

Progress Report as a Result of First Joint Meeting

Radnevo Municipality Building, Radnevo, Bulgaria
February 6th 2018, 10.00 – 14.30

Facilitators/Mediators: Erica Bach (PCM Officer), Albena Komitova, Constantin-Adi Gavrilă

Context of the meeting

The Project Complaint Mechanism (PCM) received a Complaint raising concerns about social impacts of the expansion of the mining basin operated by Mines Maritsa East Company (MME, or Company) on the village of Beli Bryag village in Bulgaria. More specifically, the Complainants allege losses and damages to properties and agricultural land. The Complainants requested that a Problem-solving Initiative (PSI) be undertaken by the PCM.

During the eligibility assessment, the complainants and the company stated their preference to engage with one another through PCM-facilitated dialogue to try to resolve the complaints. Hence, the complaint was referred to PCM's Problem-Initiative function.

Parties in the Dialogue initiative are community members in the village of Beli Bryag and Mines Maritsa East Company (MME). The Parties have designated trusted representatives to participate in the PCM-facilitated dialogue process.

Following attending PCM-facilitated bilateral meetings to design a framework for the Problem-solving initiative and preparation workshops related to developing the mediation process, building communication skills and interest-based decision making in mediation, the parties have agreed with the following agenda for the first joint meeting:

1. Welcome and introductions, logistics;
2. Agreement on overall framework of the dialogue process (Framework Agreement);
3. Presentation of overall parties' perspectives with the purpose of building agreement on the issues/questions/topics that the process will address;
4. Next steps.

Figure 1. First PCM-facilitated Joint Meeting between MME and Beli Bryag community members

On February 6th 2018 between 10 am and 2.30 pm local time, community members from Beli Bryag and representatives of MME attended the first joint meeting that was independently facilitated by PCM regarding the resettlement of Beli Bryag. This report summarizes the discussions and next steps considered at the meeting.



Welcome and introductions, logistics

The Mayor of Radnevo, Mr. Tenyo Tenev, attended the very first part of the meeting. Mr. Tenev opened the meeting, welcomed the participants and reassured them of the municipality support throughout the dialogue process. Further, Mrs. Erica Bach, the PCM officer summarized the context of the meeting, namely as part of a PCM-facilitated dispute resolution process that was triggered by the community members' concerns shared with PCM. Moreover, the PCM officer reiterated PCM's support offered to the parties in order to improve their communication process with the purpose of addressing concerns in a collaborative manner, without attributing blame or fault.

Then, all the meeting participants have introduced themselves briefly by stating their names and affiliation with the company or with the community. Although they were not among the list that was communicated initially with PCM, three community members attended the meeting with company representatives' agreement. One of them, Mr. Rumen Yordanov Yovchev, was among the initial list of community representatives in the PCM mediation process shared with PCM on November 18th 2017. In addressing the need for effective meeting preparation, PCM underlined the importance of receiving the list of participants before every meeting.

Given the importance and complexity of the meeting attended by Bulgarian and English-speaking participants, combined with the sensitivity of the situation and the number of participants, the meeting was supported with simultaneous translation services and equipment contracted by PCM. The simultaneous translation was used for the purpose of fostering efficient communication, efficient use of time, accuracy in translating "real time" all the nuances of the speakers and, why not, to enhance the parties' trust in the mediation process.

Agreement on overall framework of the dialogue process (Framework Agreement)

Given the previous extensive communications and meetings with the PCM mediators about the structure and the ground rules of the dialogue process, the parties reached full agreement on the characteristics of the dialogue process. This has resulted in an agreement on the document named "FRAMEWORK AGREEMENT FOR THE DIALOGUE INITIATIVE Regarding resettlement issues affecting the village of Beli Bryag".

The main conversation of the participants on this point referred to the possible interest and involvement of tenants of the community of Beli Bryag in the PCM-facilitated dialogue process. The MME representatives insisted on the involvement of the entire community of the village in the dialogue, regardless of their property status (owners or tenants). The representatives of the village of Beli Bryag stated that they have not been mandated by the tenants to represent them in the mediation process, but agreed for the measures agreed in the dialogue to be valid for them too. Following joint discussions and a consultation break, the conversation was successfully concluded in agreed in-meeting modifications to the Framework Agreement. All parties' representatives and advisors signed then the Framework Agreement.

The Executive Director of the company was not in the meeting, but will sign the Framework Agreement in the following days and PCM and the community members will receive a signed copy of the agreement from the company.

