of receipt: 15 Dec 2022

Function: Problem-solving

On 15 December 2022 Mr Ditmir Zeqa, representative of 60 individuals residing in the Municipality of Vore, Albania, submitted a request to IPAM in relation to the Albanian Railways project (OP 48466). In their request they allege that the project is limiting access to the area for residents, businesses and the local mosque, as the crossing they habitually use will be closed. The locations proposed for the new crossings are not satisfactory because they are unsafe, too far away or connect to road sections in too poor a condition to guarantee adequate access for heavy vehicles. The requesters expressed their interest in a problem-solving process.

The project

Name: Albanian Railways (48466)

Client: Albanian Railways

Approval date: 30 Nov 2016

Status: Repaying

Environmental category: B

The Albanian Railways Project (48466) comprises a sovereign loan of €36.87 million to the Republic of Albania to finance a project to be implemented by Albanian Railways (the client). The project seeks to rehabilitate 34.17 km of the existing railway line between Tirana and Durres and to build a new railway link of approximately 5 km to connect the existing Tirana-Durres rail line with Tirana International Airport. The project was approved by the EBRD Board of Directors on 30 November 2016 and classified as category B under the Bank's 2014 Environmental and Social Policy. According to the Project Summary Document (PSD), the project will involve specific environmental and social issues, mainly due

to the fencing of the corridor and closure of a number of crossings that are currently used by communities for access.

IPAM processing in 2023

IPAM registered the request on 6 February 2023 under Case 2023/02 and initiated the assessment stage, which was conducted between February and June 2023. As part of the assessment stage, IPAM visited the project site in Albania from 3 to 6 April 2023, meeting in person representatives of Albanian Railways, the requesters and the EBRD project team in Tirana to gain a better understanding of the project and the issues raised in the request. IPAM also met the Mayor of Vore Municipality, the Head of the Administrative Unit of Bexhill and the Imam from the local mosque. IPAM confirmed that the client was already working on a technical solution to provide access to the community. On that basis, all the parties confirmed their interest in engaging in a process facilitated by IPAM. In July 2023 IPAM initiated the problem-solving process, meeting online with the parties and hiring a local facilitator from Albania to work jointly with the IPAM team in supporting the parties during the implementation of the solution until completion.

When designing the problem-solving process, IPAM took into account the following considerations: the client had already come up with a technical solution to address the concerns raised in the request; the timeframe for finalising the project was short; and the solution required the participation of third parties, including Vore Municipality. The problem-solving initiative therefore focused on reaching an early agreement with a strong emphasis on the monitoring of its implementation.

On 23 July 2023 IPAM organised a first joint meeting of the parties in Albania, during which the client presented the technical solution to the requesters and adapted it to their needs. The parties agreed to the solution and committed to participating in the problem-solving process under the facilitation of IPAM, signing an agreement to that effect. As part of the agreement, ground rules and a monitoring timeframe were set out. The case then moved to the monitoring stage; IPAM oversaw the implementation of the agreed actions between August and December 2023.



2023 ANNEXES

2023/01 Corridor Vc - Doboj Bypass

The request

Case status: Open

Location: Bosnia and Herzegovina

Complainant(s): Family resident in Doboj, Republika Srpska, Bosnia and Herzegovina

Confidentiality: Yes

Date of receipt: 19 December 2022

Function: Compliance

The requesters raised allegations of unfair and inequitable treatment during the expropriation of their property in relation to the Corridor Vc - Doboj Bypass Project (50603). The requesters claimed that the compensation they received did not take into account the family's vulnerability, the loss of their business, or the market price of the land and the structures that were expropriated. Furthermore, they stated that the process to determine compensation was not transparent and led to those living in the area receiving varying levels of compensation.

The project

Name: Corridor Vc - Doboj Bypass (50603)

Client: Motorways of Republika Srpska

Approval date: 25 April 2019

Status: Repaying

Environmental category: A

The transaction consists of two loans of up to €210 million in total: one being a sovereign loan to Bosnia and Herzegovina of €60 million, which will be on-lent via the Federation of Bosnia and Herzegovina to the Motorways of the Federation of Bosnia and Herzegovina, and the other a loan of up to €150 million to the Motorways of Republika Srpska, backed by a sovereign guarantee. For the purposes of the current request, the relevant client is Motorways of Republika Srpska, a public company wholly owned by the government of the Republika Srpska.

