



## CEKOR- Center for Ecology and Sustainable Development

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Date: Monday, July 23, 2007

FAO: Mr Peter Covelier, EIB  
cc. Mr Gerlando Genuardi  
cc. Yvonne Berghorst  
cc. Jorge Antunes, DG Environment  
cc. Anastasios Nychas, DG Environment  
cc. Mr Francois Delcuellerie

Subject: resettlement aspects of the Gazela Bridge and Belgrade Bypass projects in Serbia

Dear Mr Covelier,

We are writing to express concerns about the resettlement aspects of the Gazela Bridge and Belgrade Bypass projects in Serbia and to ask you what steps the EIB intends to take to ensure that the quality of the resettlement of the informal Roma settlement underneath the bridge is not compromised.

According to a report in the Serbian business news portal "Economy" (16<sup>th</sup> July 2007)<sup>1</sup> the EIB has just signed a loan with Serbia on this project. The report states that work on the Gazela Bridge project will begin in October 2007 and the money must be spent by March 2010. However, we recently visited Belgrade and spoke with a number of parties involved in the project and it is clear that the resettlement plan is still at an early stage of development.

Whilst some allocations have been made for measures such as education, the locations for the physical resettlement are still unknown. It therefore seems unlikely that the relocation can proceed within the planned time frame if it is to respect the transparency and participation standards on involuntary resettlement.

In addition we are concerned that while a relatively high amount of attention is being paid to the Gazela Bridge resettlement, the situation regarding resettlement on Section A of the bypass is rarely mentioned. The Environmental Impact Assessment mentioned that a number of houses would need to be demolished but did not state how many of them are unregistered and relied on the EIA process to motivate the owners of the houses to come forward and apply for legalisation of their buildings. However, due to an inadequately publicised public consultation, this did not happen and it is not clear how many people may be affected.

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<sup>1</sup> <http://www.economy.co.yu/eng/index.php?action=news&subact=full&id=402>

We would therefore like to ask you:

1. What is the planned timeframe for each phase of the Gazela Bridge project (the resettlement, rehabilitation of the approach roads, the R 251, the bridge itself)? Can the Gazela Bridge rehabilitation commence while the rehabilitation of the Pancevo Bridge is also taking place?
2. What standards on the involuntary resettlement will the relocation follow?
3. What is the division of responsibilities between the EIB and EBRD in the resettlement?
4. In our understanding EIB loan's disbursement can only start if the project's outstanding issues are resolved. We would like to ask therefore how has the EIB addressed the issue of Roma settlement and what provisions, if any, regarding the settlement have been agreed between the EIB and the project promoter? Are these provisions reflected in the finance contract?
5. Is the EIB willing to delay disbursement of the loan until a proper solution for resettlement is found?
6. What steps has the EIB taken in order to ascertain whether there are unregistered dwellings on the route of Section A of the Belgrade Bypass which may not be considered eligible for compensation by the state?

We would also like to ask for a copy of the EIB's assessment documents on the project, including:

1. The loan agreement for the Gazela Bridge project
2. The Management's note to the Board of Directors based on which the Board approved the project and other EIB appraisal documents related to social and environmental issues.
3. We have been informed by the European Bank for Reconstruction and Development that the resettlement process would follow the World Bank's Operational Directive 4.30 on Involuntary Resettlement. According to the paragraph 30 of the Directive a time-bound resettlement plan and budget must be submitted to the Bank as a condition for initiating project appraisal. We would like to request that the EIB releases the resettlement plan and the budget.

We enclose a briefing paper detailing our findings during our recent series of meetings in Belgrade, and look forward to hearing from you.

Yours faithfully,

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