The document includes the background of the process, the parties, guiding principles and purpose, terminology, roles of participants, rules of confidentiality, formats of meetings, consensus-based decision making, communication protocol, and agreements. Starting the meeting with an agreement

on the process was generally perceived as a positive start of the dialogue-initiative by all the participants.

Presentation of overall parties' perspectives with the purpose of building agreement on the issues/questions/topics that the process will address

In their opening statements, the representatives of the parties shared general perspectives over the situation. Both presentations were made efficiently, respectfully and in consideration to a mutual wish for a fair and successful resettlement process of Beli Bryag.

Presentation of community members' perspectives

The presentation of community members' perspective was made by Mr. Evelin Petkov who used the flipchart to highlight the methodology that should be implemented, following a Memorandum of Understanding that should summarize the parties agreed next steps at the end of the mediation process.

In short, the actual resettlement should follow the equitable compensation process (financial compensation or housing, according to the preferences of the community members). The process should be monitored by a joint taskforce composed with representatives of the community, company, EBRD and PCM.

The compensation process, in the view of the community members, should be done in consideration to improving the quality of life of the resettled families. Also, in the process of resettlement, the community members should benefit from competent legal assistance. The cultural component of the resettlement of Beli Bryag village is very important in the views of the community members, as it is touching on the heart of the community and its cultural heritage. The question of graveyard relocation must be solved. While references made included fallen war heroes from the village, the monument, the library and general achievements of Beli Bryag people, Mr. Petkov made a suggestion for establishing a place of commemoration in Radnevo, for example at the museum or another place suitable for the community.

MME agreed with the resettlement process presented by Mr Petkov and expressed the intention to implement the policy requirements of the EBRD.

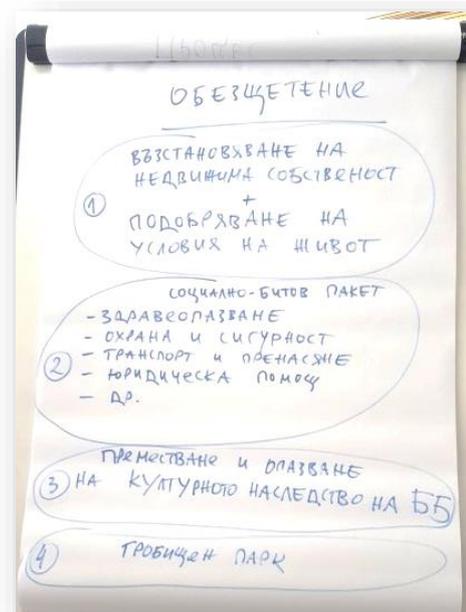
Presentation of MME's perspectives

In its presentation of the company perspective, Mrs. Anna Turlakova, Head of the Secretariat and Communications Department, underlined the strategic

Figure 2 - Presentation of community members' perspective



Figure 3 - Information shared by community members in joint meeting



importance of the company for the Bulgarian energy sector and economy. In the company's view, both the domestic legislation, the EBRD Environmental and Social Policy but also the moral laws should govern the compensation process.

In her presentation, Mrs. Turlakova indicated six new measures adopted by the company board in relation to the resettlement process. With these six new measures, the company is looking at a total of thirty measures adopted in this regard:

- the procedure for acquiring properties, transportation during the relocation, receiving dividends from the land in the cooperative after acquisition by the MME, burial costs, cleaning of acquired properties, additional measures to demolish buildings, use of materials from purchased buildings, possibility to participate in the preparation of the RAP, offering free legal aid, an opportunity for a parallel assessment by an appraiser selected by the owner, additional assistance for vulnerable persons, etc.

The company underlined that it has no right to create its own rules or to modify existing ones and can work by observing only the laws currently in force.

The Company noted that it complied with the requirements set out in the EBRD Environmental Policy on the resettlement process, disclosure of information, involvement of the affected parties in the preparation of a RAP, correspondence with them and engagement with measures to mitigate the negative impacts.

Other discussions

Adding to the initial presentations, the meeting participants engaged in an open and respectful conversation about the resettlement process. Topics included:

- Resettlement Action Plan (RAP)
 - The RAP includes minimum requirements and allows for flexibility in the resettlement process;
 - The finalization of the RAP is important for the company;
 - According to the company, the new draft RAP is being translated in Bulgarian and should be available in the coming days;
 - The company suggests that the community members take the time to reflect on the RAP and prepare feedback;
- Principles for resettlement:
 - The community members assess that when someone will lose their home, they should get replacement of equal value and an improvement their quality of life;
 - According to the community members a fair resettlement process should include a methodology for an equitable compensation process and a “social package” that should ease the community resettlement impacts;
- Assessing the community members' needs
 - According to both parties the community members' needs should be assessed and considered in the resettlement process;

