

Stability Pact Watch Bulletin

Public Participation in the Reconstruction Process

August 2003

Issue 3

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Another Balkans is possible



“A just and lasting peace in the Balkans”, and “Defending social and political rights in the Balkans” were

the main topics of the seminar on the role of European and global institutions in the Balkans, held in Thessaloniki, Greece at the end of June this year. This was a part of the Greek Social Forum “Another world is possible”.

In their efforts to deal with the main urgent economic, social and environmental problems in the Balkans, the role of European and global institutions was questioned. Are they contributing to the development of the region? And what are the pressing issues from the perspectives of civil society and NGOs?

The Stability Pact Watch Group shared their experiences in monitor-

ing the projects financed by the International Financial Institutions within the frame of the Stability Pact for South and Eastern Europe. Ivona Malbasic (CEE Bankwatch Network) addressed the issues from the perspective of the financial implications, and the social and environmental impacts of the projects. She also presented alternatives to the reconstruction process.

Keti Medarova (For the Earth, Bulgaria) described the case of the Sofia airport extension. This was presented as a glaring example of a dubious project, one which has failed to take into account public concerns, one which will have significant negative impacts on the environment and human health, and one where the Environmental Impact Assessment procedure violates European and national environmental legislation.

Andrei Kovatchev (Balkani Wildlife, Bulgaria) presented the Struma

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Local people against new pipeline

An environmental impact assessment (EIA) presentation of a part of the new gas pipeline in Croatia that would connect the existing network of offshore gas fields in the Adriatic Sea with Karlovac, a city near Zagreb, has been held in the town of Fazana on the Adriatic coast. Local people strongly oppose the new pipeline and gas terminal. The pipeline is due to pass through several municipalities in Istria. However, the public hearing was held only in the municipality of Fazana.

From Pula to Krlovac the gas pipeline will measure 200 kilometres, with approximately 92 percent passing through Istria. The pipeline requires that 400 000 square metres of the forests in Istria county will have to be

cut down, reported Voice of Istria, a local newspaper (August 1, 2003). In addition, no housing will be allowed within a 30 metre zone on both sides of the pipeline.

Other than the pipeline itself, a gas terminal is set to be built near Pula. After 18-20 years, by which time the Croatian gas supply will have been exhausted, the terminal is due to serve as a pressure booster station. “Noise coming from the station could be reduced with good quality isolation,” said Niko Malbasa from Ekonerg Holding who carried out the EIA.

One of the questions raised during the EIA presentation was related to the part of the pipeline that will pass through the sea. It was said that the EIA for that part of the pipeline had been carried out a couple of years ago. Local people were

also interested to learn whether or not they would be able to continue with fishing activities in the area where the pipeline would go through the sea. “If the pipeline is buried under the sea, then fishing can continue without any limitations. However, if the pipeline is simply put on the sea bed, fishing will not be allowed in that area,” said Mr. Jaroslav Dolezal from INAgip. However, Mr. Dolezal could not comment on whether the pipeline would be buried or simply put on the sea bed.

“Petitions will not stop the pipeline”

During the EIA consultations local people have been asking about possible alternative routes for the pipeline and whether the location of the gas terminal could be changed. The answer was a standard eastern Europe one - this route

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IMF Official Meets with Moldovan Premier (RFE/RL June 18)

International Monetary Fund (IMF) Executive Director Jeroen Kremers, who is on a five-day visit to Moldova, met on 17 June with Prime Minister Vasile Tarlev, Flux reported. Tarlev said Moldova wants a "transparent and constructive" relationship with the fund. He also said his cabinet wants to extend help to small and medium-sized enterprises and to reduce taxation, and is asking the IMF to help it achieve these goals. He also said Moldova is hoping to receive substantially greater funding from the IMF and the World Bank. Kremers said the IMF's relations with Moldova are good and that he is prepared personally to plead Moldova's cause to bring about an improvement in the country's relations with international lending organizations. «

Investment Energy Projects Discussed with EBRD (Bulgarian News.Com June 23)

Energy Minister Milko Kovachev left Monday on a two-day working visit to Great Britain to discuss with representatives of the European Bank for Reconstruction and Development investment projects in the Bulgaria's energy sector included in the bank's portfolio. These include the modernization of Maritza Iztok 2 thermal power plant and the heating services in Sofia and Pernik. «

Free Policy Documents: Public Information Policy, Independent Recourse Mechanism and the Environmental Policy (EBRD)

Please be advised that the three policy documents (Public Information Policy, Independent Recourse Mechanism and the Environmental Policy) approved by the Board of Directors, the associated comments received during the public consultation period and management response are available on European Bank for Reconstruction and Development web site at the following addresses: Public Information Policy: <<http://www.ebrd.com/out/policies/pip/main.htm>>.

