

Complaint Form

In order for the PCM to address your complaint, you must provide the following information:



Project
Complaint
Mechanism

Step 1: Details of the Complaint

<p>1. Name of the Person(s) or Organisation(s) filing the Complaint ("the Complainant").</p> <p>Evelin Tenev Petkov, Zhelyazko Zhelyazkov, Beli Bryag Initiative Committee</p> <p>.....</p>
<p>2. Contact information of the Complainant (Please include address and, if possible, phone number and email address).</p> <p>Evelin Tenev Petkov Bulgaria, Isperihovo, [REDACTED] Zhelyazko Zhelyazkov Bulgaria, Beli Briag village, Radnevo reg. [REDACTED]</p> <p>.....</p>
<p>3. Is there a representative making this Complaint on behalf of the Complainant?</p> <p>Yes (if yes, please provide the Name and Contact information of the Representative):</p> <p>Yes, Evelin Tenev Petkov, I attach a copy of the statement that I am a representative of the Beli Bryag IC</p> <p>.....</p> <p><i>Please attach proof that the Representative has been authorised by the Complainant to file the Complaint. For example, this can be in the form of a letter signed by the Complainant giving permission to the Representative to make the Complaint on his behalf.</i></p>
<p>Is proof of authorisation included with the Complaint?</p> <p>Yes</p>
<p>4. Are you requesting that this Complaint be kept confidential?</p> <p>No</p>
<p>5. Please provide the name or a description of the EBRD Project at issue.</p> <p>The EBRD provided a grant to Maritsa East Mines company for excavator purchase as part of the Kozloduj Decommissioning Fund (KIDSF). In addition, the BEH Bond Issue project of the EBRD carries certain requirements towards BEH and its major subsidiaries, such as Maritsa East Mines Company: http://www.ebrd.com/work-with-us/projects/psd/beh-bond-issue.html</p> <p>There is no project summary document for the grant project part of the KIDSF, only a procurement notice about the design, manufacture, supply, construction and commissioning of bucket-wheel excavators of the SRs 2000 type and the SRs-200 type at Mini Maritza Iztok EAD, Bulgaria. They provide additional information about the replacement of three SRS 1200 dumpers with one new SRS 2000 rotary excavator at Troyanovo-North Pumping of a new SRs 200 excavator for the secondary excavation of 50 million m3 of the internal embankments on the southern border of "Troyanovo-North" mine: http://www.ebrd.com/work-with-us/procurement/p-pn-150901a.html http://www.marica-iztok.com/en/page/proekti-s-vanshno-finansirane-58-1.html</p> <p>Information about the grant was available in Bulgarian media as early as 2014 and For the Earth has enquired about it with the then Ministry of Economics and Energy. The latest enquiry with the PCM from September 2017 suggested that the KIDSF grant is still being disbursed thus the project is active and the EBRD has financial interest in it.</p>

Please write on a separate sheet wherever needed.

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6. Please describe the **harm that has been caused or might be caused** by the Project (please continue on a separate sheet if needed):
The damages from the mine expansion are in several directions:

1. *Loss of real estate - dwelling, adjoining land and agricultural land*
 - 1.1 *We lose our homes, which for most owners are the only ones.*
 - 1.2 *Damage or demolition of the dwellings due to the proximity of the mine 500-600 m. Explosions in the mine are done daily.*
 - 1.3 *Loss of adjacent land*
 - 1.4 *Loss of agricultural land*
2. *Economic losses and economic displacement due to loss of basic and additional incomes. Most residents of the village are retired. Pensions in Bulgaria are not enough for survival.*
 - 2.1 *We lose extra income because of the loss of agricultural land. We can not get the pasture and the fodder for the animals.*
 - 2.2 *Loss of yard gardens from where we harvest fruits and vegetables; yard space where we house and raise animals, sheep, horses, donkeys, cows and bees, which give us the opportunity to feed and replenish our income.*
 - 2.3 *The health problems for the inhabitants of the village are increasing with the mine approaching, the overall noise background has increased – these include respiratory problems, plus the elderly fall into depression or increased nervousness.*
3. *Despite the talks, meetings and negotiations with the company regarding the resettlement Maritsa East Mines perceives our resettlement as an ordinary sale or property purchase. We want to recover our housing and partly our lost income from our agricultural land, gardens and yards. We have proposed a methodology that is used in Bulgaria and does not contradict the bank's ESP and Bulgarian laws.*
4. *There is no clear Resettlement Action Plan and a clear method for compensation that would be fair and equitable to restore our housing and lands. We have not accepted the RPSP we have not accepted the PDP. The Framework Plan was made without our participation and consent. And in this plan it is clear that we will remain homeless on the street without housing and restoration of life.*
5. *There is no plan to move the remains of our relatives from the cemetery of the village that falls into the mine, it is not clear who will bear the cost, how will the Christian Orthodox religious rites of extraction, transfer and burial be performed.*