Figure 4 – Community drawn compensation options



- The parties explored different options for assessing the community members' needs. Options included a community survey or company meetings in the community. Also, it was indicated by MME that past surveys should inform this process;
- Options for compensation:
 - Financial compensation;
 - The company representatives made references to the methodology used by licensed appraisals that is based on the domestic legislation;
 - Also, the community members made repeated references to the fact that a fair compensation process should not lower the people standard of living;
 - Ready-built homes/apartments;
 - The community members showed interest in how many cases this was used in the past;
 - The company representatives indicated that new options will be available;
 - Support for building new homes;
- The PCM mediation team suggested that the parties will consider the following possible areas of reflection:
 - What are the people needs? What are the core priorities among those needs?
 - What options are available? What options are acceptable to both parties?
 - What information is needed to inform the community choices?
 - What are the choices of the community members?

The parties will think about the possibility to reflect the first joint meeting in the public space. Any information (i.e. joint statements, documents, pictures) should be discussed and agreed by both parties before being made public. The PCM mediation team reiterated the availability of the PCM website for this purpose.

Finally, the PCM mediation team appreciated the constructive approach of all meeting participants and closed the meeting.

Next steps

The meeting participants explored taking the following next steps:

- The community members will:
 - Share feedback to the draft progress report with PCM;
 - Invite the Mayor or his representative to attend the next joint meeting and discuss options for availability of plots in Radnevo;
 - Reflect on the draft RAP before the next joint meeting;
 - Communicate to PCM the list of representatives at the second joint meeting;
- The Company will:
 - Share feedback to the draft progress report with PCM;
 - Add the Executive Director's signature to all three copies of the Framework Agreement and share two copies with PCM and the community before the next joint meeting;
 - Share the opening statement with PCM and community;
 - Share the English and Bulgarian versions of the draft RAP with PCM and the community members as they are available;
 - Invite Green Partners to present the RAP at the next meeting and take questions;
 - Communicate to PCM the list of representatives at the second joint meeting;

- PCM will:
 - Draft progress report and share with parties for comments before finalizing;
 - Convene the second joint meeting on February 27th 2018 at the same location with possible consideration to the following agenda items:
 - Approval of the progress report of 1st Joint Meeting;
 - PCM will monitor the implementation of commitments;
 - Availability of plots in Radnevo;
 - Draft RAP presentation and discussions;
 - Discussion about the mediation agenda (list of issues);
 - Next steps.

Attachments to the report

- Framework Agreement (PDF);
- Company's opening statement.

LIST OF PARTICIPANTS

1. **Zhelyazko Dimov Zhelyazkov** - community of Beli Bryag;
2. **Irina Petrova Yovcheva** - community of Beli Bryag;
3. **Evelin Tenev Petkov** - community of Beli Bryag;
4. **Yanko Gospodinov Yankov** - community of Beli Bryag;
5. **Petar Ivanov Tenev** - community of Beli Bryag;
6. **Dimitar Zhelev Dimitrov** - community of Beli Bryag;
7. **Rumen Yordanov Yovchev** - community of Beli Bryag;
8. **Стоянка Попова** - community of Beli Bryag;
9. **Георги Попов** - community of Beli Bryag;
10. **Fidanka Vacheva-McGrath** - CCE Bankwatch Network;
11. **Genadi Kondarev** – Za Zemiata NGO;
12. **Desislava Stoyanova** – Za Zemiata NGO;
13. **Regina Koleva** – lawyer, Za Zemiata NGO;
14. **Yasen Chaushev** – Director of Production-Technical Issues;
15. **Stelian Koev** – Director of Economics and Finance;
16. **Stoyko Bashalov** – Manager of Troyanovo-North mine;
17. **Zhivko Zhelyazkov** – Head of Healthy and Safe Work Conditions Department at MME;
18. **Anna Turlakova** – Head of the Secretariat and Communications Department;
19. **Leonid Ganozliev** – Head of Investment Department;
20. **Stefan Zhelev** – Senior Legal Expert, Legal Department;
21. **Daniela Zheleva** – Real Estate Expert, Property Unit at Investment Department;

22. **Krasimira Ilieva** – International Programmes and Projects Expert, EU-funded Projects Unit at Investment Department;
23. **Erica Bach**, PCM, PCM Officer;
24. **Albena Komitova**, PCM, Facilitator/Mediator;
25. **Constantin-Adi Gavrilă**, PCM, Facilitator/Mediator.