The project will finance the construction of an approximately 14 km-long section of Corridor

Vc to full motorway standard in the Republika Srpska, bypassing the town of Doboj. The project is a follow-on operation to the Bank's previous projects for the construction of key motorway sections on Corridor Vc in Bosnia and Herzegovina, which connects the Port of Ploce in Croatia with Budapest and is part of the trans-European transport network (TEN-T) and South-east European Transport Observatory (SEETO).

The Environmental and Social Impact Assessment (ESIA) package was disclosed on 20 December 2018, and included a Resettlement Action Framework. According to the project documents, approximately 10 houses will also need to be expropriated. A Land Acquisition and Resettlement Plan was finalised in April 2021 and disclosed in English only.

IPAM processing in 2023

The request was registered by IPAM on 1 February 2023 as Case 2023/01, initiating the assessment stage, which ran until 22 June 2023 in accordance with the 2019 Project Accountability Policy (PAP). IPAM undertook an in-depth analysis of the request and reviewed the additional documentation provided by the parties, held online meetings with the Bank team responsible for the project, representatives of the client and the requesters. IPAM also conducted a site visit to Bosnia and Herzegovina from 22 to 24 March 2023, meeting in person with requesters, the client and other relevant stakeholders and visiting the project area relevant to the request. At the end of the assessment stage, IPAM determined that the case should be transferred to the compliance function to assess its eligibility for a compliance review based on the criteria set out in the PAP. The case is currently undergoing compliance assessment.

2023 ANNEXES

2022/03 Titan 2027 Eurobond

The request

Case status: Closed

Location: Egypt

Complainant(s): Ahmed Saad Eldien Mohamed

Confidentiality: No

Date of receipt: 25 October 2022

Function: Problem-solving and compliance

The project

Name: 5NCL Eurobond (48507)/Titan 2027 Eurobond (52337)/7NCL Titan Eurobond (49709)

Client: Titan Cement Company SA

Approval date: 8 June 2016/7 July 2020/31 October 2017

Status: Complete/Active/Active

Environmental category: B

The request, sent to IPAM in 2022, alleges that as a result of the requester's work at the cement company he developed a chronic health condition. In his request he acknowledges that at the time of his retirement, he received compensation, but that this has proven to be insufficient to cover his medical costs. He further alleges that at that time, he was pressured into accepting the amount offered.

In February 2023 IPAM concluded its assessment of Case 2022/03 Titan 2027 Eurobond, having undertaken an in-depth analysis of the request, reviewed the additional documentation provided by the parties, and held online meetings with the Bank's project team, representatives of the client and the requester. IPAM determined that on 21 July 2020, the client had fully repaid the funds for 5NCL Eurobond (48507). While Titan 2027 Eurobond (52337) and 7NCL Titan Eurobond (49709) were active projects when the request was submitted, neither of the two projects financed the activities in Egypt where the requester worked. Therefore, IPAM determined that the issues raised by the requester were not related to those projects and the request did not meet the criteria for registration.

However, IPAM's decision is not a judgment on the merits of the request or the concerns raised. IPAM therefore recommended that the EBRD Board of Directors approve the closure of the case on a no-objection basis. This recommendation was approved by the Board in early April 2023.

2023 ANNEXES

2022/02 DFF Adriatic Metals

The request

Case status: Open

Location: Bosnia and Herzegovina

Complainant(s): 103 citizens from the region of the Trstionica and Boriva Nature Park in Kakanj, Bosnia and Herzegovina

Confidentiality: Yes

Date of receipt: 15 August 2022

Function: Compliance

The project

Name: DFF Adriatic Metals ([52342](#))

Client: Adriatic Metals PLC

Approval date: 6 October 2020

Status: Disbursing

Environmental category: B

One hundred and three citizens from the region of the Trstionica and Boriva Nature Park in Kakanj, Bosnia and Herzegovina, who asked that their names remain confidential, grouped together to express their opposition to the development carried out as part of the DFF Adriatic Metals (52342) project. The group

alleges that since 2020 and increasingly thereafter, they have witnessed damage to the area's natural resources. Further allegations were raised about the lack of community engagement in the process. The complainants asked IPAM to conduct a compliance review.

The request was registered by IPAM on 5 October 2022 as Case 2022/02, initiating the assessment stage, which ran until the end of January 2023 in accordance with the 2019 Project Accountability Policy (PAP). IPAM undertook an in-depth analysis of the request by reviewing documents, visiting the project site in December, and holding online and in-person meetings with the Bank's project team, client representatives and the requesters. The assessment stage concluded with IPAM determining that the case should be transferred to IPAM's compliance function, to assess its eligibility for a compliance review based on the criteria set out in the PAP. The case is currently undergoing compliance assessment.



