

**TO**  
**Project Complaint Mechanism**  
**EBRD**

10 December 2013

**Subject: Comments on revised Management Action Plan regarding the Boskov Most hydropower plant project**

We would like to provide comments to the Management Team response on the recommendations of the PCM expert.

On recommendation **A. Recommendations to address the findings of the PCM Compliance Review Report at the level of EBRD systems or procedures**, row 4, where the expert states that practical guidelines permitting approval of a project with likely adverse effects on the environment for imperative reasons of overriding public importance need to be developed:

- The right to consider a project to be of public interest indeed lies in the power of the state. However, it is unclear where the Bank draws the line in the support of such projects? For example, the decision to support a project considered as of public interest, and located in a protected area, coupled with improper due diligence (we are referring here to an instance where all data needed to complete an ESIA documentation and mitigation measures have not been available before Board approval) could result in a problematic outcome. How can the Board be certain before making its decision that proper estimations have been made and the project truly brings more benefit than loss, if all environmental aspects have not been taken into account? Will the Board blindly approve all projects considered as of public interest or will it have a certain “safety net”?  
We strongly believe that guidelines for such exceptions should be developed by Management.

**On Recommendations to address the findings of the PCM Compliance Review Report regarding the scope or implementation of the Project:**

- We are not entirely convinced that “normal” monitoring resources are sufficient to ensure rigorous implementation of the mitigation measures. In cases where the compliance review has shown that the Bank was not in compliance with the ESP as regards of the biodiversity impacts of the project, the Bank should develop even stronger mechanisms for monitoring of the implementation of mitigation measures. To illustrate that the Bank does not have the capacity to closely follow the implementation of mitigation measures for projects, we would like to remind that a random site visit to the construction site of the small hydro power plant at Tresonecka river (supported through a financial intermediary) showed that the project sponsor was not complying with the national legislation on construction waste disposal practices. Even though the project was located in the National Park of Mavrovo, where the control should be even stricter, the EBRD did not possess any information about this for at least several weeks. It is likely that similar situations will happen with Boskov Most construction too.

We therefore suggest that the Bank does develop a mechanism to ensure information about the situation on the ground reaches the Bank's staff asap.

- We would like to mention here the findings of the additional biodiversity monitoring study completed recently- we strongly consider them to be misleading and we would like to call upon the Bank's Management to consider the views of the world's prominent scientists outlining the deficiencies of the study. We believe there is still work to be done in order to complete properly the pre-construction monitoring phase of this project.
- Regarding the zoning of the Park, we would like to note that parts of the river valley of the Mala reka has been proposed as a zone of active management. With proper measures taken over a longer period of time, this zone would eventually be classified as a zone of strict protection. However, we fear that due to the project, this zone will not be able to maintain the abundance of biodiversity (as the water levels in the river will be significantly lower than normally which will result in loss of biodiversity). Therefore, we would propose that measures relevant to this area are developed having in mind its current state, proposed zoning and the role of the Park's authority in the zone's "active management".

On **Monitor and report on the implementation of any recommended changes:**

- We would like to propose that the 6 month reports provided to the PCM are also publicly disclosed and provided to the complainant.

Kind regards,



Ana Colovic Lesoska

Center for environmental research and information Eko-svest

Skopje,

Macedonia