Independent Recourse Mechanism <<http://www.ebrd.com/about/policies/irm/main.htm>>

Environment Policy <<http://www.ebrd.com/about/policies/enviro/policy/main.htm>> «

Doina Caloianu Manager of Outreach and NGO Relations European Bank for Reconstruction and Development One Exchange Square, London EC2A 2JN Tel: +44207338 6620; Fax: +44207338 6102, www.ebrd.com/opp_or/ngo «

More money for Sofia airport



Construction of the new Sofia airport terminal has been delayed for almost four months due to the Austrian constructing company "Strabag International" requesting a change in the project design. A recently conducted geological study shows that the terrain is unstable and it is necessary for the project to be altered. The stabilisation of the terrain will increase the total cost of the terminal construction by EUR 4,5 million.

Bulgarian environmental NGOs and independent experts have argued since the beginning of the project's development about the inappropriate location of the terminal building. Although this

issue has been addressed in numerous letters to national and European authorities, these concerns have never been taken on board. NGOs have argued that the unstable terrain will not only increase the price of the construction, but will also require additional money for maintenance.

This amendment to the project design must be approved by the Bulgarian Ministry of the Regional Development and afterwards by the European Investment Bank, which pledged a EUR 60 million loan for the project in 1997. This will delay the implementation of the project. The current plan is that the new terminal building should be ready in 2005.

The first financial contract between the Bulgarian government and the EIB concerning the Sofia airport project was drawn up in 1997. Due to delays in the project development, the financial contract had to be revised by the Bank in 2002. The Bulgarian government had to pay EUR 100 000 for the revision. The Bulgarian authorities admit that the EIB may not approve the current requested change. «

Regional Environment Content Sharing in South Eastern Europe

By Milena Georgieva, Bluelink Bulgaria



A content sharing platform (www.see-environment.info) is currently being used by eight environment NGO networks from South Eastern Europe (SEE). The initiative aims to strengthen environmental information exchange in the SEE region through online content sharing and joint information flow.

On the content sharing platform you can find news about important events, meetings and decisions that will affect the Balkan region; campaigns and NGO initiatives to tackle 'hot' problems as well as announcements from the region. You can also become an active participant in the information exchange through the local electronic network.

The platform focuses on the following NGO needs and priorities:

- Information about potential partners
- Environment NGOs and their activities in the region
- Information about funding opportunities and available donors in the region
- Learning from each other: sharing NGO experiences and best practices
- Identifying common problems and searching for the best solutions
- Improving communication in the region and making it more efficient
- Information about multilateral environmental agreements and EU legislation implementation in each of the participant countries.

For further details on the platform, please contact one of the project partners:

- Albania - Center for Electronic

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EBRD Issues Guarantee for Infrastructure Projects in Macedonia (RFE/RL, July 16).

The European Bank for Reconstruction and Development (EBRD) signed an agreement with the Macedonian government on 15 July regarding guarantees for a USD 45.2 million loan slated for two major highway-construction projects that are parts of the Pan-European Transport Corridors No. 8 and No. 10, MIA news agency reported. The money, which will be provided by Britain and France, is to be used for a section of the Skopje ring highway and a short portion of highway in southern Macedonia (see "RFE/RL Newsline," 14 July 2003). In related news, the EU will grant Macedonia some USD 43.5 million under the Community Assistance for Reconstruction, Development, and Stabilization (CARDS) program in 2003, "Utrinski vesnik" reported. «

Coming soon: Balkan Film Festival on International Financial Institutions

September - October 2003
Sofia, Banja Luka, Belgrade, Zagreb

The Bulgarian environmental association "Za Zemiata", in cooperation with the World Bank Bonds Boycott Campaign Europe, are launching a film festival on International Financial Institutions (IFIs), scheduled to take place in Zagreb, Banja Luka, Belgrade and Sofia. The program of the event includes movies, presenting various areas of impact of the major multilateral financial institutions, active on the Balkans. The World Bank, the European Investment Bank, the Pre-accession Funds of the EU, together with the IMF and WTO are the issues of concern during all program days.

A special feature of the festival will be the talks, carried out in-between the film-screenings. During these, speakers will

built upon the content of the films with putting a spotlight on relevant local cases, such as: the "Balkan Stability Pact", "Sofia Airport", "E 79 transport corridor", "Bulgaria Forest Development Project", "Bansko Ski Zone in Pirin National Park". Discussions over the means of civil participation in monitoring and influencing the agendas of the IFIs active on the Balkans are also scheduled.