2023 ANNEXES

2022/01 Ulaanbaatar Darkhan Road

The request

Case status: Open

Location: Mongolia

Complainant(s): Lkhanaajav Burentugs, owner of Dugan Khad Travel LCC

Confidentiality: No

Date of receipt: 31 March 2022

Function: Problem-solving and compliance

The project

Name: Ulaanbaatar Darkhan Road ([50766](#))

Client: Mongolia Sovereign

Approval date: 23 February 2022

Status: Approved

Environmental category: A

The owner of a resort located 108 km along the Ulaanbaatar to Darkhan Road in the Tuv province of Mongolia submitted a request to IPAM related to adverse impacts generated by roadworks financed by the EBRD and the

Asian Development Bank. This has resulted in a sharp decrease in hotel bookings and loss of revenue. The requester contacted both the Ministry of Roads and Transport Development and the EBRD but claims to have had no response from either. A similar complaint has been sent to the accountability mechanism of the Asian Development Bank.

The request was registered by IPAM in May 2022. Since September 2022, the case has been under assessment by the compliance function. In April 2023 IPAM completed its compliance assessment, determining that the case should be referred for a full investigation under compliance review. In July 2023 two members of IPAM's compliance team undertook a site visit to Mongolia as part of the investigation. The compliance investigation is currently ongoing.



2023 ANNEXES

2021/03 Maritsa East Mines

The request

Case status: Open

Location: Bulgaria

Complainant(s): Several residents from the community of Beli Bryag

Confidentiality: Yes

Date of receipt: 28 October 2021

Function: Compliance

The project

Name: Grant to Maritsa East Mine through the Kozloduy International Decommissioning Support Fund/BEH Bond Issue (48556)/BEH Bond Issue 2018 (50221)

Client: Maritsa East Mine and Bulgarian Energy Holding EAD

Approval date: 17 January 2014/20 July 2016/20 June 2018

Status: Finalising completion/Completed/Ongoing

Environmental category: B/B/B

The case was filed with IPAM at the end of 2021, with the request that it be considered under the compliance function. It concerns the resettlement of a village in Bulgaria as a result of the expansion of a coal mine. After the assessment process, the case was transferred to compliance at the end of 2021. In April 2022 IPAM found in its Compliance Assessment Report that the case merited further investigation and launched a compliance review. As part of the review, the IPAM team conducted an on-site visit in July 2022 to better understand the situation and concerns raised by the project-affected people. IPAM's draft Compliance Review Report is expected to be ready in the first quarter of 2024. Two members of IPAM's compliance team undertook a site visit to Bulgaria as part of the investigation. The compliance investigation is currently ongoing.



2023 ANNEXES

2021/01 Belgrade Solid Waste PPP Request

The request

Case status: Open

Location: Serbia

Complainant(s): Roma waste pickers represented by the A11 Initiative

Confidentiality: Yes

Date of receipt: 24 November 2020

Function: Problem-solving

The project

Name: Belgrade Solid Waste PPP ([46758](#))

Client: Beo Čista Energja

Approval date: 18 September 2019

Status: Repaying

Environmental category: A

The problem-solving initiative ran from January to June 2023, with negotiations and consultations with the parties on the terms of the problem-solving agreement, which was signed by all the parties in Serbia on 4 and 5 July 2023. The signing of the agreement was an important milestone for the 17 resettled families. All the affected families were provided with short-term support measures and long-term sustainable housing solutions. All requesters were offered affordable social housing and access to subsidised utility



costs. Requesters residing in Belgrade were given support to cover utility debts and had their enforcement proceedings suspended, which enabled them to take up formal job opportunities. Requesters can access the social benefits and healthcare services they are entitled to and have been offered training and employment opportunities. Each family received furniture and domestic appliances, and self-employed requesters were offered tools and equipment.

The major concerns raised in the request were addressed at the problem-solving stage; however, some agreed actions are still pending completion, in particular the restoration of the requesters' livelihoods. In that connection, IPAM drew up a monitoring plan in consultation with the parties, with a timeline for implementation. In the monitoring plan, IPAM commits to following up with all the parties until all the actions have been completed. In mid-December 2023 IPAM conducted its first monitoring visit to Belgrade, meeting with key parties to review progress on pending actions and determine the next steps. The first problem-solving monitoring report is due to be issued by IPAM in early 2024.