After 2005 the village was abandoned by the municipal administration and is in a severe state because of the impending resettlement. Increasing theft, together with the lack of medical services and of any grocery stores forces people to leave and sell to the only buyer, the Maritsa East Mines. There is no security in the village to stop the raids of people looking for and collecting building materials, scrap metals and doing thefts. In such an environment it is not easy to live, so people in the village have begun to seek the opportunity to settle elsewhere. They started leaving the village, but it turned out that the only property buyer is the mining company.

Whoever wants to leave the village applies to the Maritsa East Mines company. An ordinary purchase of real estate is carried out. It is not taken into account that for most owners this property is the only home. The Maritsa East Mining company evaluates the price of the property and offers a price that can not cover the purchase or construction of a new home and a yard similar to the ones owned so far. The company uses the term market price estimation and prefers not to use the term compensation. Currently the price of one hectare in regulation in the town of Radnevo, in the Gipsovo area, is over 14000 levs per 1000 square meters. The average cost for building a dwelling in the region of Radnevo is at least BGN 600 per square meter. The example is from the municipal center town Radnevo, which is about 5 km from the village of Beli Briag. What the mines offer in Beli Briag is reckoned for a property market price from 15 years ago.

Step 2: Problem-solving Initiative

7. If you are requesting the PCM's help through a **Problem-solving Initiative**, you must have made a genuine effort to contact the EBRD or Project Sponsor (Client) regarding the issues in this complaint.

a. Have you **contacted the EBRD** to try to resolve the harm caused or expected to be caused by the Project?

Yes (If yes, please list when the contact was made, how and with whom):

After we realized that the dialogue with Maritsa East Mines did not produce results, we turned to the EBRD on 08.11.2017 with two letters by e-mail to cso@ebrd.com, together with photos and a text file (pls see Folder 1, European Bank1). In this communication we described our case and we attached photo material. On 12.01. 2017 EBRD staff,

██████████, from the Bulgarian EBRD office contacted me and organized a meeting in Sofia. The meeting was held on 24.01.2017. between ██████████ the Initiative Committee of Beli Bryag, the Maritsa East Mines and EBRD staff ██████████. ██████████ For the Earth NGO was an interpreter for us. (See Folder 2)

At this meeting we described the situation. We described how Maritsa East Mines since 2005 with its activity has been destroying our properties, housing, yards, raising animals that give us extra income, how we lost our membership in the agricultural cooperative. We explained that we have been negotiating since 2007. Much of the buildings purchased by the Maritsa East Mines are abandoned and cause the number of thefts in the village to increase.

At the meeting we also raised the main question we are facing, the question that the Maritsa East Mines company does not want to answer: it is the lack of clarity on when and how the village will be expelled, how will we be compensated? From previous conversations and meetings, we have had the impression that the Maritsa East Mines company has made some plans without our knowledge and involvement. What they gave us as information is extremely unhelpful to us. They say that the voluntary sales of property comply with the EBRD's ESP. The ESP clearly states that housing should be recovered and compensated. The company has refused and has not admitted that due to the poor and deteriorating social conditions and the lack of security, which were caused by expropriations in the village (in the form of property purchase deals), people began to flee the village as early as 2010. The mining company has so far refused to admit that there is an involuntary resettlement involving loss of housing and economic displacement related to the loss of land from which we receive food, we have income from production and sale. With the advance of the mine fields, our buildings began to be destroyed but the mining company claims it has no fault in this. Every day there are explosion activities in proximity to the village.