The try out of the festival is happening in Sofia, Sept 29th and Oct 1st. For the rest of the towns the exact dates are to be confirmed. For detailed information on venues and program of the "Balkan Film Festival on IFIs" please refer to

www.wbbeurope.org
or contact Filka Sekulova at
filka@aseed.antenna.nl «

Balkan NGOs Regional Meeting

The Stability Pact Watch Group is organising a Balkan NGOs Regional Meeting, which focus will be the development of the economic reconstruction process within the frames of the Stability Pact Initiative and its impacts on people and environment.

The meeting will take place between 26-28th of September 2003 in Sofia, Bulgaria. Its goal is to gather representatives of different NGOs from each Balkan country and to get them involved

in the Pact's monitoring activities.

The organisers will present the Stability Pact Watch project (www.stabilitypact-watch.info) and will share their experience, so far. The meeting will include training on monitoring the International Financial Institutions (IFIs) and the European Union's pre-accession funds for the Balkans. Movies, depicting the negative impacts on people and environment of projects financed by the IFIs, will be also shown.

For further information visit:
www.stabilitypactwatch.info
or write to Ketj Medarova:
ketj@bankwatch.org

Stability Pact Chief Warns Balkan Countries against Inflated EU Ambitions

(RFE/RL August 10)

Erhard Busek, who heads the EU-led Balkan Stability Pact, which is a clearinghouse for aid and development projects, wrote in Munich's "Sueddeutsche Zeitung" on 1 August that western Balkan countries must be patient if they want to join the Brussels-based bloc. He warned would-be members against setting overly ambitious and arbitrary target dates for EU membership, singling out Croatian and Serbian hopes for joining in 2007 in that regard.

Busek reminded western Balkan countries that EU membership is neither a right, a gift, nor a "beauty contest," adding that long negotiations and an extensive restructuring of a country's legal system are at the core of the membership process that the countries themselves chose to begin. The EU has been generous with western Balkan countries, and the Greek EU Presidency in the first half of 2003 did much to advance their cause for membership, Busek argued. «

Bosnia and Herzegovina: World Bank Approves Two Credits

WB Press Release, June 13

The World Bank's Board of Executive Directors this week approved two credits for Bosnia and Herzegovina: the Social Insurance Technical Assistance Project for USD 7.0 million, and the Forest Development And Conservation Project, for USD 3.74 million. The Social Insurance Technical Assistance Project will strengthen the effectiveness and efficiency of health and pension insurance systems by providing high quality technical assistance

and training to help implement existing reforms and help design options for future social insurance reforms. The project will provide technical assistance that will facilitate the learning process of the institutions by addressing three main areas: effective implementation of health and pension-related reforms; an in-depth analysis of the key policy issues which affect health and pension insurance systems to develop well-founded recommendations for future reforms; and technical assistance and limit-

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Bosnia and Herzegovina: World Bank Approves Two Credits

ed investment support to strengthen those aspects of extra budgetary funds operations that are likely to be part of their core mandate, whatever the policy framework within which they operate. Implementing agencies, including the Ministries of Health, Labor, Pension Funds, and Health Insurance Funds, will benefit from the project, and by extension, so will the constituencies they serve. Benefits will include improved strategic and business planning, information management skills, and human resources policies; better policy advice based on high-quality analysis and information technology that assists the analysis; and, for the general public, more information about health policies and priorities.

The Forest Development And Conservation Project will assist with the implementation of mandated reforms in forest organization and management, which are expected to lead to better forest management, increased revenues from forest resources, and participatory approaches in forest and protected area land use planning through pilot learning activities. In addition, the project is expected to improve ownership of the reform process at the canton level. Local benefits from the project will include recreation, employment opportunities from tourism, and watershed protection, as well as the maintenance of gene pools for forest products harvested and used by the local population, including berries and mushrooms. Since joining the World Bank in 1996, commitments to Bosnia and Herzegovina total approximately USD 970 million for 47 projects. «

Skopje Bypass: Is the fight over?

by Ana Colovic, Eco-sense



The community near Skopje in Macedonia has been opposing the construction of the Skopje Bypass road because they believe it will destroy their peaceful lifestyle and clean environment.

With the support of more than 25 non-governmental organisations from more than 17 countries in Europe, the community has made great efforts to inform and urge the government of Macedonia, the European Bank for Reconstruction and Development (the project financier) and the Road Fund (the constructor) to alter the route and save the environment. However, the EBRD's Board of Directors approved the project on May 19 and the government signed the loan agreement on July 15 this year.