2020/06 Corridor Vc in the Federation of Bosnia and Herzegovina (FBH) - Part 3

The request

Case status: Open

Location: Bosnia and Herzegovina

Complainant(s): Azra Durakovic and Amna Popovac, representing residents of Carski Vinogradi, Malo Polje and Kocine

Confidentiality: No

Date of receipt: 6 January 2020

Function: Compliance

The project

Name: Corridor Vc in FBH - Part 3 (49058)

Client: Motorways of the Federation of Bosnia and Herzegovina

Approval date: 5 September 2018

Status: Disbursing

Environmental category: A

The complainants have raised concerns over the chosen route of the south Mostar-Tunnel Kvanj section of the Corridor Vc motorway. They assert that the route chosen has adverse environmental, economic and cultural impacts, harming the residents of South Mostar. They also allege that there has been no consultation on the route and that the project has generally been characterised by a lack of transparency when it comes to deciding alternative routes. They claim that the impact assessment studies lacked robustness and independence, and that local legislation was breached with regard to the expropriation of military property. The complainants have also submitted grievances to the Complaints Mechanism of the European Investment Bank.

In March 2021 IPAM determined that the complaint was eligible for a compliance review and launched an investigation. The Chief Accountability Officer visited the project area in September 2021 to meet with stakeholders. IPAM also engaged continuously with the EIB's Complaints Mechanism, which was concurrently investigating the project.

On 30 November 2023 the Compliance Review Report was submitted to the EBRD Board of Directors and identified non-compliance under the 2014 ESP regarding alternative alignment analysis, social impact assessment and mitigation plans, stakeholder engagement, monitoring and supervision. The report made a total of nine recommendations (five project-level recommendations and four systemic-level recommendations for the EBRD) in order for the project to return to compliance in line with the ESP.

Based on IPAM's recommendations, the Bank's management drafted a Management Action Plan (MAP) to address the non-compliance. The MAP was approved by the EBRD Board of Directors in December 2023. Subsequently, the case moved into the MAP monitoring phase. In 2024, IPAM will conduct monitoring activities, review evidence and meet the requesters. The first monitoring report with its findings on the implementation of the MAP is expected to be published in 2024. The first problem-solving monitoring report is due to be issued by IPAM in early 2024.

2023 ANNEXES

2020/02 Lydian (Amulsar Gold Mine) Extension

The request

Case status: Open

Location: Armenia

Complainant(s): Residents of the Jermuk Community supported by CEE Bankwatch, EcoLur, Forest of Armenia, Green Armenia and Armenian Environmental Front

Confidentiality: No

Date of receipt: 12 June 2020

Function: Compliance

The project

Name: Lydian (Amulsar Gold Mine) Extension (48579)

Client: Lydian International LTD

Approval date: 20 July 2016

Status: Disbursing

Environmental category: A

The complainants allege that during its construction phase the project had already had negative impacts on five residential settlements in Jermuk and could generate additional harm once in operation. They are also concerned that the town and spa of Jermuk are experiencing serious harm, including reputational damage and negative economic and social impacts, owing to the loss of tourism.

Similar allegations were previously filed with IPAM's predecessor, the Project Complaint Mechanism (PCM), but a complaint was not registered. In 2014 the complainants filed similar allegations with the Compliance Advisor Ombudsman of the International Finance Corporation (IFC) in relation to the IFC's involvement in the project, which resulted in findings of non-compliance with the IFC's performance requirements.

The compliance review process began in 2021 and has been ongoing since then, with the involvement of both Bank management and the complainants. The process has involved a thorough review of project documentation, communications throughout the process with both Bank management and the complainants and research into good international practices for gold mining, stakeholder engagement and the Bern Convention.

A draft compliance review report is expected to be shared with parties for their comments in the first quarter of 2024. A problem-solving monitoring report is due to be issued by IPAM in early 2024.

2023 ANNEXES

2020/01 North-South Corridor (Kvesheti-Kobi) Road Project

The request

Case status: Open

Location: Georgia

Complainant(s): National Trust of Georgia

Confidentiality: No

Date of receipt: 16 January 2020

Function: Compliance

The project

Name: North-South Corridor (Kvesheti-Kobi) Road Project (50271)

Client: Government of Georgia

Approval date: 2 October 2019

Status: Disbursing

Environmental category: A

The case concerned impacts caused by a new bypass road in Georgia. The request was received in September 2019 and was examined by the compliance function. In 2022 IPAM completed the compliance review investigation, finding that the Bank had not complied with performance requirements 1, 8 and 10 related to cultural heritage impacts and stakeholder engagement. Based on IPAM's recommendations, the Bank's management drafted a Management Action Plan (MAP) to address the non-compliance. The MAP was approved by the EBRD Board of Directors in June 2023. Subsequently, the case moved into the MAP monitoring phase. In the second half of 2023, IPAM conducted monitoring activities, reviewing evidence and meeting the requesters. The first monitoring report with its findings on the implementation of the MAP is expected to be published in early 2024.