Having explained from our point of view what the problems are, ██████████ then said that nothing has been signed so far (as of January 2017), there were no plans. She suggested that we should submit to the Maritsa East Mines company our suggestions and questions, in order to develop the plan faster. We accepted this proposal, so after this meeting until 31.03.2017. myself and the Beli Briag Initiative Committee made over 60 suggestions, recommendations and remarks on the draft Resettlement Action Plan and Framework. (Please see Folder 6)

At the end of the meeting we suggested to the EBRD representatives to visit the village to get acquainted with the situation. EBRD staff kept notes of the meeting, too.

From 16.02.2017. until 01.06.2017. we also had correspondence with ██████████ and ██████████ by e-mail. The translations were made by ██████████ and hence the exchange of letters. (Please see Folder 3)

On 06.06.2017. a meeting took place in the Beli Bryag village with ██████████, ██████████, the Maritsa East Mines company and others, but we did not think anything came out of it, the unclarities and unanswered questions remained. Nonetheless, at the meeting we showed to the EBRD staff the state of the village. ██████████ conducted a quick poll on the issue of resettlement, and the victims and residents shared their concerns. People raised that the mines did not compensate them so they could at least recover their home! We shared that resettlement negotiations are going very hard.

The invitation from the mines company for the meeting on 06.06.2017 informed us that the project is ready and de facto enforced. We are unsure what the project involves and if it complies with the EBRD ESP. (See Folder 4, invitation POKANA 06062017)

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Please write on a separate sheet wherever needed.

Please also describe any response you may have received.

Replies to the meeting of 24.01.2017.

Having explained from our point of view what the problems are, [REDACTED] then said that nothing has been signed so far (as of January 2017), there were no plans. She suggested that we should submit to the Maritsa East Mines company our suggestions and questions, in order to develop the plan faster. We accepted this proposal, so after this meeting until 31.03.2017. myself and the Beli Briag Initiative Committee made over 60 suggestions, recommendations and remarks on Resettlement Action Plan and Land Acquisition Framework. (Please see Folder 6)

We had received no responses from the Maritsa East Company until 06.06.2017.

After this meeting we received answers from the company to some of our questions and suggestions on 17 -18.07.2017. The answers given to us do not satisfy us. They did not respond to our most important suggestions and questions, namely about compensation, on the lack of a clear timetable for lifting the cemetery, on the implementation of the EBRD ESP. Similarly, there are no answers to the Initiative Committee's suggestions on how to evaluate property, and this is a matter of substance evaluation or how much it will cost you to rebuild your home again.

.....
Please provide a record of this contact with the EBRD, as instructed at the end of this form.

b. Have you **contacted the Project Sponsor** (Client) to try to resolve the harm caused or expected to be caused by the Project?

Yes (if yes, please list when the contact was made, how and with whom)

In 2008 the mining company elaborated a detailed development plan for the future development of the Troyanov-North field and all the necessary operations for the coal mining. After 2008 we, the owners and residents of Beli Bryag, repeatedly asked the management of the mines when the Beli Bryag village will be closed and how we would be compensated for our own property that would be lost, and respectively about the relocation of the village cemetery. Repeatedly we also raised the problems of crime, the thefts and the lack of maintenance of social infrastructure and services in the village. Since 2010 we have correspondence, notes from meetings, even recorded interviews and meetings. We used TV Stoychev, TV SCAT and Nova TV to make Maritsa East Mines, BEH and other institutions to start working on the problem. A documentary about the village and the region of the Bulgarian National Television was made: <https://www.bnt.bg/bg/a/eko-briketi-ot-sa-dbi-10-mart-2013>

ONE PRODUCTION OF NATIONAL TELEVISION "STOYCHEV"
<https://www.youtube.com/watch?v=pjSY-EQKfU4>

Resettlement of nearby villages by the Maritsa East Mines occurred twice before 1989. It was done by a decision of the Council of Ministers of the People's Republic of Bulgaria describing how compensation and other relocation activities will be carried out. Despite meetings and discussions with the Maritsa East Mines from 2008 until 2017, there is no similar comprehensive solution for us and the unknowns are destroying us!