The Environmental Management Plan for the project requires the Macedonian government to establish an Environmental Monitoring and Advisory Group - a committee responsible for monitoring the implementation of the plan. Once construction activities begin, the Environmental Monitoring and Advisory Group is supposed to be

fully operational. The Group will be chaired by the Environmental Monitor, an independent expert to be appointed by the EBRD. The Group should include representatives from the ministries of Transport and Environment, the Road Fund, the local affected communities of Volkovo and Orman as well as interested non-governmental organisations.

The affected community has already organised a press-conference where a large number of national TV stations attended. The bypass problem areas were broadcast and the public is regularly being kept up to date on the negative impacts the road will have on these communities.

Currently, a baptistry is being built



on church property and regrettably this area is set to be affected by the bypass. The local community is vehement in its opposition to the church being disrupted in this way by a large increase in traffic volume. Their fight will not end here.

For more information, visit www.ekosvest.com.mk

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Regional Environment Content Sharing in South Eastern Europe

Communication (www.qke-al.org);
 - Bosnia and Herzegovina - EkoMreza BiH (www.ekomrezabih.net);
 - Bulgaria - BlueLink Information Network (www.bluelink.net);
 - Croatia - Zelena Istra (www.zelena-istra.hr);
 - Kosovo - SharriNet

(www.sharri.net);
 - Moldova - OrangeNet (www.orangenet.md);
 - Romania - StrawberryNet (www.ngo.ro) and Serbia and - Montenegro - Volvox (www.erc.org.yu)

The team would appreciate your feedback, comments and suggestions regarding this initiative. NGOs are welcome to publish information about their activities, initiatives, campaigns, and successful stories. «

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www.stabilitypactwatch.info

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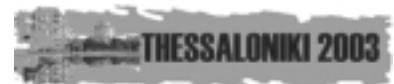
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Another Balkans is possible

motorway project which is being financed by the PHARE pre-accession funds of the EU. The motorway is set to pass through the gorge, a natural habitat which is home to great biodiversity, as well as the town of Kresna, destroying local people's fertile agricultural land, polluting the air and preventing the development of tourism in the region.

Other presentations held during the seminar included questions on the integration of the Balkan countries into the European Union by Ljubisa Vrencev (Europe from Below, Serbia and Montenegro), the movements' support



for EU enlargement to Balkan countries by Catherine Samary (University Paris-IX Dauphine, ATTAC France) and the possibilities for inter-Balkan cooperation by Panos Trigazis (Monitor of International Organisations and Globalisation, Greece).

An emphasis on the establishment and enlargement of the existing networks active in the region was one of the main messages coming from the Forum, along with the need for cooperation between various civic initiatives to find alternative development paths. «

II Regional SEEENN Conference

The 2nd Regional SEEENN (South Eastern European Environmental NGOs Network) Conference took place on June 6-9 2003 in Belgrade, hosted by the Young Researchers of Serbia.

The conference set out to give clear directions on SEEENN development as well as NGO involvement in (?full name?) REReP and the Stability Pact. The aim was to define SEEENN activities for the next three years and to strengthen NGO regional cooperation on priority environmental issues.

During the four days of the conference there was an environmental NGOs fair, which enabled the participating NGOs from across the region to present their work, current campaigns and initiatives dedicated to environment protection. There was a presentation of the Stability Pact Watch Group's project, which monitors the activities of the International Financial Institutions and the European Union within the frame of the SEE Stability Pact.

A working group on Stability Pact issues was formed, in which nine people participated. The main objectives were drawn up - to involve more Balkan NGOs in Stability Pact Watch activities, to strengthen their capacity, and thus ensure that NGOs play a significant role as watchdogs in the Balkans region as well as lobby for greater access to public information and public participation in the reconstruction process.

Other working groups on biodiversity, energy, organic agriculture and SEEE NN issues were also established. There were presentations on a GMO project in Serbia, the Johannesburg World Summit for Development and its implications for the SEE, REReP activities and results, further steps and development. One of the most important sessions of the conference saw the adoption of the SEEENN statute, as well as the adoption of the General Agenda for 2003-2006.

The conference overlapped with the celebration for World Environment Protection Day and regional promotion of Green Week. «

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Local people against new pipeline

has been chosen on the basis of a 20 year old plan developed by Istrian authorities!

More controversial was the attitude of the company that carried out the EIA, saying that "Signatures and comments, no matter how numerous, will have no impact!" Mr. Malbasa continued: "Comments have to be in written form with arguments against the project. In such cases, experts will answer those who have signed the letters."

Although most of the people were against the project, there were a couple of voices defending the investment, notably investors from Plinacro and a reporter from Vecernji List, a major Croatian daily. «