

**From:** Brezna Community  
**To:** IPAM – Independent Project Accountability Mechanism  
**Subject:** Report of Violations of EBRD Environmental & Social Policies in Brezna Substation Project (Montenegro)  
**Date:** 07 August 2025 10:13:30  
**Attachments:** [REDACTED]  
 EBRD IPAM details.pdf

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Dear IPAM Team / EBRD Representatives,

On behalf of the Citizens' Initiative *Save Brezna*, representing residents of the village of **Brezna, Montenegro** – whose homes are located within a 2 km radius of the planned 400kV substation – we hereby submit this overview of concrete violations of the EBRD's Environmental and Social Policy (ESP) and Access to Information Policy (AIP) related to the CGES energy infrastructure project financed by EBRD (project reference 54749).

This summary identifies specific breaches of EBRD rules that form the basis for our formal complaint.

## VIOLATIONS OF ENVIRONMENTAL AND SOCIAL POLICY (ESP)

### 1. Performance Requirement 10 – Stakeholder Engagement

ESP PR10 requires early, inclusive, and meaningful consultation with communities affected by the project, including disclosure of information and a grievance mechanism.

#### Violation:

- CGES falsely claimed in the Stakeholder Engagement Plan (SEP) submitted to EBRD that **no houses or commercial facilities exist within a 2 km radius** of the proposed 400kV substation site.
- In reality, around **150 objects (houses, cottages, stables) are located in that zone**, and **none of the residents were ever consulted, informed, or engaged in any way**.
- No public hearing or disclosure of project plans was conducted at the local level.

### 2. Failure to Provide a Grievance Mechanism

PR10 requires a functioning grievance mechanism that is accessible and understandable to local stakeholders.

#### Violation:

- No grievance mechanism was ever communicated or made available to the community of Brezna.
- Residents were left with no formal channel to raise objections or concerns.

### 3. False and Misleading Documentation

ESP requires project documents submitted to the EBRD to reflect accurate environmental and social conditions.

#### Violation:

- The SEP document submitted to EBRD is based on **intentionally false information designed to avoid stricter environmental and social oversight**.
- It omits the existence of over 100 residential homes, as well as local growing ecco tourism, agriculture, and environmental assets that would be directly harmed by the substation and transmission line.

## VIOLATIONS OF ACCESS TO INFORMATION POLICY (AIP)

### 1. Inadequate Disclosure of Key Documents

AIP requires timely, accessible, and understandable information to be provided to affected communities.

#### Violation:

- Project documents were not shared or translated in a way that local stakeholders could access or understand.
- No physical or digital consultation or notice was provided to residents.

### 2. Lack of Transparency on Public Consultations

The EBRD must disclose records of public consultations and demonstrate inclusive engagement.

#### Violation:

- There is no public record of any consultation with residents of Gornja Brezna.
- The claim that CGES “consulted” with stakeholders is false and unsupported by any evidence.

## ATTEMPTS TO RESOLVE THE ISSUE

The community has:

- Held direct meetings with CGES, including the CEO, who stated that project implementation will proceed regardless of local opposition.
- Met with the Mayor of Pluzine, who stated that “the municipality will profit from the substation, while residents contribute little.”
- Sent official letters to the President of The State, Prime Minister, Ministers, and Speaker of Parliament – with no response.
- Contacted the EBRD Montenegro Office with any resolution yet
- Launched public campaigns and protests to raise awareness.

## EVIDENCE AND ATTACHMENTS

- Official SEP document (Non Technical Summary - with false statement: “no houses exist within 2 km”). Please find Attached. (Available on The Official EBRD website, link: <https://www.ebrd.com/home/work-with-us/projects/psd/54749.html#customtab-c6f28c9728-item-c1e43886e6-tab>)
- Video statements from residents confirming they were never consulted. Note: Video is marked as "unlisted" on Youtube Channel "Save Brezna", and can be seen only with the link provided. Video link: [REDACTED]
- [REDACTED]
- Links to the FB Page "Save Brezna" and to the YT channel "Save Brezna": [REDACTED]

- Records/articles in Montenegrin media of protest gatherings and public appeals to local and national institutions. Note: The following links are just the smaller part of the articles published during the period of the past three months or our struggle to save our village. Please find the links below:

**English:**

<https://en.vijesti.me/news-b/economy-d/758384/Residents-of-Gornji-Brezani-CGS-secretly-prepares-expansion-of-existing-and-construction-of-new-substation--no-project>  
<https://volimpodgoricu.me/novosti/the-montenegrin-state-energetic-company-cges-falsified-data-for-ebrd-to-obtain-e28-million-loan-for-substation-in-brezna>  
<https://volimpodgoricu.me/novosti/local-community-gornja-brezna-to-cges-are-you-trying-to-intimidate-the-local-community-fighting-to-save-their-homes>  
<https://en.vijesti.me/news-b/economy-d/768021/Let%27s-save-Brezna-Alcazar-Energy-Partners-is-blackmailing-the-residents-of-Brezna-and-threatening-expropriation?>

**Montenegrin:**

<https://www.dan.co.me/crna-gora/mjestani-brezana-pisali-predstavnicima-vlasti-morate-reagovati-sprema-se-tihi-genocid-cijelog-sela-5302393>  
<https://www.cdm.me/ekonomija/spasimo-brezna-svjescni-da-unistavaju-cijelo-selo-cges-lazirao-podatke-za-ebrd-da-bi-dobio-28-miliona-kredita-za-trafo-stanicu/>  
[https://www.cdm.me/ekonomija/gi-spasimo-brezna-uputila-10-pitanja-ministru-radunovicu-da-li-smo-i-za-vas-drzavni-neprijatelj-je-jer-branimo-svoje-domove/?fbclid=IwY2xjawMBNahleHRuA2FibQIxMQABHhO9x6-AtMAADXTZtFQZrZQq4c8xP-WeJ4-dqXiG11gRIFVQ\\_-ToFzIzbNxxu\\_aem\\_flpdmC6rmsQW0VrsZMH64w](https://www.cdm.me/ekonomija/gi-spasimo-brezna-uputila-10-pitanja-ministru-radunovicu-da-li-smo-i-za-vas-drzavni-neprijatelj-je-jer-branimo-svoje-domove/?fbclid=IwY2xjawMBNahleHRuA2FibQIxMQABHhO9x6-AtMAADXTZtFQZrZQq4c8xP-WeJ4-dqXiG11gRIFVQ_-ToFzIzbNxxu_aem_flpdmC6rmsQW0VrsZMH64w)  
<https://www.dan.co.me/vijesti/ekonomija/mjestani-brezana-pisali-radunovicu-i-drzavnom-vrhu-traze-produzenje-javne-rasprave-5307893?>

When we discovered and published the illegalities of CGES, they publicly labeled us as state enemies and threatened us with lawsuits. We are also afraid of private energy investors whose goal is to connect their future energy facilities to the electricity grid at the new substation in the hart of our village, because that is the cheapest for them.

We feel like Indian tribes who were driven off their land by the colonizers and almost exterminated. We are completely alone in defending our homes, forests and pastures against the state, greedy investors and corrupt individuals in the system. Our only hope to save our village, our houses and our future right now is the international community and people who respect civilization heritage, human rights, laws and nature.

We are certain that the Brezna substation project constitutes a **clear violation of EBRD standards** and that the €28 million loan approved based on falsified documentation must be **frozen until a full and independent review is completed**.

Please find Att also Report detailed.

Please confirm the receipt of this email. We look forward to your feedback.

We remain available for further documentation, interviews, and clarification.

Sincerely,

**On behalf of the Citizens' Initiative "Save Brezna"**