So far since 2010 all meetings - with Maritsa East Mines, the administration of Radnevo Municipality and others - are at our request. Maritsa East Mines rarely wished to meet with the public and solve the problems arising from coal mining. After 2010 Maritsa East Mines bought up a large part of the agricultural land for the Troyanovo-North field, and the owners who refused to sell were forced to expropriation in accordance with the established order through the State

Please write on a separate sheet wherever needed.

Property Act (ZDS). The village was abandoned and has not been maintained for many years by the municipal administration of Radnevo. It has become difficult to live here, the thefts have increased and people have begun selling their properties to the only buyer, Maritsa East Mines, at much lower prices than the market ones. We face lack of medical care, shops, irregular and inconvenient public transport. The agricultural cooperative supplies bread, and during the winter it clears the snow.

In 2016 Maritsa East Mines made a social survey by households without informing us that it is required by the EBRD, in order to develop a plan for resettlement and compensation of the Beli Briag village. In the questionnaire, question 4.9 on the way of redress is quite deliberately unclear. (See Folder 5, questionnaire_n) Later we realized that Maritsa East Mines signed a contract with the EBRD and KIDSF as early as 2015. We, as an affected party, were not informed. At the end of March 2016, we accidentally learned from the Maritsa East Mines website that a Resettlement Action Plan will be prepared. We tried to understand what was happening by starting a correspondence with Maritsa East Mines. We sent more than ten letters with questions to Maritsa East Mines management, but we did not get a clear answer. (Please see Folder 9)

On 27.07.2016 a meeting took place in the village of Beli Bryag between us and representatives of Maritsa East Mines, so at this meeting we were informed that some Bank is financing the Maritsa East Mines to buy excavators and that plans are being developed for our resettlement. We have a videotape of the meeting. It took another month for us to understand that the EBRD funded the purchase of the excavators. (Please see Folder 10)

At the next meeting in the building of Maritsa East Mines, [REDACTED], as representatives of the Beli Briag Initiative Committee, we received part of the documentation from the Framework Plan for Land Acquisition and the Resettlement Action Plan. In both plans, there were texts that clearly offended us, while others reported false statistics about market prices for agricultural land, yard gardens, buildings etc. Examples for the price difference in the sale of municipal land in regulation and the low prices that Maritsa East Mines purchases from private owners can be found in Decisions 59 and 60 of the General Council of Radnevo to sell regulated properties in Beli Bryag to Maritsa East Mines (See 26_01_2012.pdf). It is clear in these decisions that for one and the same place the Municipality assessor gave a higher price than given by the Maritsa East Mines assessor. The Initiative Committee examined the document and asked more questions that were not answered clearly and comprehensively. We made suggestions that are very appropriate and in line with the laws of the Republic of Bulgaria (See Folder 9).

Once we became acquainted with the EBRD ESP, we also learned about the practice in the Vranduk project for the construction of hydroelectric power plants in Bosnia and Herzegovina. We also studied RWE's experience in resettling settlements. The Maritsa East Mines in 1997 has sent its employees to familiarize themselves with the experience of the German company on resettlement and compensation. Already in 2010 we made an offer to Maritsa East Mines and the Radnevo administration to make a public private partnership for building residential buildings and relocating people in the town of Radnevo. Radnevo is the closest town to Beli Bryag. Radnevo municipality receives a subsidy of BGN 2 - 4 million each year due to the activities of Maritsa East Mines. With this money, the municipal administration must carry out social and environmental activities. We have been denied again and again the public private partnership to build residential buildings. So we have gradually realised that the Maritsa East Mines has no desire to take on social responsibility and to bear the true cost of our resettlement. To restore at least the homes of people living in the village of Beli Bryag. Most people are retired and are over 65 years of age, not in a position to build new houses for themselves. These homes are the only ones for them! We sent a letter to the EBRD on 08.11.2016. requesting a meeting and describing the problem. (See Folder №1)

On 01.03.2017 at the request of Maritsa East Mines, a meeting was held with the people of Beli Brig once again explaining that the compensation methodology was consistent with the EBRD's ESP and also complies with the State Property Act of Bulgaria (ZDS). However, the State Property Act provides for a forced eviction and expropriation, which is not in line with EBRD's ESP. We were told that new housing would not be built. We were told that the property value assessment will be market-based but values will be set by the Maritsa East Mines although they have a licensed assessor. We want a market-based price that will allow us to rebuild our homes and to have a roof over our heads and not go to the street!