2023 ANNEXES

2019/01 Shuakhevi HPP (Request #2)

The request

Case status: Open

Location: Georgia

Complainant(s): Green Alternative and CEE Bankwatch Network

Confidentiality: No

Date of receipt: 16 July 2018

Function: Compliance

The project

Name: Shuakhevi HPP (45335)

Client: Adjaristsqali Georgia LLC

Approval date: 30 April 2014

Status: Repaying

Environmental category: A

The case was the last case in compliance to be dealt with under the Project Complaint Mechanism (PCM) procedure, which meant that it was led by an independent expert. It concerns the impacts of construction of a hydropower plant in Georgia. In 2022 the compliance review was finalised, with the expert identifying some non-compliance, particularly regarding geology, water resources and biodiversity. The Bank's management drew up a Management Action Plan (MAP) to respond to the report, which was approved by the Board in September 2022. The case has since been transferred to the MAP monitoring phase.

2018/09 MHP Corporate Support Loan, MHP Biogas

The request

Case status: Open

Location: Ukraine

Complainant(s): Community members from the villages of Olyanyatsa, Zaozerne and Kleban in Vinnytsia Oblast

Confidentiality: Yes

Date of receipt: 5 June 2018

Function: Problem-solving and compliance

The project

Name: MHP Corporate Support Loan (47806); MHP Biogas (49301)

Client: Myronivsky Hliboproduct PJSC (MHP)

Approval date: 28 October 2015/13 December 2017

Status: Completed/Repayment

Environmental category: B

This case concerns impacts caused by the agribusiness activities of one of the Bank's long-term clients in Ukraine. The case was first considered by the problem-solving function, but owing to a lack of agreement it was transferred to the compliance function in late 2021. Following the Russian war on Ukraine, in February 2022 IPAM decided to suspend the processing of the case. However, after consulting with the representatives of the requesters in April 2022, who confirmed that they still had an interest in having their concerns considered, IPAM reopened the proceedings. In October 2022 IPAM issued a Compliance Assessment Report, concluding that the case merited further investigation. The case is currently under compliance review.

2023 ANNEXES

2018/01 Kozloduy International Decommissioning Support Fund

The request

Case status: Open

Location: Bulgaria

Complainant(s): 30 civil society representatives from Craiova, Romania and Bulgaria, represented initially by Lucian Sauleanu, President of ARC NGO Craiova, and since May 2018 by Luminita Simoiu of the Civic Association for Life

Confidentiality: No

Date of receipt: 9 February 2018

Function: Problem-solving and compliance

The project

Name: Kozloduy International Decommissioning Support Fund

Client: Bulgarian State Enterprise Radioactive Waste

Approval date: 13 August 2013

Status: Ongoing

Environmental category: B

The case has been with PCM and then IPAM since 2018. It concerns the potential impacts of a proposed surface repository for radioactive waste, Radiana, located near the Danube River in Bulgaria. The case went to problem-solving in 2018, but in July 2022 IPAM decided to bring that process to an end given the lack of progress made. Although the client, SERAW, had shared with requesters relevant information and documents on the project, its potential environmental impacts and the mitigation plan, the requesters still felt that their concerns had not been addressed and asked IPAM to consider the case under the compliance function.

The case is currently at the compliance assessment stage and will be fully investigated if the need for a full compliance review is determined.

1544 Independent Project Accountability Mechanism Annual Report 2023

The Independent Project Accountability Mechanism (IPAM) of the European Bank for Reconstruction and Development (EBRD) reports directly to the Board of Directors and is independent from the Bank's Management. This independence ensures that all relevant stakeholders are certain of IPAM's fair and objective treatment of cases.

This report has been prepared by IPAM under the authority of the Chief Accountability Officer as required by the provisions in the Project Accountability Policy. The views expressed herein do not necessarily reflect those of the EBRD's Management or Board of Directors. The IPAM Annual Report is submitted to the Board of Directors and the President for information and disseminated to the public as soon as possible thereafter through the IPAM section of ebrd.com.

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