

Dear Ms Koval,

Dear Mr Jollands,

In May 2020, CEE Bankwatch Network published a briefing on the EBRD and EIB's municipal infrastructure projects in the Western Balkans (Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia and Serbia) and Eastern Europe (Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine). A year after research for this briefing was conducted and almost nine months after the COVID-19 pandemic drastically changed the patterns of life, these same issues remain, and some new ones have arisen.

Cities in these regions either planned to undergo or are currently undergoing high levels of development. It is essential that this development is done according to a strategic plan that has been drafted with the meaningful input of the residents of the city.

We, civil society organisations active on municipal infrastructure investments, would like to call the EBRD's attention to a list of issues related to the Bank's investments in municipal and environmental infrastructure in the Western Balkans and Eastern Neighbourhood countries. Namely:

- **The COVID-19 pandemic** has limited possibilities for participation in our cities while simultaneously making services more difficult to access. There have been delays in necessary public consultations, or that some have not been held at all. Despite the wealth of online tools available to facilitate public participation events, local and national authorities in many of these countries have failed to use them at all. In Sarajevo, for example, the city continued to change spatial plans during the pandemic without citizen consultations. Belgrade city authorities have proceeded with plans for a development that would endanger one of the city's largest drinking water sources, but have [prevented any public consultation in the process](#). Although these are not EBRD-funded projects, they give an indication of the way city authorities have dealt with the constraints of the pandemic and may have implications for the way EBRD municipal infrastructure projects are consulted during this period. COVID-19 has also made clear the need for access to basic services, such as water and healthcare, and has exposed cities' issues in providing them. The new conditions have strained certain services, such as public transportation, and it is uncertain how they will recover. Although some cities in our regions have seen the development of more pedestrian-friendly mobility solutions and green spaces (Tirana), these efforts are often small-scale or do not alleviate larger problems such as traffic congestion or intense, widespread construction.
- There remains an **excess of funding for overlapping strategic documents without integration**. Several plans are being financed in these cities by international development organisations, banks, and bilateral aid institutions, but the donors do not appear to be communicating with each other about these different plans and their overlap. For example, in Sarajevo and Tirana, GCAPs financed by the EBRD and sustainable urban mobility plans financed by GIZ are seen to overlap without being coordinated. Frustration is growing in the region with the use of international consultants, which prevent locals from building the capacity to conduct such work themselves. Furthermore, many cities feel that this excessive strategic plan development

has not produced any concrete results, which gives the impression that the funds are not attempting to make any actual changes to the municipalities.

- **Participation of CSOs** has remained limited and superficial. Through various GCAP processes, citizen groups have discovered that their opinions were not taken into account and that the plans were finalised without informing the groups that had participated (Zenica, Banja Luka, [Skopje](#)). In Belgrade, CSOs who requested to take part in the GCAP workshops have not been invited to attend. Participation has also been lacking in the development of specific projects and municipal spatial plans. This has only been exacerbated by the COVID-19 pandemic, which narrows the opportunities for meaningful consultation.
- **The transparency of information** about the GCAPs, EBRD-financed projects and studies prevents citizens from understanding these endeavours. At least two municipalities in this region (Banja Luka, Skopje) have finalized their GCAPs without informing the groups that participated in the drafting workshops and without allowing them to review the final document. Their names are being included on the document, which they may not agree to be associated with. Since last December, the EBRD has published two new methodologies, a policy tool for municipalities and a stakeholder engagement guidance note, but they have not accompanied this with sufficient, widespread dissemination campaigns among interested stakeholders. Although the EBRD's technical assistance for the GCAP in Sarajevo financed a good study on urban ventilation corridors, the context for the study, its financing and how it will be used was not clear to citizens, even those following the issue closely.
- There remain concerns about the **sustainability of trigger projects** for the GCAPs. This includes Banja Luka District Heating and the Belgrade Green Boulevard. The new biomass-fired district heating plant in Banja Luka is not working as it was intended, as evidenced by the fact that the old heating plant on tar oil started working at the beginning of December 2020. Outstanding questions remain about the feasibility of this technology, the sourcing of the biomass used, and the financial situation of the old and new heating plants. The Belgrade Green Boulevard remains without greenery, and although much of the street is now operating normally the hazardous construction there has continued through the autumn of 2020. It is unclear whether any of the supposed green benefits have been realized by the project. Other projects, such as the proposed waste incinerator at Vinca, are questionably sustainable according to the EU taxonomy, and the EBRD has continued to finance them under the label of 'municipal and environmental infrastructure'.
- **Gender impact assessments and action plans** are not conducted in participatory manner and are not transparently consulted in all of the EBRD's municipal efforts so far, which creates concern about the future impacts of these plans and projects on different genders and whether there will be any meaningful effort to ensure gender safeguards and measures to deal with gender-based violence and harassment.
- **Affordability assessments** are not often available, although the affordability of municipal services for citizens and vulnerable groups has been a problem in the past.

This is further exacerbated by the impacts of the COVID-19 pandemic on household incomes and local economies.

We ask that the EBRD take the following **steps** to ensure its technical assistance and investments help make our cities better places for their residents to live:

- Utilise all possible tools to **ensure meaningful citizen participation** is a part of every municipal plan and project financed by the EBRD or through an EBRD programme. The EBRD should request or encourage municipalities to have a dedicated section on their website for the project and physical information boards for public information about these projects and plans.
- Take steps to **integrate planning and projects with other donors**, and make efforts to do so known to the public.
- Make the Green Cities website a place for **public information disclosure** of documents, workshop invitations and other Green Cities-related initiatives taken by the cities. Enable municipal authorities to disclose information through your platforms and ensure that they do so. Make easily-understandable information available in multiple languages about Green Cities and the GCAPs for citizens and citizen groups to understand what the programme is.
- Make sure that **recovery efforts include participatory planning** and that they do not just benefit small-scale, cosmetic changes to cities or large utilities companies, but rather the citizens themselves and especially the most marginalized groups such as those without homes, the elderly and discriminated populations.
- Evaluate **trigger projects** more carefully in the future in accordance with EU taxonomy standards and follow up with existing trigger projects, as they are the first face of the Green Cities programme in a given city and they play a crucial role in the programme's acceptance there.
- Endure transparency and consultation on **gender action plans** and ensure that cities are **building gender and affordability concerns into** their green cities planning.
- Ensure the new cities joining the Green Cities framework **develop GCAPs through meaningful participation from all stakeholders**, meeting the highest standards set forth in the latest Green City Action Plan methodology.

Signatories:

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