After the meeting until the end of March 2017, we've sent over 60 recommendations, suggestions, and questions to help Maritsa East Mines to develop the plans. (See Folder №7) Almost all recommendations and proposals are in line with the EBRD's ESP of 2014. We also offered them an option of compensation that is used in Bulgaria by the licensed appraisers - material redress likewise exists in the ESP! Until now, we do not know if our prepositions and recommendations are taken into consideration in the making of the plans, what proposals are accepted and what not accepted. The Maritsa East Mines responded to the insignificant questions on 17.07.2017.

On 18.07.2017. a month after the meeting on 06.06.2017 we realised that the collected materials on the projects were handed over to Green Partners to make them fit for purpose and finalised. We currently do not know how we will be compensated, what is to come, neither about the timelines and deadlines for resettlement.

In short since the meeting of 27.01.2017 periodically, the Maritsa East Mines hosts meetings with the residents of Beli Bryag, it has removed some buildings, cleansed some of its purchased properties. But there is no real change to demonstrate meaningful consultations and opportunity for affected parties to participate and have a say in decision-making that concerns our property and life.

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Please also describe any response you may have received.

On the question about the type of compensation – we are offered either cash or like-for-like buildings that are more than 15 km from the municipal center center, close to TPP2. On the method of assessing compensation - there is no such method yet apart from the regular sale at the moment, where assessors evaluate and their assessment is further examined and accepted by the Maritsa East Mines. The company decides whether they will lower or increase the values given in the evaluation without clear methodology. Additional infrastructure on the property, such as a well, water supply and waste water connection etc. do not enter into the consideration of the value. Asked about the average size of the yard gardens in the village - Maritsa East Mines refused to answer. They also refused to answer the question as to why the estimated property funds in the village are less than the funds earmarked for buying the streets, given that streets are no longer there. The data is in the PDP and Framework Plan RPSP provided by Maritsa East Mines.

Why the EBRD's ESP is not complied with in establishing the size of the compensation to be paid? No answer.

When will the plans go into action? No answer

Do you have a plan to move the remains of the village graveyard? No answer

And many more questions without an answer!

(Please see Letters # 6)

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Please provide a record of this contact with the Project Sponsor (Client), as instructed at the end of this form.

Please write on a separate sheet wherever needed.

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8. **If you have not contacted** the EBRD and/or Project Sponsor (Client) to try to resolve the harm or expected harm, please explain why.

Step 3: Additional information

Although not required, it would be helpful to the PCM if you could also include the following information:

9. If you believe the EBRD may have failed to comply with its own policies, please describe which EBRD policies.

First of all due to publicly available information (e.g. no project summary document for the KIDSF grant) we lack clarity which projects are active and relevant, and also which bank's policies apply – ESP 2008 or ESP 2014 or possibly earlier and much weaker ones. Thus we hope that the PCM can provide this clarity. Additionally, we believe that the current newest EBRD loan to BEH is relevant and imposes the latest standards of the EBRD policy – ESP 2014, so we would like to get a clarification on this as well.

Second, we are not familiar with the latest material and what exactly Maritsa East Mines company has developed and passed on to Green Partners consultants. As we believe that the Resettlement and Land Acquisition plans and frameworks are still under development, we can not say exactly if the EBRD has seen to the implementation of its policies or has failed to do it.

Nonetheless, we can offer the below reflection which relates to the EBRD's commitment to implement national law in its projects and to require from its clients to comply with PR5 of the bank's ESP.

Why do we disagree with the proposed Framework Plan for Acquisition of Land and a Resettlement Action Plan?
There is a State Ownership Act in Bulgaria. Chapter Three of the Law "COMPREHENSIVE SUSPENSION OF PROPERTY - PRIVATE PROPERTY FOR STATE NEEDS" gives the definitions of state necessity and respectively the procedures for acquiring private immovable property.

When making the Framework Plan and the Resettlement Action Plan, Maritsa East Mines referred to the ZDS and in particular Chapter Three - Forced Expropriation. Maritsa East Mines company claims that this is the only legal opportunity to negotiate with the property owners and respectively the way of compensation. The valuation is carried out by a licensing appraiser, taking into account the real estate market in the settlement and the region. They point out that there is legislation in Bulgaria that is applicable in this case and EBRD ESP, so PR 5 is dropped.

But this law and law applies only after a decision has been made on Forced Expropriation by the Council of Ministers of the Republic of Bulgaria or by the Regional Governor or a motivated request from BEH, IMI and others. (Art. 34, par. 1, 2 of the ZDS). For the purpose of opening a procedure for forced expropriation, there must be a Detailed Spatial Plan, officially submitted invitations for the acquisition of private properties and respective decisions of the Council of Ministers. These are part of the actions described in Chapter Three of the ZDS for the compulsory expropriation and acquisition of private property.

Please write on a separate sheet wherever needed.

In ZDS Chapter Three, for example, according to art. 39b, art. 41d. 6 -13 the owners of private properties have the opportunity to renounce the proposed value initially and thus to get to court. As a consequence, the court institutes a case and appoints new appraisers. The expropriation practice in Bulgaria shows that the ratings given by the new appraisers are higher than the initial assessment. So these appraisers would not be employed by the Maritsa East Mines company and the assessment would not be influenced by the company's Board of Directors.

The possibility of having the right to request a reassessment of value through the court for us is a much better option than the current valuation and compensation methodology proposed in the Framework Plan for Acquisition of Land and a Resettlement Action Plan. Currently Maritsa East Mines company accepts the valuation of its assessor and does not recognise the valuation of the assessor we employ. All estimates made by Maritsa East Mines up to now on properties in Beli Bryag show that we can not rebuild our home with the means they offer. It does not even account for the fact that most of these homes are the only home for us.

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10. Please describe any other complaints you may have made to try to address the issue(s) at question (for example, court cases or complaints to other bodies).

We have made complaints to the President of the Republic of Bulgaria, to the National Assembly, to the Prime Minister, to the Regional Governor, to the Commission on Discrimination, all institutions and Members of Parliament. In addition, several petitions to the European Parliament's Petitions Committee. (Please see Folder # 8)

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11. Are you seeking a Compliance Review where the PCM would determine whether the EBRD has failed to comply with a Relevant EBRD Policy in respect of an approved Project? **No**

12. Are you seeking a Problem-solving Initiative which has the objective of restoring a dialogue between you and the Project Sponsor (Client) to resolve the issue(s) underlying your Complaint without attributing blame or fault? **Yes**

13. What results do you hope to achieve by submitting this Complaint to the PCM?

We hope to achieve good solutions for us and the company. Let's re-establish our social status and set an example of good resettlement practice in Bulgaria, namely: meaningful participation in decisions concerning our lives and property, fair compensation for our homes and land, solution for the graveyard and the remains of our family members. We expect both a fair process of consultations, as well as fair outcome in terms of resettlement action and compensation.

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Date: 16 October 2017

Supporting documents

If possible, please provide the following supporting documents by email to pcm@ebrd.com:

- Proof that the Representative has been authorised by the Complainant to file the Complaint. For example, this can be in the form of a letter signed by the Complainant giving permission to the Representative to make the Complaint on his behalf.
- A written record of your correspondence with the EBRD in regards to this problem (these may be letters, emails or other form of correspondence and communication).
- A written record of your correspondence with the Project Sponsor (Client) in regards to this problem (these may be letters, emails or other form of correspondence and communication).

Please write on a separate sheet wherever needed.

Please send your Complaint by fax, post, or email to:

Project Complaint Mechanism
Attn: PCM Officer
European Bank for Reconstruction and
Development
One Exchange Square
London EC2A 2JN
Fax: +44 20 7338 7633
E-mail: pcm@ebrd.com

Alternatively, a Complaint may be delivered by post or hand, at any one of the [EBRD Resident Offices](#) in the countries of operations. Please mark these "For the attention of the Project Complaint Mechanism Officer". , indicating that it is for transmission to the PCM. Complaints may be sent using the Complaint [online form](#), available at: http://www.ebrd.com/eform/pcm/complaint_form